

ARRANGEMENT AGREEMENT

BETWEEN

ANTRIM ENERGY INC.

- AND -

CROWN POINT VENTURES LTD.

MARCH 23, 2012

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ARRANGEMENT AGREEMENT

THIS ARRANGEMENT AGREEMENT is dated as of the 23rd day of March, 2012,

BETWEEN:

ANTRIM ENERGY INC., a corporation incorporated pursuant to the laws of the Province of Alberta (hereinafter referred to as "**Vendor**")

AND:

CROWN POINT VENTURES LTD., a corporation incorporated pursuant to the laws of the Province of British Columbia (hereinafter referred to as "**Purchaser**")

WHEREAS:

- A. Purchaser wishes to directly or indirectly acquire all of the issued and outstanding shares and indebtedness of Antrim Argentina;
- B. Purchaser and Vendor wish to propose an arrangement involving, among other things: (i) the acquisition by Purchaser of all of the issued and outstanding shares and indebtedness of Antrim Argentina in exchange for the payment to Vendor of the Cash Consideration and the issuance to Vendor of the Share Consideration; and (ii) the distribution of the Share Consideration by Vendor to the Vendor Shareholders;
- C. the Parties intend to carry out the transactions contemplated herein by way of a plan of arrangement under the provisions of the ABCA; and
- D. 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) "**Affiliate**" means, with respect to a particular Person, another Person that controls, is controlled by, or is under common control with, that particular Person. For the purposes of this Agreement, a Person "**controls**" another Person (other than an individual) if the first Person:
 - (i) holds more than 50% of the voting securities of such other Person; or
 - (ii) has power to appoint a majority of the board of directors or comparable body of such other Person;
or

- (iii) is entitled to more than 50% of the profits of such other Person or, in the event of a dissolution, to more than 50% of the assets of such other Person; or
 - (iv) otherwise has the power to direct or cause the direction of management or policies of such other Person, in each case, regardless of whether such right or power is held or exercisable directly or through intermediaries or whether such right or power is held beneficially or as a trustee, guardian or similar capacity. In addition, if such other Person is a partnership and all of the partners therein would be considered "Affiliates" of each other as provided above in this Section 1.1(b), such partnership shall be deemed to be an Affiliate of each such partner and each other Person that is or would be deemed to be an Affiliate of each such partner;
- (c) "**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;
 - (d) "**Anti-Trust Approval**" means all approvals, consents and authorizations required from all applicable Governmental Authorities in Argentina in connection with the Arrangement under or pursuant to the Argentina Anti-Trust Act, if any;
 - (e) "**Antrim Argentina**" means Antrim Argentina S.A., a corporation incorporated pursuant to the laws of Argentina;
 - (f) "**Antrim Argentina Acquisition Proposal**" means, other than the Arrangement or as contemplated by the Reorganization Transactions, 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 the Vendor or the Vendor Shareholders 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 securities of Antrim Argentina (including the Antrim Argentina Shares and the Inter-Company Indebtedness);
 - (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 any assets of Antrim Argentina (including the Oil and Gas Assets), except pursuant to the exercise of a Right of First Refusal;
 - (iii) an amalgamation, arrangement, merger, business combination, consolidation, share exchange or other similar transaction involving Antrim Argentina;
 - (iv) a take-over bid, issuer bid, tender offer, exchange offer, recapitalization, liquidation, dissolution, reorganization or other similar transaction involving Antrim Argentina; 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 Purchaser under this Agreement or the Arrangement;
 - (g) "**Antrim Argentina Financial Statements**" means the audited comparative financial statements of Antrim Argentina as at and for the years ended December 31, 2011 and 2010 together with the notes thereto and the auditors' report thereon, which are attached to the Disclosure Letter;
 - (h) "**Antrim Argentina Shares**" means the nominative non-endorsable common shares in the share capital of Antrim Argentina;

- (i) **"Antrim Canada Acquisition Proposal"** means, other than the Arrangement or as contemplated by the Reorganization Transactions, 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 Vendor or the Vendor Shareholders 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 Vendor or any one or more of its subsidiaries representing 20% or more of the voting securities or other equity interests in Vendor or any one or more of its subsidiaries (or securities convertible into or exercisable for 20% or more of such shares 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 Vendor or any one or more of its subsidiaries that contribute 20% or more of the consolidated revenue of Vendor or constitute 20% or more of the consolidated assets of Vendor;
 - (iii) an amalgamation, arrangement, merger, business combination, consolidation, share exchange or other similar transaction involving Vendor or any one or more of its subsidiaries;
 - (iv) a take-over bid, issuer bid, tender offer, exchange offer, recapitalization, liquidation, dissolution, reorganization or other similar transaction involving Vendor or any one or more of its 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 Purchaser under this Agreement or the Arrangement;

except that for the purpose of the definition of "Antrim Canada Superior Corporate Acquisition Proposal" below, the references in the definition of "Antrim Canada Acquisition Proposal" to: (A) "20% or more of the voting securities or other equity interests" shall be deemed to be references to "100% of the voting securities or other equity interests"; (B) "20% or more of such shares or interests" shall be deemed to be references to "100% of such shares or interests"; (C) "20% or more of the consolidated revenue" shall be deemed to be references to "all of the consolidated revenue"; and (D) "20% or more of the consolidated assets" shall be deemed to be references to "all of the consolidated assets";

- (j) **"Antrim Canada Superior Corporate Acquisition Proposal"** means an unsolicited written *bona fide* Antrim Canada Acquisition Proposal made after the date hereof from a Person:
- (i) that in the case of Section 3.4(b)(vi) that funds or other consideration necessary for the Antrim Canada Acquisition Proposal are or are likely to be available, and in the case of Sections 3.4(b)(vii) and 3.4(d) that funds or other consideration necessary for the Antrim Canada Acquisition Proposal are available, in each case as demonstrated to the satisfaction of the Vendor Board of Directors, 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; and
 - (iv) in respect of which the Vendor Board of Directors determined in good faith (after the receipt of advice from their legal counsel with respect to paragraph (A) and their financial advisors with respect to paragraph (B)) that: (A) as reflected in the minutes of the Vendor Board of Directors, in

the case of Section 3.4(b)(vi) failure to take such action would be inconsistent with their fiduciary duties, and in the case of Sections 3.4(b)(vii) and 3.4(d) failure to recommend such Antrim Canada Acquisition Proposal to Vendor Shareholders would be inconsistent with their fiduciary duties, and (B) such Antrim Canada 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 Vendor Shareholders from a financial point of view than the transactions contemplated by this Agreement;

- (k) "**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;
- (l) "**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;
- (m) "**Argentina**" means the Argentine Republic and shall include:
 - (i) any political subdivision thereof;
 - (ii) the government and any ministry, department, agency or branch thereof or of a political subdivision thereof; and
 - (iii) any agency thereof or of a political subdivision thereof;
- (n) "**Argentina Anti-Trust Act**" means Argentina Law No. 25,156;
- (o) "**Argentine GAAP**" means accounting principles generally accepted in Argentina at the relevant time applied on a consistent basis;
- (p) "**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;
- (q) "**Arrangement Resolution**" means the special resolution of Vendor Shareholders in respect of the Arrangement to be considered at the Vendor Meeting, in substantially the form attached as Exhibit B hereto;
- (r) "**Articles of Arrangement**" means the articles of arrangement to be prepared by Vendor, with the cooperation, consultation and prior approval of Purchaser, 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;
- (s) "**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;
- (t) "**CanAmericas**" means CanAmericas (Argentina) Energy Ltd., a corporation incorporated pursuant to the laws of the Province of Alberta;
- (u) "**Cash Consideration**" means the amount of \$10,262,356;

- (i) plus the aggregate amount repaid by Tripetrol Petroleum S.A. to Antrim Argentina prior to the Effective Time on account of the Tripetrol Notes that exceeds the amount of \$350,000, if any (the "**Additional Note Payments**");
- (ii) less the Severance Costs incurred by Antrim Argentina;
- (iii) less the Transaction Costs incurred by Antrim Argentina;

provided that any such Additional Note Payments, Severance Costs and/or Transaction Costs that are denominated in a currency other than Canadian dollars shall, for the purpose of calculating the amount of the Cash Consideration, be translated into Canadian dollars using the rate of exchange in effect on the last Business Day prior to the date that such calculation is performed based on the rates published on the Bank of Canada's website as being in effect at approximately noon on each trading day;

- (v) "**Claims**" means any claim, demand, lawsuit, proceeding, arbitration or governmental investigation;
- (w) "**Concessions**" means the Argentine petroleum and natural gas concessions designated as: CA-12 Rio Cullen, CA-13 La Angostura and CA-14 Las Violetas, including all amendments or extensions thereto and any agreements, licenses, permits and other instruments issued in replacement thereof or substituted therefor;
- (x) "**Consequential Losses**" means any consequential, indirect, incidental, punitive or exemplary damages or losses, lost or deferred profits, revenues or overheads, loss of business opportunity, loss of or delay in production, losses based on loss of use or other business interruption losses and damages, regardless of whether or not such losses or damages are or were reasonably foreseeable by the Person suffering or incurring same;
- (y) "**Consideration**" means the Cash Consideration and the Share Consideration;
- (z) "**Court**" means the Court of Queen's Bench of Alberta;
- (aa) "**Crown Point S.A.**" means Crown Point Oil & Gas S.A., a corporation incorporated pursuant to the laws of Argentina;
- (bb) "**Disclosure Letter**" means the disclosure letter dated March 23, 2012 from the Vendor to the Purchaser as amended, supplemented or otherwise agreed to between the Vendor and the Purchaser prior to the Effective Time;
- (cc) "**Dissent Rights**" means the rights of dissent granted in favour of registered Vendor Shareholders in respect of the Arrangement as described in the Plan of Arrangement;
- (dd) "**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;
- (ee) "**Effective Date**" has the meaning ascribed thereto in Section 2.1(c);
- (ff) "**Effective Time**" means 12:01 a.m. on the Effective Date;
- (gg) "**Encumbrance**" means a pledge, lien, charge, mortgage, assignment by way of security, conditional sale, title retention arrangement or other security interest, an option to purchase, a right of first refusal, right of first offer or other pre-emptive or other preferential right of purchase, a farmout or similar arrangement under which earning has not occurred, a royalty, a net profits interest, a carried interest, a right to convert a royalty on the occurrence of the payout of a well or other operation, a penalty, forfeiture or reinstatement payment arising as a result of non-participation in a well or other operation and any other adverse claim or encumbrance, whether similar or dissimilar to the foregoing;

- (hh) **"Environment"** includes air, soil, ground water, surface water, aquifers and plant and animal life;
- (ii) **"Environmental Law"** means any Applicable Law that:
- (i) is intended to protect or preserve the Environment, together with all policies, guidelines and directives that are imposed by Governmental Authorities relating to the protection or preservation of the Environment as if such policies, guidelines and directives had the force of law; or
 - (ii) relates to the storage, handling, transportation, use, disposal, spill, release or emission of toxic or hazardous substances (including any form of energy, whether contained in a substance or otherwise), including naturally occurring substances and wastes, or Reclamation Liabilities;
- (jj) **"Environmental Liabilities"** means all Losses, Liabilities and other obligations of Antrim Argentina or any Person acting for or on behalf of Antrim Argentina with respect to any of the Oil and Gas Assets in respect of the Environment or the protection thereof, including Losses, Liabilities and obligations in respect of:
- (i) contamination, pollution or other damage to or impacts on the Environment;
 - (ii) damage caused by the presence, storage, transportation, release, spill or emission of any substance (including any form of energy), including, corrosion or deterioration of structures or other property and death or injury to human beings, plants or animals;
 - (iii) the investigation, remediation, restoration or reclamation of the Environment; and
 - (iv) compliance or non-compliance with Environmental Laws, Title and Operating Documents or Permits;
- (kk) **"Exploration Permit"** means the petroleum exploration permit designated as the Cerro los Leones Exploration Permit issued by the Government of Argentina, including all concessions, leases, licenses, permits and other rights and instruments derived therefrom and all agreements, licenses, permits and other instruments in replacement thereof or substitution therefor;
- (ll) **"Final Order"** means the order of the Court approving the Arrangement to be applied for by Vendor following the Vendor Meeting and to be granted pursuant to Subsection 193(9) of the ABCA in respect of Vendor Shareholders, Vendor and Purchaser, as such order may be affirmed, amended or modified by the Court (with the consent of both Vendor and Purchaser, 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 both Vendor and Purchaser, each acting reasonably) on appeal;
- (mm) **"Foreign Public Official"** means:
- (i) a person who holds a legislative, administrative or judicial position in Argentina;
 - (ii) a person who performs public duties or functions for Argentina, including a person employed by a board, commission, corporation or other body or authority that is established to perform a duty or function on behalf of Argentina, or is performing such a duty or function; or
 - (iii) an official or agent of a public international organization that is formed by two or more states or governments, or by two or more such public international organizations;
- (nn) **"GAAP"** has the meaning ascribed thereto in Section 1.8;

- (oo) **"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;
- (pp) **"Governmental Authorization"** has the meaning ascribed thereto in Section 4.2(y);
- (qq) **"Information Circular"** means the management information circular and proxy statement of Vendor, together with all appendices thereto, to be mailed or otherwise distributed by Vendor to the Vendor Shareholders and such other securityholders of Vendor as may be required pursuant to the Interim Order in connection with the Vendor Meeting;
- (rr) **"Inter-Company Indebtedness"** means all principal indebtedness of, and all other amounts payable by, Antrim Argentina to Vendor at the Effective Time, together with all rights and benefits of Vendor to recover such indebtedness, as more fully described in the Disclosure Letter;
- (ss) **"Interim Order"** means an interim order of the Court concerning the Arrangement under Subsection 193(4) of the ABCA in respect of the Vendor Shareholders, Vendor and Purchaser, containing declarations and directions with respect to the Arrangement and the holding of the Vendor Meeting, as such order may be affirmed, amended or modified by any court of competent jurisdiction;
- (tt) **"Liabilities"** means all liabilities and obligations, whether under common law, in equity, under Applicable Law or Permits, under contract or otherwise, whether tortious, contractual, statutory or otherwise, whether absolute or contingent and whether based on fault, strict liability or otherwise;
- (uu) **"Losses"** means, in respect of a Person and in relation to a matter, all losses, costs and damages (including all penalties and fines) which such Person suffers, sustains, pays or incurs in connection with such matter and includes Taxes, reasonable costs of legal counsel (on a full indemnity basis) and other consultants and reasonable costs of investigating and defending Claims arising from such matter, regardless of whether such Claims are sustained;
- (vv) **"Material Adverse Change"** or **"Material Adverse Effect"** with respect to a Person (other than an individual) means any change, event, circumstance or development (actual, anticipated, contemplated or threatened) that has or could reasonably be expected to have a material adverse effect on the business, operations, affairs, assets (including the Oil and Gas Assets in the case of Antrim Argentina), capitalization, financial condition, prospects, licenses, permits, rights, privileges or liabilities, whether contractual or otherwise, of such Person, other than any change, event, circumstance or development resulting from: (A) conditions affecting the oil and gas industry generally in any of the jurisdictions in which such Person holds its assets, including changes in commodity prices, royalties or taxes of any kind at any time; or (B) conditions in U.S., European or global capital, credit or financial markets generally, including changes in the availability of capital or currency exchange rates; provided, however, that the change, event, circumstance or development referred to in clause (A) or (B) above does not primarily relate only to (or have the effect of primarily relating only to) the Person, or disproportionately affect the Person compared to other entities of similar size operating in the oil and gas industry in any of the jurisdictions in which the Person holds its assets, in which case the relevant exclusion shall not be applicable;

- (ww) "**Material Contract**" means any contract or commitment to which Antrim Argentina is a party or by which Antrim Argentina or the Oil and Gas Assets are bound which would require expenditures or the assumption of Liabilities by Antrim Argentina in excess of \$100,000 or has a term of one year or more, or which would be required under GAAP to be disclosed in the audited financial statements of Antrim Argentina, if such statements were prepared as at the relevant time;
- (xx) "**Miscellaneous Interests**" means, in relation to Petroleum and Natural Gas Rights or the Tangibles, Antrim Argentina's right, title and interest in and to all property, assets and rights, (other than Petroleum and Natural Gas Rights and Tangibles) directly related to such Petroleum and Natural Gas Rights or Tangibles including:
- (i) all Title and Operating Documents and other contracts and agreements to the extent they relate to such Petroleum and Natural Gas Rights or such Tangibles and any and all rights, interests and benefits in relation thereto;
 - (ii) all Records;
 - (iii) all data and information (whether in written or electronic form), including accounting records, production records, well files, environmental records, land and title records and other data;
 - (iv) all seismic data, including surveyors' ground elevation records, shot point maps, drillers' logs, shooters' records, seismograph records, seismograph magnetic tapes, monitor records, field records and record sections and maps and interpretations made therefrom, geological maps, engineering forecasts, evaluations, reserve estimates, income tax and financial records, title opinions and any archive samples including core and liquid samples and cuttings;
 - (v) all Surface Rights and all other subsisting rights to enter upon, use and occupy the surface of the lands to which such Petroleum and Natural Gas Rights relate or any lands with which the same have been pooled or unitized or the surface locations of Wells or Tangibles related to such Petroleum and Natural Gas Rights or lands which are used to gain access thereto;
 - (vi) all outstanding fiscal credit certificates and outstanding applications for any such certificates under the Government of Argentina "Oil Plus Program"; and
 - (vii) all rights in and to any benefits and incentives under the Government of Argentina "Gas Plus Program";
- (yy) "**Misrepresentation**" has the meaning ascribed thereto under the Applicable Canadian Securities Laws;
- (zz) "**Oil and Gas Assets**" means the Petroleum and Natural Gas Rights, the Tangibles and the Miscellaneous Interests;
- (aaa) "**Outside Date**" means July 31, 2012;
- (bbb) "**Parties**" means, collectively, the parties to this Agreement, and "**Party**" means any one of them;
- (ccc) "**Permits**" means, in relation to any Oil and Gas Asset, all licences, permits, approvals and authorizations granted or issued by Governmental Authorities relating to or in connection with the exploration, development and exploitation of the Oil and Gas Assets, including the drilling of wells, the construction, ownership, use or operation of any facilities, roads and structures, or the processing, handling, transportation or sale of any Petroleum Substance or other related substances;
- (ddd) "**Permitted Encumbrances**" means:
- (i) liens for Taxes or governmental charges which are not due or delinquent;

- (ii) mechanics', builders' or materialmen's liens or other undetermined or inchoate liens arising by function of law in the ordinary course of business in respect of services rendered or goods supplied for which payment is not due;
 - (iii) easements, rights of way, servitudes or other similar rights in land (including rights of way and servitudes for railways; sewers; drains; gas and oil pipelines; gas and water mains; and electric light, power, telephone, telegraph and cable television conduits, poles, wires and cables);
 - (iv) the right reserved to or vested in any Governmental Authority by the terms of any lease, licence, franchise, grant or permit or by any statutory provision to terminate any such lease, licence, franchise, grant or permit or to require annual or other periodic payments as a condition of the continuance thereof;
 - (v) undetermined or inchoate liens incurred or created as security in favour of any Person with respect to the development or operation of any of the Oil and Gas Assets, but only in regard to a Party's share of costs and expenses thereof; and
 - (vi) with respect to Antrim Argentina, the Encumbrances described in the Disclosure Letter, if any;
- (eee) "**Person**" includes any individual, firm, partnership (limited or general), joint venture, venture capital fund, association, trust, trustee, executor, administrator, legal personal representative, estate, group, body corporate, corporation, company, unincorporated association or organization, Governmental Authority, syndicate or other entity, whether or not having legal status;
- (fff) "**Petroleum and Natural Gas Rights**" means Antrim Argentina's right, title and interest in, to and under the Concessions and Exploration Permit and all rights, benefits and interests arising thereunder or derived therefrom;
- (ggg) "**Petroleum Substances**" means petroleum, natural gas, condensate, natural gas liquids and all other related hydrocarbons and all other substances produced in association therewith;
- (hhh) "**Plan of Arrangement**" means the plan of arrangement under the ABCA substantially in the form set out in Exhibit A hereto, as such plan of arrangement may be amended or supplemented from time to time in accordance with the terms thereof and hereof;
- (iii) "**Prior Period Taxes**" means the Taxes paid or payable by Antrim Argentina for or in respect of periods ending on or before the Effective Date, and excluding any Taxes payable by Antrim Argentina because of a voluntary re-filing or restating after the Effective Date of a Tax Return filed by it prior to the Effective Date;
- (jjj) "**Purchaser Balance Sheet**" has the meaning ascribed thereto in Section 4.6(o);
- (kkk) "**Purchaser Board of Directors**" means the board of directors of Purchaser, as it may be comprised from time to time, including any duly constituted and acting committee thereof;
- (lll) "**Purchaser Confidentiality Agreement**" means the Confidentiality Agreement dated February 24, 2012 between the Purchaser and Vendor in favour of the Purchaser;
- (mmm) "**Purchaser Damages Event**" has the meaning ascribed thereto in Section 7.2;
- (nnn) "**Purchaser Financial Statements**" means, collectively,
- (i) the audited comparative consolidated financial statements of Purchaser as at and for the fiscal years ended August 31, 2011 and August 31, 2010, together with the notes thereto and the auditors' report thereon; and

- (ii) the unaudited condensed interim consolidated financial statements of Purchaser as at and for the three month period ended November 30, 2011, together with the notes thereto;
- (ooo) "**Purchaser Group**" has the meaning ascribed thereto in Section 4.6(g);
- (ppp) "**Purchaser Information**" means the information included in the Information Circular describing Purchaser and the business, operations and affairs of Purchaser;
- (qqq) "**Purchaser Nominee**" has the meaning ascribed thereto in Section 3.7;
- (rrr) "**Purchaser Oil and Gas Assets**" means all of the rights, title and interests of the Purchaser Group in its petroleum and natural gas rights and leases and all related tangibles, equipment, facilities and miscellaneous interests;
- (sss) "**Purchaser Public Record**" means all information filed by or on behalf of Purchaser on and after September 1, 2011 with the Securities Authorities, in compliance, or intended compliance, with any Applicable Canadian Securities Laws;
- (ttt) "**Purchaser Shares**" means the common shares in the capital of Purchaser;
- (uuu) "**Purchaser Termination Fee**" has the meaning ascribed thereto in Section 7.2;
- (vvv) "**Reclamation Liabilities**" means all Losses, Liabilities and other obligations of Antrim Argentina or any Person acting on behalf of Antrim Argentina arising from or relating to the plugging and abandonment of wells and decommissioning and removal of tangible property and facilities, restoration and reclamation of the surface sites thereof, and restoration and reclamation of other lands used in association therewith upon abandonment, closure or cessation of operation;
- (www) "**Records**" means all documents, files and records, in whatever form, pertaining to Antrim Argentina or the Oil and Gas Assets, including the minute books and other corporate records, accounting and audit records and files relating to Antrim Argentina and all tax records and files and all other documents, files, data and information relating to Antrim Argentina, its assets or its businesses;
- (xxx) "**Registrar**" means the Registrar of Corporations or the Deputy Registrar of Corporations appointed pursuant to Section 263 of the ABCA;
- (yyy) "**Reorganization Transactions**" means certain corporate reorganization transactions to be undertaken by Vendor and its subsidiaries prior to the Effective Time as described in the Disclosure Letter and as agreed to by Purchaser;
- (zzz) "**Required Approvals**" means any approvals and authorizations for the Arrangement and the other transactions contemplated hereby that are required to be obtained prior to the Effective Time pursuant to Applicable Law or any contract or instrument;
- (aaaa) "**Right of First Refusal**" means a right of first refusal, pre-emptive right of purchase or similar right to acquire the Oil and Gas Assets or certain of them that may become operative by virtue of this Agreement or the completion of the Arrangement;
- (bbbb) "**Securities Act**" means the *Securities Act*, R.S.A. 2000, c. S-4, as amended;
- (cccc) "**Securities Authorities**" means, collectively, the securities commissions or similar securities regulatory authorities in each of the Provinces or Territories of Canada;
- (dddd) "**Severance Costs**" means all severance, termination, change of control, retention or bonus payments of any kind, or any similar such payment, payable either (i) in relation to the resignation or termination of any

- director, officer, employee or consultant of Antrim Argentina in connection with the Arrangement, or (ii) in relation to the retention of any director, officer, employee or consultant of Antrim Argentina pending closing of the Arrangement;
- (eeee) "**Share Consideration**" means the 35,761,307 Purchaser Shares to be issued by the Purchaser to Vendor pursuant to the terms of the Arrangement;
- (ffff) "**subsidiary**" has the meaning ascribed thereto in the Securities Act (and shall include all trusts or partnerships directly or indirectly owned by Vendor or Purchaser, as the case may be);
- (gggg) "**Surface Rights**" means real property interests, including fee simple interests, surface leases, licences of occupation, easements, rights-of-way, road use agreements, road crossing agreements and pipeline crossing agreements;
- (hhhh) "**Tangibles**" means Antrim Argentina's right, title and interest in and to all tangible property and assets that are used or intended for use in connection with any operations pertaining to Petroleum and Natural Gas Rights, including all Wells and all well equipment and wellbores relating thereto and casing therein;
- (iiii) "**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 and use 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 Vendor or Purchaser, as applicable (or any of their respective subsidiaries), as the case may be, is required to pay, withhold, remit or collect;
- (jjjj) "**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) which have been filed by a Party or its subsidiary or predecessor, or are required to be filed, prior to the Effective Time;
- (kkkk) "**Taxing Authority**" shall mean any Governmental Authority responsible for the imposition of any Tax (domestic or foreign);
- (llll) "**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;
- (mmmm) "**Title and Operating Documents**" means, in relation to Petroleum and Natural Gas Rights, all agreements, declarations, decisions, orders, decrees and other instruments pursuant to which the Petroleum and Natural Gas Rights or the Tangibles associated therewith were acquired and all agreements that otherwise relate to the business of exploring for, developing and exploiting reserves of Petroleum Substances to which the Petroleum and Natural Gas Rights relate, including (i) the Concessions and the Exploration Permit, (ii) assignments, operating agreements, royalty agreements, participation agreements, farmout agreements, farm-in agreements, sale and purchase agreements, pooling agreements, common

stream agreements, and Surface Rights, (iii) agreements for the transportation, processing, storage, lifting, balancing or sale of Petroleum Substances, (iv) agreements for the drilling of wells or the construction, ownership and operation of facilities, (v) seismic acquisition agreements, and (vi) Permits;

- (nnnn) "**Transaction Costs**" means all costs and expenses directly or indirectly associated with or arising from the transactions contemplated in this Agreement (including without limitation the Reorganization Transactions and the Arrangement), including all fees and disbursements of legal counsel, financial advisors, independent engineers and auditors relating to such transactions or in preparation for or in contemplation of such transactions, and including any expenses incurred by Antrim Argentina in connection with the purchase of any "trailing" or "run-off" insurance for the benefit of Antrim Argentina's past and present directors and officers;
- (oooo) "**Tripetrol Notes**" means the non-interest bearing promissory notes dated February 16, 2010 issued by Tripetrol Petroleum S.A. to Antrim Argentina;
- (pppp) "**TSX**" means the Toronto Stock Exchange;
- (qqqq) "**TSXV**" means the TSX Venture Exchange Inc.;
- (rrrr) "**United States**" means the United States of America, its territories and possessions, any state of the United States, and the District of Columbia;
- (ssss) "**U.S. Securities Act**" means the *United States Securities Act of 1933*, as amended, and the rules, regulations and orders promulgated thereunder;
- (tttt) "**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;
- (uuuu) "**Vendor Board of Directors**" means the board of directors of Vendor as it may be comprised from time to time;
- (vvvv) "**Vendor Common Shares**" means the common shares in the capital of Vendor;
- (wwww) "**Vendor Confidentiality Agreement**" means the Confidentiality Agreement dated September 11, 2011 between Vendor and Purchaser in favour of Vendor;
- (xxxx) "**Vendor Damages Event**" has the meaning ascribed thereto in Section 7.4;
- (yyyy) "**Vendor Information**" means the information included in the Information Circular describing Vendor and the business, operations and affairs of Vendor;
- (zzzz) "**Vendor Meeting**" means the special meeting of Vendor Shareholders to be held to consider the Arrangement Resolution and related matters, and any adjournment(s) thereof;
- (aaaa) "**Vendor Options**" means the outstanding stock options of Vendor, whether or not vested, entitling the holders thereof to acquire Vendor Common Shares;
- (bbbb) "**Vendor Shareholders**" means holders of Vendor Common Shares;
- (cccc) "**Vendor Termination Fee**" has the meaning ascribed thereto in Section 7.4;
- (dddd) "**Voting Agreement**" means a voting agreement in form and substance satisfactory to Purchaser, between Purchaser and each of the directors and officers of Vendor (and each affiliate of such directors and officers that owns Vendor Common Shares) and certain Vendor Shareholders, pursuant to which each such director and officer of Vendor (and affiliate thereof) and each such Vendor Shareholder thereto agrees, among other

things, to vote in favour of the Arrangement Resolution and otherwise support the transactions contemplated by this Agreement;

(eeee) "**Wells**" means all producing, shut-in, water source, observation, disposal, injection, abandoned, suspended and similar wells, whether or not completed, together with all well licenses relating thereto, currently associated with the Petroleum and Natural Gas Rights and described in the Disclosure Letter; and

(ffff) "**Working Capital**" means, as of a particular date, the current assets minus the current liabilities of Antrim Argentina as of that date, calculated in accordance with GAAP; provided, however, that:

- (i) all indebtedness between Antrim Argentina and any Affiliate of Antrim Argentina as of the relevant date shall be ignored in the calculation of Working Capital as otherwise calculated in accordance with GAAP; and
- (ii) for greater certainty, the non-current assets of Antrim Argentina shall be excluded from the calculation of Working Capital.

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 (including Exhibits hereto) 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; Derivatives

Words importing the singular number include the plural and vice versa, and words importing the use of any gender include all genders. If a word is defined in this Agreement a grammatic derivative of that word shall have a corresponding meaning.

1.4 Date for Any Action

If any 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 an action is required to be taken, such action is required to be taken on the next succeeding day which is a Business Day, as applicable, in such place.

1.5 Entire Agreement

This Agreement, the Vendor Confidentiality Agreement, the Purchaser Confidentiality Agreement and the Disclosure Letter 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 Vendor Confidentiality Agreement or the Purchaser Confidentiality Agreement, this Agreement shall supersede the Vendor Confidentiality Agreement and the Purchaser Confidentiality Agreement, as applicable.

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 Canadian generally accepted accounting principles ("**GAAP**") as at the applicable time, including where applicable, International Financial Reporting Standards, and all determinations of an accounting nature that are required to be made shall be made in a manner consistent with GAAP.

1.9 Disclosure in Writing

Reference to disclosure in writing herein shall, in the case of disclosure to Purchaser be references exclusively to the Disclosure Letter, or in the case of disclosure to Vendor, include disclosure in writing to Vendor or its representatives.

1.10 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.

1.11 Knowledge

Where any representation or warranty contained in this Agreement is expressly qualified by reference to the knowledge of Vendor or Purchaser, as applicable, it refers to the actual knowledge of Stephen Greer, Brian Moss and Douglas Olson in respect of Vendor, and Murray McCartney, Arthur Madden and Mateo Turic in respect of Purchaser, in each case after reasonable inquiry, and in each case in their capacity as officers or directors of Vendor or Purchaser, as applicable, and not in their personal capacity, as of the date of this Agreement.

1.12 Use of Industry Terms

Terms and expression that are not specifically defined in this Agreement, but which have generally accepted meanings in the custom and usage of the international petroleum and natural gas industry as of the date of this Agreement shall have such generally accepted meanings when used in this Agreement unless the contrary is specified or provided for elsewhere in this Agreement.

1.13 Use of Including

The use of "including" or "includes" or similar words or phrases in this Agreement, when following any general statement, term or matter, is not to be construed to limit such general statement, term or matter to the specific items immediately following such word to those or similar items, whether or not non-limiting language (such as "without limitation" or "but not limited to" or words or phrases of similar import) is used, but rather such references shall be construed to refer to all items that could reasonably fall within the broadest possible scope of such general statement, term or matter.

1.14 Exhibits

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

Exhibit A – Plan of Arrangement
Exhibit B – Arrangement 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) Purchaser will directly or indirectly acquire all of the issued and outstanding Antrim Argentina Shares and all Inter-Company Indebtedness from the Vendor in exchange for the Cash Consideration and the Share Consideration; and
 - (ii) Vendor will distribute the Share Consideration to the Vendor Shareholders;
- all as more particularly described in the Plan of Arrangement attached hereto as Exhibit A.
- (b) The Arrangement has been and shall continue to be structured such that on the Effective Date the issuance of the Share Consideration to Vendor and the distribution of such Share Consideration by Vendor to the Vendor Shareholders under the Arrangement: (i) will be made in compliance with Applicable Canadian Securities Laws; and (ii) assuming the Arrangement Resolution is approved and the Final Order is obtained, will not require registration under the U.S. Securities Act and the rules and regulations promulgated thereunder in reliance on Section 3(a)(10) of the U.S. Securities Act.
- (c) On the third Business Day after the last of the conditions set forth in Article 5 has been satisfied or, where not prohibited, waived by the applicable Party or Parties in whose favour the condition is, unless another time or date is agreed to in writing by the Parties, the Parties will complete the Arrangement (the "**Effective Date**") and the Arrangement shall become effective at the Effective Time whereupon 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 Purchaser or at such other location as may be agreed upon by the Parties.
- (d) The Parties shall use their commercially reasonable efforts to cause the Effective Date to occur on or about May 31, 2012 or as soon thereafter as reasonably practicable and in any event by the Outside Date.

2.2 Interim Order

Vendor agrees that as soon as reasonably practicable after the date hereof, but in any event prior to April 20, 2012, Vendor shall apply in a manner reasonably acceptable to Purchaser pursuant to Section 193 of the ABCA and, in cooperation with Purchaser, 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 Vendor Meeting, including the record date for determining the Persons to whom notice of the Vendor Meeting is to be provided and for determining the Persons entitled to vote at the Vendor Meeting;
- (b) that the securities of Vendor for which holders as at the record date established for the Vendor Meeting shall be entitled to vote on the Arrangement Resolution shall be the Vendor Common Shares;
- (c) that all Vendor Shareholders as at the record date established for the Vendor Meeting shall be entitled to vote on the Arrangement Resolution, with each Vendor Shareholder being entitled to one vote for each Vendor Common Share held by them;
- (d) that the requisite level of approval for the Arrangement Resolution shall be at least two-thirds of the aggregate votes cast on the Arrangement Resolution by those Vendor Shareholders present in person or

represented by proxy and entitled to vote at the Vendor Meeting, together with such other approval as may be required by Applicable Canadian Securities Laws or the rules of the TSX;

- (e) that, in all other respects, the terms, restrictions and conditions of the constating documents of Vendor, including quorum requirements and all other matters, shall apply in respect of the Vendor Meeting;
- (f) for the grant of the Dissent Rights;
- (g) for the notice requirements with respect to the presentation of the application to the Court for the Final Order; and
- (h) that the Vendor Meeting may be adjourned or postponed from time to time by Vendor with the consent of Purchaser without the need for additional approval of the Court.

2.3 Information Circular

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

- (a) Purchaser shall prepare the Purchaser Information for inclusion in the Information Circular and provide the Purchaser Information to Vendor in a timely and expeditious manner;
- (b) Vendor shall prepare the Information Circular and Vendor shall ensure that the Information Circular provides Vendor 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 Laws on the date of issue thereof;
- (c) Vendor shall call and give notice of the Vendor Meeting; and
- (d) Vendor shall cause the Information Circular to be mailed to the Vendor Shareholders and such other securityholders of Vendor 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.

2.4 Preparation of Filings

- (a) Purchaser and Vendor shall cooperate in:
 - (i) seeking the Interim Order and the Final Order, including by Purchaser providing Vendor on a timely basis any information required to be supplied by Purchaser concerning itself in connection therewith. Vendor shall provide legal counsel to Purchaser 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. Vendor shall also provide legal counsel to Purchaser on a timely basis with copies of any notice of appearance and evidence served on Vendor or its legal counsel in respect of the application for the Final Order or any appeal therefrom. Subject to Applicable Laws, Vendor shall not 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 Purchaser's prior written consent, such consent not to be unreasonably withheld, conditioned or delayed; provided that nothing herein shall require Purchaser to agree or consent to any increase in the Cash Consideration or the Share Consideration to be received by Vendor or other modification or amendment to such filed or served materials that expands or increases Purchaser's obligations, or diminishes or limits Purchaser's rights, set forth in any such filed or served materials or under this Agreement; and

- (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 Purchaser and Vendor shall promptly furnish to the other 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.

2.5 Effective Date

The Arrangement shall become effective at the Effective Time on the Effective Date.

2.6 Recommendation of Vendor Board of Directors

The Vendor Board of Directors has unanimously: (i) determined that the Arrangement is in the best interests of Vendor and the Vendor Shareholders; (ii) determined that the Arrangement is fair to Vendor Shareholders; (iii) approved the Arrangement and the entering into of the Arrangement Agreement; and (iv) resolved to recommend that Vendor Shareholders vote in favour of the Arrangement.

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

2.7 Dissenting Securityholders

Registered Vendor Shareholders entitled to vote at the Vendor Meeting may exercise Dissent Rights with respect to their Vendor Common Shares in connection with the Arrangement pursuant to and in the manner set forth in the Plan of Arrangement. Vendor shall promptly give Purchaser 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 Vendor and promptly provide Purchaser with copies of such notices and written objections and all other correspondence related thereto.

2.8 Tax Matters

Purchaser shall be entitled to deduct and withhold from the Consideration otherwise payable to Vendor such amounts as Purchaser is required or reasonably believed to be required to deduct and withhold from such Consideration in accordance with applicable Tax laws. Any such amounts will be deducted and withheld from the Cash Consideration payable pursuant to the Plan of Arrangement and shall be treated for all purposes as having been paid to the Vendor, provided that such withheld amounts are actually remitted to the appropriate Taxing Authority.

Except as set forth in the following paragraph, the Consideration includes all value-added tax and all similar Taxes exigible in connection with the Arrangement. If any such Taxes are assessed in respect of the Arrangement, Vendor shall be liable for and shall pay such Taxes (including any fines, penalties, interest and other amounts relating thereto) when due and shall defend, indemnify and save harmless Purchaser and Antrim Argentina from all Losses and Liabilities suffered, sustained, paid or incurred by Purchaser or Antrim Argentina and all Claims made against Purchaser or Antrim Argentina for or in connection with such Taxes and other amounts. This paragraph shall survive the Effective Time in accordance with Section 8.6.

The Consideration does not include any amount on account of any stamp duties or any similar Taxes payable in connection with the Arrangement. Purchaser, on the one hand, and Vendor, on the other hand,

shall each be liable for and shall pay 50% of such stamp duties and all similar Taxes each as and when payable under Applicable Law.

Vendor shall be entitled to deduct and withhold from any amount otherwise payable to any Vendor Shareholder, and for greater certainty, from any amount payable to a Vendor Shareholder exercising Dissent Rights under the Plan of Arrangement, such amounts as Purchaser is required or reasonably believed to be required to deduct and withhold from such consideration in accordance with applicable Tax Laws. Any such amounts will be deducted and withheld from the consideration payable pursuant to the Plan of Arrangement and shall be treated for all purposes as having been paid to the Vendor Shareholder, in respect of which such deduction and withholding was made, provided that such withheld amounts are actually remitted to the appropriate Taxing Authority.

2.9 Voting Agreements

Vendor has, concurrent with the signing of this Agreement, delivered to Purchaser the Voting Agreements which have been executed by Vendor Shareholders holding or exercising control or discretion over not less than 50,393,687 Vendor Common Shares representing not less than 27% of the outstanding Vendor Common Shares, as detailed in the Disclosure Letter.

ARTICLE 3 COVENANTS

3.1 Covenants of Purchaser

Purchaser covenants and agrees that, from the date of this Agreement until the Effective Date or termination of this Agreement, except with the prior written consent of Vendor (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) or required by Applicable Laws:

- (a) Purchaser will use its reasonable commercial efforts to satisfy or cause the satisfaction of the conditions set forth in Section 5.1 and Section 5.3 as soon as reasonably practicable, to the extent the fulfillment of the same is within the control of Purchaser;
- (b) Purchaser will forthwith carry out the terms of the Interim Order and the Final Order to the extent applicable to it and will use its reasonable commercial efforts to assist Vendor in obtaining such orders and to carry out the intent or effect of this Agreement and the Arrangement;
- (c) Purchaser shall ensure that it has available funds or adequate financing arrangements in place to permit the payment of the Cash Consideration 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 amounts when required;
- (d) Purchaser will make all necessary filings and applications under Applicable Laws, including Applicable Canadian Securities Laws and U.S. Securities Laws required, on the part of Purchaser in connection with the transactions contemplated herein and take all reasonable action necessary to be in compliance with such Applicable Laws;
- (e) Purchaser shall conduct its business in substantially the same manner as conducted immediately prior to the date hereof and, where applicable, in accordance with good and prudent oil and gas industry standards and practices, the agreements governing the ownership and operation of its properties, and all Applicable Law;
- (f) Purchaser shall not, and (where applicable) shall not cause, permit or direct its subsidiaries to:
 - (i) issue, sell or agree to issue or sell any shares, rights, options, warrants or other securities of Purchaser, other than: (A) the grant of options to purchase Purchaser Shares pursuant to the Purchaser's stock option plan and the issuance of Purchaser Shares on exercise thereof; and (B) the

issuance of Purchaser Shares or warrants to purchase Purchaser Shares pursuant to the exercise of currently outstanding convertible securities, and the issuance of Purchaser Shares on exercise of any such warrants, the details of which are disclosed herein;

- (ii) change, amend or modify Purchaser's constating documents, other than pursuant to the continuance of Purchaser under the ABCA;
- (iii) declare, set aside, make or pay any dividend or other distribution in respect of Purchaser's securities (including the Purchaser Shares);
- (iv) change any bookkeeping, record keeping or accounting methods, practices or procedures from those used by Purchaser immediately prior to the date hereof, except as is necessary to comply with GAAP;
- (v) fail to fully and timely pay any amount when due and payable by it, except and to the extent that Purchaser is, in good faith, contesting its liability for such amount or portion thereof;
- (vi) reduce the stated capital of Purchaser or any of its subsidiaries; and
- (vii) adopt a plan of liquidation or resolutions providing for the liquidation, dissolution, merger, consolidation or reorganization of Purchaser (other than any internal reorganization involving only Purchaser and its Affiliates), provided that the Vendor Board of Directors shall be permitted to respond as required by Applicable Law to any unsolicited bona fide arm's length proposal that contemplates the acquisition (directly or indirectly) by such arm's length party (or an Affiliate thereof) of all or substantially all of the securities or assets of Purchaser;

or agree to do any of the foregoing;

- (g) Purchaser 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 that became due prior to the Effective Date;
- (h) Purchaser shall not take any action, refrain from taking any action, or 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 in accordance with the terms and conditions herein;
- (i) Purchaser shall promptly notify Vendor in writing of any Material Adverse Change with respect to Purchaser or of any change in any representation or warranty provided by Purchaser in this Agreement which change is or may be of such a nature as to render any representation or warranty misleading or untrue in any material respect and Purchaser shall in good faith discuss with Vendor any such change in circumstances (actual, anticipated, contemplated, or to the knowledge of Purchaser, threatened) which is of such a nature that there may be a reasonable question as to whether notice need be given to Vendor pursuant to this provision;
- (j) Purchaser shall indemnify and save harmless Vendor, its subsidiaries and their respective directors, officers, employees, advisors and agents from and against any and all Claims, Losses and Liabilities (excluding any Consequential Losses) to which Vendor, its subsidiaries and their respective directors, officers, employees, advisors or agents may be subject or which Vendor, its subsidiaries and their respective directors, officers, employees, advisors or agents 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 Purchaser Information included in the Information Circular;
- (ii) any order made or any inquiry, investigation or proceeding by any securities commission or other competent authority based upon any Misrepresentation or any alleged Misrepresentation in any material filed by or on behalf of Purchaser in compliance or intended compliance with Applicable Laws; and
- (iii) Purchaser not complying with any requirement of Applicable Laws in connection with the transactions contemplated in this Agreement;

except that Purchaser shall not be liable in any such case to the extent that any such Claims, Losses and Liabilities arise out of or are based upon any Misrepresentation or alleged Misrepresentation based on the Vendor Information, the negligence of Vendor or the non-compliance by Vendor with any requirement of Applicable Laws in connection with the transactions contemplated in this Agreement. This paragraph shall survive the Effective Time in accordance with Section 8.6;

- (k) subject to Section 10.3, and except for non-substantive communications with third parties and communications to legal and other advisors of Purchaser, Purchaser will furnish promptly to Vendor: (i) a copy of each notice, report, schedule or other document delivered, filed or received by Purchaser in connection with the Arrangement from any Governmental Authority; (ii) any filings under Applicable Laws in connection with the Arrangement; and (iii) any documents related to dealings with Governmental Authorities in connection with the transactions contemplated herein;
- (l) Purchaser will use its reasonable commercial efforts to obtain approval for the Arrangement and the transactions contemplated thereby from the TSXV, including the listing of the Share Consideration to be issued pursuant to the Arrangement on the TSXV;
- (m) except as contemplated herein, Purchaser shall not take any action that would render, or may reasonably be expected to render, any representation or warranty made by Purchaser in this Agreement untrue in any material respect;
- (n) Purchaser shall use its reasonable commercial efforts to obtain and maintain the Required Approvals applicable to it and provide the same to the Vendor on or prior to the Effective Date;
- (o) Purchaser shall take all commercially reasonable actions to give effect to the transactions contemplated by this Agreement and the Plan of Arrangement;
- (p) Purchaser shall promptly advise Vendor in writing:
 - (i) of any event, condition or circumstance that might be reasonably expected to cause any representation or warranty of Purchaser contained in this Agreement to be untrue or inaccurate in any material respect on the Effective Date (or in the case of any representation or warranty made as of a specified date, as of such specified date); and
 - (ii) of any material breach by Purchaser of any covenant, obligation or agreement contained in this Agreement; and
- (q) the Purchaser Board of Directors shall appoint Mr. Brian J. Moss to the Purchaser Board of Directors on the Effective Date (subject to the approval of the TSXV).

3.2 Covenants of Vendor

Vendor covenants and agrees that, from the date of this Agreement until the Effective Date or termination of this Agreement, except with the prior written consent of Purchaser, except as otherwise expressly

permitted or specifically contemplated by this Agreement (including the Plan of Arrangement) or required by Applicable Laws, and except as is necessary in connection with the completion of the Reorganization Transactions:

- (a) Vendor will use its reasonable commercial efforts to satisfy or cause the satisfaction of the conditions set forth in Sections 5.1 and 5.2 as soon as practicable, to the extent the satisfaction of the same is within the control of Vendor;
- (b) Vendor will forthwith carry out the terms of the Interim Order and the Final Order to the extent applicable to it;
- (c) Vendor will make all necessary filings and applications under Applicable Laws, including Applicable Canadian Securities Laws and U.S. Securities Laws, if applicable, required to be made on the part of Vendor in connection with the transactions contemplated herein and shall take all reasonable action necessary to be in compliance with such Applicable Laws;
- (d) Vendor will not take any action, refrain from taking any action, or 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 and the transactions contemplated hereby;
- (e) Vendor will provide Purchaser with all information and documentation reasonably requested in connection with obtaining any Required Approvals;
- (f) Vendor shall not take any action, refrain from taking any action, or permit any action to be taken that would render, or may reasonably be expected to render, any representation or warranty made by it in this Agreement untrue in any material respect at any time prior to the Effective Date or termination of this Agreement, whichever first occurs;
- (g) Vendor shall promptly notify Purchaser in writing of any Material Adverse Change with respect to Antrim Argentina or of any change in any representation or warranty provided by Vendor in this Agreement which change is or may be of such a nature as to render any representation or warranty misleading or untrue in any material respect and Vendor shall in good faith discuss with Purchaser any such change in circumstances (actual, anticipated, contemplated, or to the knowledge of Vendor, threatened) which is of such a nature that there may be a reasonable question as to whether notice need be given to Purchaser pursuant to this provision;
- (h) Vendor shall promptly advise Purchaser in writing of any material breach by Vendor of any covenant, obligation or agreement contained in this Agreement;
- (i) Vendor shall use its reasonable commercial efforts to obtain and maintain the Required Approvals applicable to it and provide the same to Purchaser on or prior to the Effective Date;
- (j) Vendor shall ensure that the Information Circular complies with Applicable Laws and, without limiting the generality of the foregoing, that the Information Circular will not contain a Misrepresentation and provides Vendor Shareholders with information in sufficient detail to permit them to form a reasoned judgment concerning the matters before them, and, in that regard, the Information Circular will set out the Purchaser Information in the form approved by Purchaser and the Vendor Information in the form approved by Vendor, and shall include (i) any financial statements that are required to be included therein in accordance with Applicable Laws, (ii) disclosure of the approvals, determinations and resolutions of the Vendor Board of Directors referred to in Section 2.6, and (iii) the fairness opinion of Vendor's financial advisor referred to in Section 2.6;
- (k) Purchaser and its legal counsel shall be given a reasonable opportunity to review and comment on drafts of the Information Circular and other documents related thereto, and reasonable consideration shall be given to any comments made by Purchaser and its counsel, provided that all Purchaser Information included in the Information Circular shall be in form and content satisfactory to Purchaser, acting reasonably;

- (l) Vendor shall provide notice to Purchaser of the Vendor Meeting and allow Purchaser's representatives and legal counsel to attend such Vendor Meeting;
- (m) Vendor shall indemnify and save harmless Purchaser, its affiliates and subsidiaries and their respective directors, officers, employees, advisors and agents from and against any and all Claims, Losses and Liabilities (excluding any Consequential Losses) to which Purchaser, its affiliates or subsidiaries or their respective directors, officers, employees, advisors or agents may be subject or which Purchaser, its affiliates or subsidiaries or their respective directors, officers, employees, advisors or agents 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 in the Vendor Information included in the Information Circular or in any material, document or information filed by or on behalf of Vendor in compliance or intended compliance with any Applicable Laws;
 - (ii) any order made or any inquiry, investigation or proceeding by any securities commission or other competent authority based upon any Misrepresentation or any alleged Misrepresentation in the Vendor Information included in the Information Circular or in any material filed by or on behalf of Vendor in compliance or intended compliance with Applicable Canadian Securities Laws; and
 - (iii) Vendor not complying with any requirement of Applicable Laws in connection with the transactions contemplated in this Agreement;

except that Vendor shall not be liable in any such case to the extent that any such Claims, Losses and Liabilities arise out of or are based upon any Misrepresentation or alleged Misrepresentation based solely on the Purchaser Information included in the Information Circular, the negligence of Purchaser or the non-compliance by Purchaser with any requirement of Applicable Laws in connection with the transactions contemplated by this Agreement. This paragraph shall survive the Effective Time in accordance with Section 8.6;

- (n) subject to Section 10.3, except for proxies and other non-substantive communications with securityholders, Vendor will furnish promptly to Purchaser or Purchaser's counsel, a copy of each notice, report, schedule or other document delivered, filed or received by Vendor in connection with: (i) the Arrangement; (ii) the Vendor Meeting; (iii) any filings under Applicable Laws; and (iv) any dealings with Governmental Authorities in connection with the transactions contemplated hereby;
- (o) Vendor shall conduct the Vendor Meeting in accordance with the by-laws of Vendor, the ABCA, Applicable Canadian Securities Laws and any instrument governing the Vendor Meeting (including, without limitation, the Interim Order), as applicable, and as otherwise required by Applicable Laws;
- (p) Vendor will take all commercially reasonable actions to give effect to the transactions contemplated by this Agreement and the Plan of Arrangement;
- (q) Vendor shall promptly advise Purchaser of the number of Vendor Common Shares for which Vendor receives notices of dissent or written objections to the Arrangement and provide Purchaser with copies of such notices and written objections, and subject to Applicable Laws, shall provide Purchaser with an opportunity to review and comment upon any written communications proposed to be sent by or on behalf of Vendor to any Vendor Shareholder exercising or purporting to exercise Dissent Rights in relation to the Arrangement Resolution and reasonable consideration shall be given to any comments made by Purchaser and its counsel prior to sending any such written communications. Vendor shall not settle any claims with respect to Dissent Rights without the prior written consent of Purchaser (which consent may be withheld in Purchaser's sole and absolute discretion);
- (r) Vendor shall ensure that Antrim Argentina conducts its business in substantially the same manner as conducted immediately prior to the date hereof and, where applicable, in accordance with good and prudent

oil and gas industry standards and practices, all applicable Title and Operating Documents and all Applicable Law;

- (s) Vendor shall not (but only in relation to Antrim Argentina and the Antrim Argentina Shares, Inter-Company Indebtedness and other securities and Oil and Gas Assets of Antrim Argentina), and shall not cause, permit or direct Antrim Argentina to:
- (i) except as disclosed in the Disclosure Letter, commit to any expenditure or series of related expenditures relating to the Oil and Gas Assets or otherwise if Antrim Argentina's share of any individual expenditure or series of related expenditures will exceed \$25,000 or if the total of all such expenditures prior to the Effective Time will exceed \$100,000;
 - (ii) amend or terminate any agreement or enter into any new agreement, except as expressly provided elsewhere herein, or authorize, recommend or propose any release or relinquishment of any right under any agreement;
 - (iii) waive, release, grant or transfer any material rights of value or modify or change in any material respect any existing license, lease, contract, note, production sharing agreement, government land concession or other material document;
 - (iv) enter into or terminate any hedges, swaps or other financial instruments or like transactions;
 - (v) enter into any agreements for the sale of production having a term of more than thirty (30) days;
 - (vi) sell, pledge, lease, license, transfer, assign, surrender or dispose of, or grant an Encumbrance on or in respect of, the whole or any part of, Antrim Argentina's securities (including any Antrim Argentina Shares), any Inter-Company Indebtedness, or any of the Oil and Gas Assets;
 - (vii) enter into any transaction not in the ordinary course of its business, including the implementation of (or the passage of any resolutions providing for) the liquidation, dissolution, merger, amalgamation, combination, consolidation or reorganization of Antrim Argentina;
 - (viii) 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 be responsible for the obligations of any Person;
 - (ix) make loans or advances to any Person;
 - (x) pay, settle, discharge or satisfy any material claims, liabilities, litigation, lawsuits, arbitrations, proceedings or obligations, other than as reflected or reserved against in the Antrim Argentina Financial Statements;
 - (xi) issue, sell or agree to issue or sell any shares, rights, options, warrants or other securities of Antrim Argentina;
 - (xii) re-purchase, cancel, retire, redeem or otherwise acquire Antrim Argentina's securities (including the Antrim Argentina Shares and the Inter-Company Indebtedness);
 - (xiii) amend the terms of (including any split, combination or reclassification of) any of Antrim Argentina's securities (including the Antrim Argentina Shares and the Inter-Company Indebtedness);
 - (xiv) change, amend or modify Antrim Argentina's constating documents or any Title and Operating Documents;

- (xv) declare, set aside, make or pay any dividend or other distribution in respect of Antrim Argentina's securities (including the Antrim Argentina Shares);
 - (xvi) except as disclosed in the Disclosure Letter, increase the compensation payable to any of the directors, officers, employees or consultants of Antrim Argentina, make any payment to any such person outside of their ordinary and usual compensation for services provided, take any action with respect to the amendment or grant of any "change of control", severance or termination pay policies or arrangements for any such persons, amend existing contracts with such persons or enter into new contracts with such persons, or amend existing incentive plans for the benefit of such persons or the terms of any outstanding rights thereunder or adopt any new incentive plans;
 - (xvii) except as disclosed in the Disclosure Letter, adopt or amend or make any contribution to any bonus, employee benefit plan, profit sharing, option, common share, deferred compensation, insurance, incentive compensation, other compensation or other similar plan (or amend any outstanding rights thereunder), agreement, common share incentive or purchase plan, fund or arrangement for the benefit of directors, officers, employees or consultants, except as is necessary to comply with Applicable Laws or with respect to existing provisions of any such plans, programs, arrangements or agreements;
 - (xviii) hire any Person as an employee or consultant or enter into any new employment or consulting contract with any Person;
 - (xix) acquire any other entity (or portion thereof) or make any investment therein, or acquire any other type of assets;
 - (xx) change any bookkeeping, record keeping or accounting methods, practices or procedures from those used by Antrim Argentina immediately prior to the date hereof;
 - (xxi) fail to fully and timely pay any amount when due and payable by it, except and to the extent that Antrim Argentina is, in good faith, contesting its liability for such amount or portion thereof; or
 - (xxii) reduce the stated capital of Antrim Argentina;
- or agree to do any of the foregoing;
- (t) Vendor shall cause Antrim Argentina to 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 satisfactory to Purchaser 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 cause Antrim Argentina to pay all premiums in respect of such insurance policies that become due after the date hereof, provided that alternatively, the Vendor shall also have the option to pay any such premiums on behalf of Antrim Argentina;
 - (u) prior to the Effective Time, Vendor shall cause Antrim Argentina to receive and deliver to Purchaser resignations and mutual releases, in form and substance satisfactory to Purchaser, acting reasonably, from all of the directors and officers of Antrim Argentina (effective as of the Effective Time);
 - (v) management of Vendor shall solicit proxies to be voted at the Vendor Meeting in favour of matters to be considered at the Vendor Meeting, including the Arrangement Resolution;
 - (w) Vendor shall ensure that it has available funds to permit the payment of the Purchaser Termination Fee 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;

- (x) Vendor shall cause and direct Antrim Argentina to take all reasonable and necessary steps in order to preserve and protect the Oil and Gas Assets and Antrim Argentina's business including:
 - (i) payment of all costs and expenses that become due and payable by Antrim Argentina prior to the Effective Time;
 - (ii) payment of all Taxes, royalties, bonuses, fees and charges payable by Antrim Argentina in respect of the Oil and Gas Assets prior to the Effective Time;
 - (iii) collection of all amounts receivable by Antrim Argentina prior to the Effective Time;
 - (iv) filing of all returns, reports, notifications and other documentation, including Tax Returns, that Antrim Argentina is required to file prior to the Effective Time pursuant to any Applicable Law, provided that Vendor shall provide Purchaser with copies of any annual income tax returns of Antrim Argentina at least 10 days prior to the deadline for filing same and shall obtain Purchaser's consent (such consent not to be unreasonably withheld or delayed) prior to the filing thereof; and
 - (v) ensure that the insurance specified in the Disclosure Letter (or substantially similar insurance) is maintained in full force and effect, including ensuring that all premiums and other charges relating thereto are paid when due, and shall ensure that Purchaser receives any correspondence from all insurers providing such coverage promptly upon Antrim Argentina or Vendor receiving same;

- (y) Vendor shall cause Antrim Argentina to:
 - (i) 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;
 - (ii) not make a request for a Tax ruling or enter into a closing agreement with any Governmental Authority;
 - (iii) not settle any claim, action, suit, litigation, proceeding, arbitration, investigation, audit or controversy relating to a material amount of Taxes;
 - (iv) not make any changes in financial or Tax accounting methods, principles, policies or practices, except as required by Argentine GAAP or under Applicable Laws after consultation with Purchaser;
 - (v) properly reserve (and reflect such reserves in its books and records and financial statements) in accordance with Argentine GAAP, for all Taxes accruing in respect of Antrim Argentina which are not due or payable prior to the Effective Date; and
 - (vi) not make any Tax filings outside the ordinary course of business, including making, amending or rescinding any Tax Return, election or designation;

- (z) Vendor shall (and shall cause Antrim Argentina to) provide Purchaser and its and its Affiliates' representatives access, during normal business hours and at such other time or times as Purchaser or its Affiliates 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 Purchaser or its Affiliates all information concerning Antrim Argentina's business, properties and personnel as Purchaser or its Affiliates may reasonably request, which information shall remain subject to the Vendor Confidentiality Agreement, in order to permit Purchaser to be in a position to expeditiously and efficiently integrate the business and operations of Antrim Argentina immediately upon but not prior to the Effective Date. Without limitation, Vendor agrees to (and shall cause Antrim Argentina to) keep Purchaser fully apprised in a timely manner of every circumstance, action, occurrence or event occurring or arising after the date hereof that would be relevant to a prudent operator of the business and operations of Antrim

Argentina. Vendor shall (and shall cause Antrim Argentina to) confer with and obtain Purchaser'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 and Purchaser's (or its Affiliates') representatives may attend at and participate in all operations meetings held by Antrim Argentina;

- (aa) prior to the Effective Time, Vendor shall have caused Antrim Argentina to have terminated all employees and consultants of Antrim Argentina (excluding the directors and officers of Antrim Argentina in respect of which resignations and releases are to be delivered at the Effective Time as provided in Section 5.2) effective no later than the Effective Time, and shall pay all applicable Severance Costs in respect of all directors, officers, employees and consultants of Antrim Argentina, provided that Vendor shall cause Antrim Argentina to withhold from any such payments all amounts required by law or administrative practice of the relevant Taxing Authority to be withheld by it on account of Taxes and other source deductions. After the Effective Time, Vendor shall be liable for all costs and expenses arising from or relating to the termination of all directors, officers, employees and consultants of Antrim Argentina, without exclusion, and shall defend, indemnify and save harmless Purchaser and Antrim Argentina from and against all Losses and Liabilities suffered, sustained, paid or incurred by them and all Claims made against them, arising from or relating to the termination of Antrim Argentina's employees and consultants and the resignation of Antrim Argentina's directors and officers, including, in each case, all applicable Severance Costs. This paragraph shall survive the Effective Time in accordance with Section 8.6;
- (bb) Vendor acknowledges and agrees that in order to comply with Applicable Canadian Securities Laws and stock exchange rules applicable to the continuous disclosure obligations of Purchaser related to the Arrangement, and specifically to allow for the preparation of the annual, interim and pro forma financial statements, inclusive of notes thereto and auditors reports thereon and GAAP reconciliations (in each case where required) (collectively, the "**Historical Financial Statements**") in respect of Antrim Argentina and Purchaser (as applicable) that are required to comply with Applicable Laws (including Applicable Canadian Securities Laws and stock exchange rules) applicable to continuous disclosure obligations of Purchaser related to the Arrangement, it will be necessary for Purchaser and its auditors and independent engineers to have access to the records of Vendor and its Affiliates pertaining to Antrim Argentina and the Oil and Gas Assets, including all material information regarding the operations of Antrim Argentina and the Oil and Gas Assets (including any independent third party reserves and/or resources evaluations) (collectively, the "**Operational Information**");
- (cc) Vendor agrees to provide (and shall cause its Affiliates to provide) to Purchaser and its auditors and independent engineers access to:
 - (i) the Operational Information;
 - (ii) any available financial information relating to Antrim Argentina and the Oil and Gas Assets, including the financial and tax records and information required to prepare the Historical Financial Statements and all source records, production records and invoices, and other operating statements, financial statements, tax returns and records and summaries previously prepared by Vendor and/or its Affiliates (or their predecessors in title), to the extent such information is in the possession and control of Vendor and/or its Affiliates (collectively, the "**Financial Information**"); and
 - (iii) reasonable access to its personnel during the Vendor's and its Affiliates' normal business hours;
- (dd) Vendor will use (and shall cause its Affiliates to use) all commercially reasonable efforts to provide access to Purchaser and its auditors and independent engineers to the Financial Information and the Operational Information and provide any other assistance that Purchaser may reasonably request, including the provision by Vendor and/or its Affiliates of a customary management representation letter regarding Antrim Argentina and the Oil and Gas Assets and including the due approval of the Board of Directors of the applicable company of the Historical Financial Statements, sufficient to allow for the preparation of such Historical Financial Statements (including audit opinions thereon);

- (ee) Vendor, for itself and its Affiliates:
- (i) consents to disclosure by Purchaser of information with respect to this Agreement and the Arrangement contemplated hereby, Antrim Argentina and the Oil and Gas Assets in connection with Purchaser's continuous disclosure obligations in relation to the Arrangement;
 - (ii) consents to the inclusion of the Historical Financial Statements and the Operational Information in any disclosure document required to be filed by Purchaser under any Applicable Law, in each case, subject to the following:
 - (A) Purchaser shall only include disclosure of information with respect to this Agreement and the Arrangement contemplated hereby, Antrim Argentina and the Oil and Gas Assets in a prospectus or other disclosure document as is necessary to comply with the requirements of Applicable Laws (including Applicable Canadian Securities Laws and including requirements or formal requests made by applicable securities regulatory authorities and/or the TSXV); and
 - (B) Vendor shall have the right to review and comment on, acting reasonably and without delay, the proposed disclosure in the disclosure document in relation to this Agreement, Antrim Argentina and the Oil and Gas Assets that is filed prior to the Effective Time;
 - (iii) consents to the public filing by Purchaser of this Agreement on the SEDAR website, provided that prior written notice of the intention to so file has been provided to Vendor together with a reasonable opportunity for Vendor to review and, acting reasonably and without delay, request that commercially sensitive information be redacted in accordance with the requirements of Applicable Laws, and Purchaser will make reasonable efforts to comply with Vendor's request for any such redaction; and
 - (iv) agrees that the foregoing consents given under this Section 3.2(ee) also constitute consents under the Vendor Confidentiality Agreement, which otherwise remains in full force and effect; and
- (ff) subject to closing of the Arrangement occurring, Vendor agrees to provide such cooperation as may reasonably be required from Vendor and its Affiliates to permit Purchaser to comply with its "business acquisition report" filing requirements under Applicable Laws, including, as required, the preparation by Purchaser and its auditors of Historical Financial Statements ("**BAR Requirements**"). In addition, Vendor shall use all commercially reasonable efforts to cause its auditors to cooperate with Purchaser and its auditors in connection with its BAR Requirements, including the provision of their consent to the use of any such Historical Financial Statements in the business acquisition report.

3.3 Mutual Covenants Regarding the Arrangement

From the date of this Agreement until the Effective Date or termination of this Agreement, each of Purchaser and Vendor will use its reasonable commercial efforts to: (i) satisfy (or cause the satisfaction of) the conditions precedent to its obligations (and those of any of its subsidiaries) 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 and filings and submissions of information requested by Governmental Authorities or required to be effected by it in connection with the Arrangement, and to obtain all necessary waivers, consents and approvals required to be obtained by it in connection with the Arrangement; and
- (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.

Each of Purchaser and Vendor will use its reasonable commercial efforts to cooperate with the other in connection with the performance by the other of its 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 Purchaser and Vendor, subject in all cases to the Vendor Confidentiality Agreement and the Purchaser Confidentiality Agreement.

Without limitation of the foregoing, if the Parties determine that Anti-Trust Approval is required by Applicable Law, each Party shall: (i) file or cause to be filed as soon as practicable after the execution of this Agreement, but in all cases, no more than seven days after the execution of this Agreement, with the applicable Governmental Authorities in Argentina all reports and other documents required to be filed by such Party (and in the case of Vendor, required to be filed by Antrim Argentina) in connection with the Anti-Trust Approval, including the filing of a sworn Spanish translation of this Agreement with the applicable Governmental Authorities in Argentina; and (ii) promptly comply with any request by any applicable Governmental Authority in Argentina for additional information regarding the Arrangement in connection with the Anti-Trust Approval; in each case, so that the waiting period for the Anti-Trust Approval under the Argentina Anti-Trust Act may expire as soon as possible after the execution hereof.

3.4 Covenants Regarding Non-Solicitation

- (a) Vendor 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 Purchaser) with respect to any proposal that constitutes, or may reasonably be expected to constitute or lead to, an Antrim Argentina Acquisition Proposal or an Antrim Canada Acquisition Proposal. Vendor 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 Vendor and any third parties are parties. Vendor 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 Vendor relating to an Antrim Argentina Acquisition Proposal or Antrim Canada 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 Vendor and/or Antrim Argentina 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 Vendor, any Affiliates of Vendor (including Antrim Argentina) or their respective officers, directors, employees, advisors, representatives and agents shall be deemed to be a breach of this Section 3.4(a) by Vendor.
- (b) Neither Vendor nor any of its Affiliates shall, directly or indirectly, do or authorize or permit any of their respective 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) any Antrim Argentina Acquisition Proposal or Antrim Canada Acquisition Proposal or inquiries,

proposals or offers regarding an Antrim Argentina Acquisition Proposal or Antrim Canada Acquisition Proposal;

- (ii) enter into or participate in any discussions or negotiations regarding an Antrim Argentina Acquisition Proposal or Antrim Canada 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 Antrim Argentina Acquisition Proposal or Antrim Canada 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, including, without limitation, any "standstill" or similar provisions thereunder;
- (iv) accept, recommend, approve, agree to or endorse, or propose publicly to accept, recommend, approve, agree to or endorse, any Antrim Argentina Acquisition Proposal or Antrim Canada Acquisition Proposal or agreement, understanding or arrangement in relation thereto;
- (v) withdraw or modify the approval of the Vendor's Board of Directors of the Arrangement;

provided, however, that notwithstanding any other provision hereof, Vendor and its officers, directors and advisers may, prior to the Vendor 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 Vendor, Vendor's Affiliates or any of their officers, directors or employees or any financial advisor, expert or other representative retained by it) seeks to initiate such discussions or negotiations with Vendor, 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 Vendor Confidentiality Agreement (provided that such confidentiality agreement shall provide for disclosure thereof (along with all information provided thereunder) to Purchaser as set out below), Vendor may furnish to such third party information concerning Vendor and its business, properties and assets, in each case if, and only to the extent that:
 - (A) the third party has first made an Antrim Canada Superior Corporate Acquisition Proposal; and
 - (B) prior to furnishing such information to or entering into or participating in any such discussions or negotiations with such third party, Vendor provides prompt notice to Purchaser 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 Purchaser, copies of all information provided to such third party that relate to Antrim Argentina concurrently with the provision of such information to such third party, and provided further that Vendor shall notify Purchaser orally and in writing of any inquiries, offers or proposals relating to or constituting an Antrim Canada Superior Corporate 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 Purchaser, copies of all information provided to such party that relate to Antrim Argentina, any material correspondence with respect thereto, and all other information reasonably requested by Purchaser) within 24 hours of the receipt thereof, and shall keep Purchaser informed of the status and details of any such inquiry, offer or proposal and answer Purchaser's questions with respect thereto on a timely basis; and

- (vii) accept, recommend, approve or enter into an agreement to implement an Antrim Canada Superior Corporate Acquisition Proposal from a third party, but only if prior to such acceptance, recommendation, approval or implementation:
 - (A) the Vendor Board of Directors shall have concluded in good faith, after receiving the advice of outside counsel as reflected in minutes of the Vendor Board of Directors, that the taking of such action is necessary for the Vendor Board of Directors in discharge of its fiduciary duties under Applicable Laws; and
 - (B) Vendor shall otherwise have complied with its obligations set forth in this Section 3.4, and terminates this Agreement in accordance with Section 7.1(a)(iv) and concurrently therewith pays the Purchaser Termination Fee to Purchaser.
- (c) Vendor shall promptly (and in any event within 24 hours) notify Purchaser (at first orally and then in writing) of any Antrim Argentina Acquisition Proposal or Antrim Canada Acquisition Proposal (or any amendment thereto) or any request for non-public information relating to Vendor, Antrim Argentina or their respective business, properties or assets. Such notice shall include a copy of any written Antrim Argentina Acquisition Proposal or Antrim Canada Acquisition Proposal (and any amendment thereto) which has been received or, if no written Antrim Argentina Acquisition Proposal or Antrim Canada 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. Vendor shall also provide such further and other details of the Antrim Argentina Acquisition Proposal or Antrim Canada Acquisition Proposal or any amendment thereto as Purchaser may reasonably request. Vendor shall keep Purchaser promptly and fully informed of the status, including any change to material terms, of any Antrim Argentina Acquisition Proposal or Antrim Canada Acquisition Proposal or any amendment thereto, shall respond promptly to all inquiries by Purchaser with respect thereto, and shall provide Purchaser copies of all material correspondence and other written material sent to or provided to Vendor by any Person in connection with such inquiry, proposal, offer or request or sent or provided by Vendor to any Person in connection with such inquiry, proposal, offer or request.
- (d) Vendor shall give Purchaser, orally and in writing, at least one (1) Business Day advance notice of any decision by the Vendor Board of Directors to accept, recommend, approve or enter into an agreement to implement an Antrim Canada Superior Corporate Acquisition Proposal.
- (e) Vendor shall reaffirm its recommendation of the Arrangement by press release promptly and in any event within three Business Days of any written request to do so by Purchaser (or, in the event that the Vendor Meeting to approve the Arrangement is scheduled to occur within such three Business Day period, prior to the scheduled date of such meeting) in the event that: (i) any Antrim Argentina Acquisition Proposal is publicly announced; or (ii) any Antrim Canada Acquisition Proposal which is publicly announced is determined not to be an Antrim Canada Superior Corporate Acquisition Proposal.
- (f) Purchaser agrees that all information that may be provided to it by Vendor with respect to any Antrim Argentina Acquisition Proposal or Antrim Canada Acquisition Proposal pursuant to this Section 3.4 shall be treated as if it were "Confidential Information" as that term is defined in the Vendor Confidentiality Agreement and shall not be disclosed or used except in accordance with the provisions of the Vendor Confidentiality Agreement or in order to enforce its rights under this Agreement in legal proceedings.
- (g) Vendor and its Affiliates shall each ensure that their respective 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 Vendor Board of Directors from complying with Section 2.17 of Multilateral Instrument 62-104 and similar provisions under Applicable Canadian Securities Laws relating to the provision of directors' circulars in respect of an Antrim Canada Acquisition Proposal that is not an Antrim Canada Superior Corporate Acquisition Proposal, but only following Vendor's compliance with this Section 3.4.

3.5 Reorganization Transactions

Prior to the Effective Time, Vendor shall, and shall cause and direct its Affiliates to, complete the Reorganization Transactions in the manner set forth in the Disclosure Letter before the Effective Time. Vendor shall be responsible for all costs and expenses required for the implementation and completion of the Reorganization Transactions. From and after the Effective Time, Vendor shall be liable for, and shall defend, indemnify and save harmless Purchaser and Antrim Argentina from and against all Losses and Liabilities suffered, sustained, paid or incurred by them and all Claims made against them, arising from or in connection with the Reorganization Transactions, including all Taxes payable as a consequence thereof. This paragraph shall survive the Effective Time in accordance with Section 8.6.

3.6 Rights of First Refusal

- (a) The Parties agree that the Concessions are subject to the Rights of First Refusal described in the Disclosure Letter, and that no exemptions apply to the application of the Rights of First Refusal in connection with the Arrangement (the "**ROFR Assets**").
- (b) Within five Business Days after the date of execution of this Agreement, Purchaser and Vendor shall agree in writing on the portion of the Consideration (the "**ROFR Value**") to be allocated to the Concessions subject to the Rights of First Refusal, and Vendor shall use such ROFR Value for the purposes of the ROFR Notices (as defined below).
- (c) Vendor shall comply with the applicable provisions of the agreements granting the Rights of First Refusal and shall deliver by the means set out in such agreements notices ("**ROFR Notices**") to the Persons holding such rights ("**ROFR Holders**") promptly after the Purchaser and Vendor agree on the ROFR Values in accordance with Section 3.6(b).
- (d) Vendor shall notify Purchaser in writing forthwith upon each ROFR Holder exercising or waiving its Rights of First Refusal following delivery of a ROFR Notice or upon any Rights of First Refusal expiring in accordance with their own terms.
- (e) If the Rights of First Refusal are exercised prior to the Effective Date:
 - (i) Purchaser shall be deemed to have exercised its right to terminate this Agreement as provided in Section 7.1(a)(ii) hereof as a result of the failure of the condition precedent set forth in Section 5.2(h) hereof to be satisfied (provided that this Section 3.6(e) shall survive the termination of this Agreement);
 - (ii) Purchaser shall be obligated to purchase from Antrim Argentina, and Vendor shall be obligated to cause Antrim Argentina to sell to Purchaser, Antrim Argentina's interest in the Exploration Permit for the sum of [*Purchase price redacted*], which amount shall be made payable to an account designated by Vendor (the "**Automatic P&S Transaction**");
 - (iii) the Parties shall (and Vendor shall cause Antrim Argentina to) negotiate in good faith and use their best efforts to execute and deliver an agreement of purchase and sale and all ancillary documents as may be required to give effect to the Automatic P&S Transaction, including the assignment authorization decree from the Governor of the Province of Mendoza;
 - (iv) the Automatic P&S Transaction shall be completed as soon as practicable following the exercise of the Rights of First Refusal, provided that at the Purchaser's election the Automatic P&S Transaction may be delayed until, and close concurrent with, the sale of the ROFR Assets to the ROFR Holders; and
 - (v) if notwithstanding the exercise of the Rights of First Refusal the ROFR Assets are not conveyed to the ROFR Holders in accordance with the Rights of First Refusal by agreement of Antrim

Argentina, the Vendor and the ROFR Holder or otherwise in accordance with the Rights of First Refusal such that Vendor and Purchaser are permitted to proceed with the Arrangement in accordance with the terms of this Agreement and the Plan of Arrangement, and provided that the Automatic P&S Transaction has not closed, Purchaser shall have the right to rescind the deemed termination of this Agreement by giving written notice to the Vendor, and the Parties shall proceed with the Arrangement as contemplated by this Agreement and the Plan of Arrangement, subject to any amendments to this Agreement and the Plan of Arrangement that the Parties may agree to.

3.7 **Purchaser Nominee**

At least two Business Days prior to the Effective Date, Purchaser shall provide notice to Vendor in which Purchaser shall designate one or more Persons as its nominee(s) ("**Purchaser Nominee**") to whom a number of the Antrim Argentina Shares (as specified in such notice) shall be transferred at the Effective Time and in whose name(s) such Antrim Argentina Shares shall be registered in order to comply with requirements under Applicable Law that Antrim Argentina have a minimum number of shareholders.

3.8 **Use of Name**

The Parties acknowledge and agree that following the Effective Time, Antrim Argentina will be permitted by Applicable Laws to continue to use the name "Antrim Argentina S.A.". Purchaser covenants and agrees to use its reasonable commercial efforts to cause Antrim Argentina to change its name to a name that does not include the word "Antrim" as soon as reasonably practicable following the Effective Date, and in any event within two years following the Effective Date.

ARTICLE 4 REPRESENTATIONS AND WARRANTIES

4.1 **Representations and Warranties Regarding Vendor**

Vendor represents and warrants to Purchaser that, as at the date hereof and as at the Effective Time:

(a) Due Execution and Authority:

- (i) Vendor is duly incorporated, organized and subsisting under the laws of its jurisdiction of incorporation or formation;
- (ii) the execution and delivery of this Agreement and the completion of the Arrangement have been duly authorized by all necessary corporate action on the part of Vendor; and
- (iii) Vendor has the corporate power and authority to enter into and deliver this Agreement and perform its obligations hereunder, including the sale of all of the issued and outstanding Antrim Argentina Shares and the Inter-Company Indebtedness to be sold by it hereunder;

- (b) Title to Antrim Argentina Shares: Vendor, Netherfield Corporation and Antrim Energy Ltd. are, or at the Effective Time will be, the sole legal, beneficial and registered owners of all of the issued and outstanding Antrim Argentina Shares and each such company has, or at the Effective Time will have, good and marketable title to all such Antrim Argentina Shares, free and clear of all Encumbrances. At the times that Vendor transfers Antrim Argentina Shares to Purchaser pursuant to the Plan of Arrangement, Vendor will be the sole legal, beneficial and registered owner of all of the Antrim Argentina Shares so transferred, and at such times the Vendor will have good and marketable title to the Antrim Argentina Shares so transferred, free and clear of all Encumbrances;

- (c) Title to Inter-Company Indebtedness: At the Effective Time, Vendor will be the sole legal and beneficial holder of the Inter-Company Indebtedness, the details of which are described in the Disclosure Letter, and it will have good and marketable title to such Inter-Company Indebtedness, free and clear of all Encumbrances;
- (d) No Violations: Vendor's execution and delivery of this Agreement and the completion of the Arrangement do not and will not:
- (i) violate or result in a breach or default of, require any consent, approval or notice under, be in conflict with, accelerate or permit the acceleration of the performance of, result in the loss or termination of or give any Person a right to terminate any agreement, licence, permit, franchise or other instrument to which it is a party or by or which it is bound or which relate to the Antrim Argentina Shares or the Inter-Company Indebtedness to be sold by it hereunder or to Antrim Argentina;
 - (ii) violate or conflict with any Applicable Law or its articles of incorporation, by-laws and other constating documents;
 - (iii) give rise to any rights of first refusal or other pre-emptive, preferential or similar rights to purchase the Antrim Argentina Shares or the Inter-Company Indebtedness to be sold by it hereunder; or
 - (iv) create or allow the creation of an Encumbrance on the Antrim Argentina Shares or the Inter-Company Indebtedness to be sold by it hereunder or in respect of Antrim Argentina or its assets;
- (e) Approvals: other than the approval of the Court and the Vendor Shareholders and receipt of the Anti-Trust Approval (if required by Applicable Law), there are no Required Approvals required to be obtained by Vendor in respect of the execution and delivery of this Agreement or the completion of the Arrangement and the Reorganization Transactions that have not been obtained (or in respect of the Reorganization Transactions, that will not be obtained prior to the Effective Date);
- (f) No Claims Affecting the Arrangement: Vendor has not received notice of any Claim and has no knowledge of any actual or threatened Claim, which affects or could reasonably be expected to affect the completion of the Arrangement;
- (g) No Finder's Fees: neither Vendor nor any of its Affiliates has incurred any obligation or liability, contingent or otherwise, for broker's or finder's fees in respect of the Arrangement for which Purchaser or Antrim Argentina shall have any obligation or liability;
- (h) Due Execution and Enforceability: this Agreement has been duly executed and delivered by Vendor and, if duly executed and delivered by the Purchaser, constitutes a valid and binding obligation of Vendor enforceable against Vendor in accordance with the terms hereof, subject to bankruptcy, insolvency, preference, reorganization, moratorium and other similar laws affecting creditors' right generally and the discretion of courts with respect to equitable and discretionary remedies and defences;
- (i) No Shareholders' Agreements: Vendor is not a party to, and the Antrim Argentina Shares are not subject to, any shareholders' agreement, pooling agreement, voting trust, escrow agreement or other similar agreement pertaining to the ownership, voting or disposition of the Antrim Argentina Shares or to the operation or management of Antrim Argentina; and
- (j) Tax Residency: Vendor is not a non-resident of Canada for the purposes of section 116 of the *Income Tax Act* (Canada).

4.2 Representations and Warranties Respecting Antrim Argentina

Vendor represents and warrants to Purchaser that, as at the date hereof and as at the Effective Time (or as of such other time specified):

- (a) Incorporation: Antrim Argentina is a corporation duly incorporated, organized and subsisting under the laws of Argentina and it has all the corporate power and authority to own its assets and to carry on its business as now conducted by it;
- (b) Required Approvals: other than the Anti-Trust Approval (if required by Applicable Law), there are no Required Approvals required to be obtained by Antrim Argentina in respect of or as a consequence of the completion of the Arrangement;
- (c) Share Capital of Antrim Argentina:
 - (i) the authorized capital of Antrim Argentina consists of an unlimited number of Antrim Argentina Shares;
 - (ii) as of the date of this Agreement, the issued and outstanding capital of Antrim Argentina consists of 52,649,363 Antrim Argentina Shares, all of which are validly issued as fully paid and non-assessable shares;
 - (iii) all Antrim Argentina Shares that are issued subsequent to the date hereof and at or prior to the Effective Time pursuant to the Reorganization Transactions and/or the Plan of Arrangement will be validly issued as fully paid and non-assessable shares;
 - (iv) all Antrim Argentina Shares that are issued and outstanding at the Effective Time will be legally and beneficially owned by the Vendor;
 - (v) other than as contemplated by the Reorganization Transactions and/or the Plan of Arrangement, no Person has any rights, contingent or vested, to acquire or to be issued any shares or other securities in the capital of Antrim Argentina or any rights or instruments which may be converted into any shares or other securities in the capital of Antrim Argentina or rights to acquire any shares or other securities in the capital of Antrim Argentina; and
 - (vi) other than the Antrim Argentina Shares, no other shares or other securities in the capital of Antrim Argentina have been issued since its incorporation;
- (d) Minute Book: Antrim Argentina's minute book and other corporate records have been made available to Purchaser or its representatives, and have been maintained in accordance with good business practices. Those minute books and records so made available to Purchaser and its representatives contain complete and true copies of Antrim Argentina's articles or memorandum of incorporation, by-laws and other constating documents (including all amendments thereto) and all resolutions of its shareholders and directors in effect as of the date of this Agreement and the registers of shareholders, share transfers, directors and capital accounts therein;
- (e) Businesses: the only business currently conducted by Antrim Argentina is the ownership and operation of the Oil and Gas Assets. Antrim Argentina has never conducted any other business other than a business that is reasonably incidental to the foregoing;
- (f) Antrim Argentina Financial Statements: the Antrim Argentina Financial Statements have been prepared in accordance with GAAP consistently applied and fairly disclose in all material respects the financial position of Antrim Argentina at the respective dates specified therein;

- (g) Undisclosed Liabilities: at the Effective Time, Antrim Argentina will not have any Liabilities other than those that have been specifically disclosed in the Antrim Argentina Financial Statements or which have been incurred in the normal course of business relating to the Oil and Gas Assets subsequent to the date of the most recent Antrim Argentina Financial Statements;
- (h) Undisclosed Assets: other than the Oil and Gas Assets and its Working Capital, Antrim Argentina holds no assets that would, individually or in the aggregate, be material to it;
- (i) Dividends, Distributions and Compensation:
 - (i) except as disclosed in the Disclosure Letter, since its incorporation or formation, Antrim Argentina has not declared or paid any dividends or made or obligated itself to make any other distributions or payments to its shareholders;
 - (ii) except as disclosed in the Disclosure Letter, there are no dividends declared or other distributions or payments that are unpaid or due to be paid by Antrim Argentina to its shareholders; and
 - (iii) Antrim Argentina does not have any directors, officers, employees or consultants except as set forth in the Disclosure Letter. The Disclosure Letter sets forth all compensation that is currently paid or payable to the directors, officers, employees and consultants of Antrim Argentina for or in connection with their holding of such offices or positions;
- (j) Subsidiaries: Antrim Argentina holds no interest in any company, partnership or other business or entity;
- (k) Investments: Antrim Argentina is not a party to any agreement of any nature to acquire any securities of any Person or to acquire, capitalize or invest in any business or entity;
- (l) Non-Arm's Length Debt, Receivables and Payables: except as disclosed in the Disclosure Letter, Antrim Argentina has no accounts, notes or loans receivable from or payable to, or indebtedness owing from or to, any of its Affiliates or any of its or its Affiliate's current or former directors, officers or employees or any other Person not dealing at arm's length with Antrim Argentina;
- (m) Disclosure: all information in Vendor's or Antrim Argentina's possession or control that pertains to the Oil and Gas Assets, Antrim Argentina's Liabilities, and the other assets, businesses or financial or Tax positions of Antrim Argentina, including all Material Contracts and Title and Operating Documents, has been made available for review by Purchaser or its representatives prior to the date of this Agreement, and, to its knowledge, all such information is true and correct in all material respects;
- (n) Indebtedness, Indemnities and Guarantees: except as disclosed in the Disclosure Letter, Antrim Argentina has no indebtedness for borrowed money and, other than indemnity agreements with its directors and officers as permitted by Applicable Laws, Antrim Argentina has not guaranteed, endorsed, assumed or indemnified, contingently or otherwise, the obligations or indebtedness of any Person;
- (o) Judgements and Claims: except as disclosed in the Disclosure Letter:
 - (i) there are no judgments unsatisfied against Antrim Argentina or any consent decrees or injunctions to which Antrim Argentina or the Oil and Gas Assets are subject;
 - (ii) to Vendor's knowledge, there are no Claims in existence or threatened against Antrim Argentina or with respect to any of the Oil and Gas Assets which could reasonably be expected to be material to Antrim Argentina or the ownership of Antrim Argentina or to the ownership and operation of the Oil and Gas Assets; and

- (iii) to Vendor's knowledge, there is no basis upon which a Claim could reasonably be expected to be made against Antrim Argentina or in respect of the Oil and Gas Assets that would be material and adverse to the interests of Antrim Argentina;
- (p) Litigation: except as disclosed in the 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 Vendor, threatened, affecting or that would reasonably be expected to affect Antrim Argentina 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;
- (q) Bank Accounts: all of the bank accounts, term deposits or safety deposit boxes of Antrim Argentina are listed in the Disclosure Letter;
- (r) Accounts Receivable: to Vendor's knowledge, all accounts receivable of Antrim Argentina used in the preparation of the Antrim Argentina Financial Statements are bona fide and there is no basis on which such accounts receivable may not be realized in full. The Disclosure Letter sets forth all accounts receivable of Antrim Argentina as of the date of this Agreement that are in excess of \$10,000, including an aging schedule for such accounts receivable;
- (s) Powers of Attorney: except as set forth in the Disclosure Letter, no Person now holds or will hold at the Effective Time any powers of attorney from Antrim Argentina;
- (t) Business Conduct: neither Antrim Argentina nor any of its directors, officers, representatives, agents or employees has, except where permitted under all Applicable Law, given or offered or agreed to give any loan, reward, advantage or benefit of any kind to any Foreign Public Official or to any Person for the benefit of a Foreign Public Official as consideration for an act or omission by the Foreign Public Official in connection with the performance of the Foreign Public Official's duties or functions, or to induce the Foreign Public Official to use his or her position to influence any acts or decisions of the government or any Governmental Authority of Argentina or any public international organization for which the Foreign Public Official performs duties or functions and, to Vendor's knowledge, all business and operations conducted by Antrim Argentina have been conducted in accordance with the provisions of the *Corruption of Foreign Public Officials Act* (Canada) and any other applicable anti-bribery law, rule or regulation of any locality, or any other law, rule or regulation of similar purpose and scope;
- (u) Working Capital: as at the date of this Agreement, Antrim Argentina's Working Capital is not less than \$7.4 million;
- (v) No Orders: no order, ruling or determination having the effect of suspending the sale of, or ceasing the trading of, the Antrim Argentina Shares or any other securities of Antrim Argentina has 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 the Vendor, are contemplated or threatened under any Applicable Laws or by any Governmental Authority;
- (w) Books and Records: the financial books, records and accounts of Antrim Argentina (including books, records and accounts of Vendor and its subsidiaries relating to Antrim Argentina or the Oil and Gas Assets), 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 Antrim Argentina, and (iii) accurately and fairly reflect the basis for the Antrim Argentina Financial Statements;
- (x) Absence of Certain Changes or Events: except in relation to the Arrangement and the Reorganization Transactions, or any action taken in accordance with this Agreement, since December 31, 2011:
 - (i) Antrim Argentina has conducted its business only in the ordinary course of business substantially consistent with past practice;

- (ii) there has been no Material Adverse Change in respect of Antrim Argentina; and
 - (iii) neither Vendor nor any subsidiary of Vendor, and to the knowledge of Vendor, any director, officer, employee or auditor of the Vendor or any subsidiary of the Vendor, has received or otherwise had or obtained knowledge of any fraud, material complaint, allegation, assertion or claim, whether written or oral, regarding fraud or the accounting or auditing practices, procedures, methodologies or methods of the Vendor or any subsidiary of the Vendor or their respective internal accounting controls;
- (y) Registration, Exemption Orders, Licenses, etc.: to the knowledge of Vendor, Antrim Argentina has obtained and is in compliance with 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 (collectively, the "**Governmental Authorizations**"), except where the failure to obtain or be in compliance with such Governmental Authorizations could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect on Antrim Argentina. 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 violation of any such Governmental Authorization, except where the violation would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect on Antrim Argentina. No proceedings are pending or, to the knowledge of Antrim Argentina, threatened, which could result in the revocation or limitation of any Governmental Authorization, and all steps have been taken and filings made on a timely basis with respect to each Governmental Authorization and its renewal, except where the failure to take such steps and make such filings would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect on Antrim Argentina;
- (z) Compliance with Laws: the operations and business of Antrim Argentina is and has been carried out in compliance with and not in violation of any Applicable Laws, other than non-compliance or violation which would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect on Antrim Argentina or would not significantly impact the ability of the Vendor to consummate the Arrangement, and neither the Vendor nor Antrim Argentina has received any notice of any alleged violation of any such Applicable Laws;
- (aa) Restrictions on Business Activities: there is no judgment, injunction or order binding upon Antrim Argentina that has or could reasonably be expected to have the effect of prohibiting, restricting or impairing its business;
- (bb) No Defaults: Antrim Argentina 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, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect on Antrim Argentina;
- (cc) Good Oilfield Practices: any and all operations of Antrim Argentina and, to the knowledge of the Vendor, any and all operations by third parties on or in respect of the assets and properties of Antrim Argentina have been conducted in compliance with good oilfield practices;
- (dd) Independent Reserves Report: Antrim Argentina made available to McDaniel & Associates Consultants Ltd. ("**McDaniel**"), prior to the issuance of their report dated effective December 31, 2011 concerning the oil, natural gas and natural gas liquids reserves of Antrim Argentina (the "**Antrim Argentina Report**"), for the purpose of preparing such report, all information requested by McDaniel, which information did not contain any Misrepresentation at the time such information was so provided. Except with respect to changes in commodity prices and Applicable Laws relating to the oil and gas industry in Argentina, Vendor and Antrim Argentina have no knowledge of a material and adverse change in any information provided to McDaniel since the date that such information was provided. Vendor and Antrim Argentina believe that

the Antrim Argentina Report complies with the requirements of National Instrument 51-101 and believes that the Antrim Argentina Report reasonably presented the quantity and pre-tax present worth values of estimated oil, natural gas and natural gas liquids reserves attributable to the properties evaluated therein as at the date stated therein based upon information available at the time the Antrim Argentina Report was prepared and the assumptions as to commodity prices and costs contained therein. No evaluator has re-evaluated any of the reserves of Antrim Argentina since the date of the Antrim Argentina Report. Antrim Argentina has no knowledge of any pending or contemplated write-down of the oil, natural gas and natural gas liquids reserves set out in the Antrim Argentina Report;

- (ee) Material Contracts: other than as disclosed in the Disclosure Letter, there are no Material Contracts to which Antrim Argentina is a party or by which it is bound, and each of such contracts constitutes a legally valid and binding agreement of Antrim Argentina, enforceable in accordance with their respective terms, and to the knowledge of Vendor, no party thereto is in default in the observance or performance of any term or obligation to be performed by it under any such Material Contract, and no event has occurred which with notice or lapse of time or both would directly or indirectly constitute such a default, in any such case which default or event would reasonably be expected to be material to the business of Antrim Argentina;
- (ff) Employee Benefit Plans: Vendor has disclosed in the Disclosure Letter (and made available to Purchaser true, complete and correct copies of) each employee benefits plan (including health, pension, termination, severance, bonus, change of control and retention plans, policies and obligations) (collectively, the "**Antrim Argentina Plans**") covering active, former or retired employees of Antrim Argentina, together with any related trust agreement, annuity or insurance contract or other funding vehicle, and:
- (i) each Antrim Argentina 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 Antrim Argentina 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 Vendor, 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 Vendor, there are no pending or anticipated claims against or otherwise involving any of the Antrim Argentina Plans and no suit, action or other litigation (excluding claims for benefits incurred in the ordinary course of Antrim Argentina Plan activities) has been brought against or with respect to any Antrim Argentina Plan;
 - (v) all contributions, reserves or premium payments required to be made to the Antrim Argentina Plans have been made or provided for; and
 - (vi) Antrim Argentina does not have any obligations for retiree health and life benefits under any Antrim Argentina Plan;
- (gg) Employee Matters:
- (i) no trade union, council of trade unions, employee bargaining agency or affiliated bargaining agent holds bargaining rights with respect to any employees of Antrim Argentina by way of certification, interim certification, voluntary recognition, designation or successor rights or has applied to have Antrim Argentina declared a related employer or successor employer pursuant to applicable labour legislation. To the knowledge of Vendor, Antrim Argentina has not engaged in

any unfair labour practices and no strike, lock-out, work stoppage, or other labour dispute is occurring. To the knowledge of Vendor, there are no threatened or pending strikes, work stoppages, picketing, lock-outs, hand-billings, boycotts, slowdowns or similar labour related disputes pertaining to Antrim Argentina. Antrim Argentina has not engaged in any closing or lay-off activities within the past two years that would violate or in any way subject Antrim Argentina to the group termination or lay-off requirements of Applicable Laws; and

- (ii) Antrim Argentina has not recognized any trade union or does not have 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 Antrim Argentina for the purpose of consummating the transactions contemplated by this Agreement;
- (hh) Employment Agreements:
- (i) Antrim Argentina is not a party to any 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 Antrim Argentina; and
 - (ii) Antrim Argentina will not 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;
- (ii) Fairness Opinion: the Vendor Board of Directors has received an opinion from Cormark Securities Inc. that the consideration to be received by Vendor Shareholders in connection with the Arrangement is fair, from a financial point of view, to the Vendor Shareholders;
- (jj) Insurance: policies of insurance that are in force as of the date hereof naming Antrim Argentina as an insured adequately and reasonably cover all risks as are customarily covered by oil and gas producers in the industry in which Antrim Argentina operates and having regard to the nature of the risk insured and the relative cost of obtaining insurance to protect Antrim Argentina'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;
- (kk) Withholdings and Remittances: Antrim Argentina 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 Authority. Antrim Argentina has charged, collected and remitted on a timely basis all sales, goods and services, value-added and other commodity taxes as required under Applicable Laws on any sale, supply or delivery made by it; and
- (ll) Inter-Company Indebtedness: Antrim Argentina has recorded the Inter-Company Indebtedness with the Argentine Central Bank in accordance with Applicable Laws and Antrim Argentina has cleared all funds drawn thereunder through the Single Foreign Exchange Market controlled by the Argentine Central Bank.

4.3 Representations and Warranties Respecting the Oil and Gas Assets

Vendor represents and warrants to Purchaser that, as of the date hereof and as at the Effective Time:

- (a) Title to Oil and Gas Assets: except as set forth in the Disclosure Letter:
- (i) although it does not warrant title, Antrim Argentina's interests in the Oil and Gas Assets are free and clear of adverse claims created by, through or under Antrim Argentina, and Antrim Argentina holds its interests in the Oil and Gas Assets under valid and subsisting Title and Operating Documents;
 - (ii) neither Antrim Argentina nor Vendor has received notice from any Person claiming an interest in, or that Antrim Argentina is not the beneficial owner of, the interests in the Oil and Gas Assets as set forth in the Disclosure Letter, and to Vendor's knowledge no such claim has been threatened or is pending;
 - (iii) the interests in the Oil and Gas Assets of Antrim Argentina as set forth in the Disclosure Letter are not subject to reduction by farm-out, reference to payout of a well or otherwise or subject to any obligation to pay any penalty or premium in excess of its proportionate share of costs and expenses in respect of any operations and Antrim Argentina has not, in respect of the Oil and Gas Assets, elected or been deemed to have elected not to participate in any operations that were conducted as sole risk operations by Antrim Argentina's co-venturers; and
 - (iv) the Oil and Gas Assets, including the interests attributed to Antrim Argentina in the Disclosure Letter, are free and clear of all Encumbrances, except for Permitted Encumbrances;
- (b) Leased Assets: none of the Tangibles that have a replacement value greater than \$50,000 are leased or rented;
- (c) Included Assets and Good Standing:
- (i) the Oil and Gas Assets include all of the Surface Rights, Permits and Title and Operating Documents required to operate the Oil and Gas Assets as currently operated in accordance with Applicable Law; and
 - (ii) neither Antrim Argentina, any Person acting on behalf of Antrim Argentina nor Vendor has received notice of any breach of, and, to Vendor's knowledge, Antrim Argentina is not in any breach of and Antrim Argentina and every Person acting on behalf of Antrim Argentina is in good standing under, all Material Contracts, Surface Rights, Permits and Title and Operating Documents to which it is a party or by which it or any of the Oil and Gas Assets are bound or subject;
- (d) No Dispositions: Antrim Argentina has not entered into an arrangement whereby any Person has, or with the passage of time or the taking of any action would have, a right to acquire any Oil and Gas Assets or any interest therein;
- (e) Royalties: other than as described in the Disclosure Letter, all royalties payable to the Government of Argentina, including any state or other sub-division thereof, or any ministry, department or other agency or body, or to any other holders of royalties and similar interests with respect to all production or sale of Petroleum Substances for which Antrim Argentina or any Person acting on behalf of Antrim Argentina is liable and that became due up to the date hereof have been paid in full and all filings, returns and reports in respect of such royalties have been properly made in accordance with Applicable Law or applicable Title and Operating Documents;

- (f) Property and Ad Valorem Taxes: all ad valorem, property, production, severance and similar taxes and assessments based upon or measured by the ownership of the Oil and Gas Assets or the production of Petroleum Substances allocable to the Oil and Gas Assets or the receipt of proceeds therefrom that became due up to the date hereof have been paid in full by Antrim Argentina;
- (g) AFE's: the Disclosure Letter lists all authorizations for expenditure, budgets, cash calls or requests for funds that have been submitted to or approved by Antrim Argentina with respect to the Oil and Gas Assets on or before the date hereof and which Antrim Argentina has not paid in full prior to the date hereof, and sets forth the amounts which has been incurred to the date hereof pursuant to each such authority for expenditure, budget, cash call or request for funds and a summary of the status of the operations authorized by each such authority for expenditure, budgets, cash calls or request for funds. As of the date hereof, there are no outstanding cash calls or requests for funds which are due and payable, but which have not been fully paid by or on behalf of Antrim Argentina;
- (h) Production Sales Contracts: except for the agreements identified in the Disclosure Letter and agreements or arrangements for the sale of Petroleum Substances which are terminable without penalty on 30 days or less notice, there are no agreements or arrangements under which Antrim Argentina or any Person acting on its behalf is obligated to sell or deliver Petroleum Substances allocable to the Oil and Gas Assets to any Person. Antrim Argentina is not party to any production prepayment, take-or-pay or similar arrangements whereby it may be obligated to deliver Petroleum Substances allocable to the Oil and Gas Assets to any Person without in the ordinary course thereafter being entitled to receive and retain full payment therefor;
- (i) Overlift/Underlift: Antrim Argentina is not party to any agreement or other arrangement whereby one of a number of Persons that jointly own any petroleum and natural gas rights has taken or may take a share of production in respect of such petroleum and natural gas rights which is in excess of the share to which such Person would have been entitled by virtue of its interest in and to such petroleum and natural gas rights and such excess taking entitles the other Person(s) holding interests in such petroleum and natural gas rights to a future credit or a right to take a share of production in excess of its share based on its interests in and to such petroleum and natural gas rights, including any production balancing, production banking, swap, over-production or overlift/underlift agreements or arrangements, that pertain to the Oil and Gas Assets or any production therefrom;
- (j) Transportation, Gathering and Processing Agreements: except for the agreements identified in the Disclosure Letter, Antrim Argentina is not party to, and the Oil and Gas Assets are not bound by, any agreement or other arrangement for the transportation, gathering, storage or processing of Petroleum Substances;
- (k) Rights of First Refusal: except as disclosed in the Disclosure Letter, none of the Oil and Gas Assets is subject to any Right of First Refusal;
- (l) Insurance:
- (i) all insurance policies held by or on behalf of Antrim Argentina, including any insurance pertaining to the Oil and Gas Assets and carried by or for the benefit of Antrim Argentina, are listed in the Disclosure Letter;
 - (ii) all such insurance is in full force and effect;
 - (iii) all premiums and other amounts payable in respect to such insurance which became due and payable have been paid in full;
 - (iv) Antrim Argentina (or the Person that obtained such insurance on behalf of Antrim Argentina) is not in any default thereunder or with respect thereto; and
 - (v) there are no outstanding claims under such insurance;

- (m) Environmental Liabilities and Reclamation Liabilities: except as set forth in the Disclosure Letter:
- (i) neither Antrim Argentina, any Person acting on behalf of Antrim Argentina, nor Vendor has received notice of any Claim by any Person in respect of any Environmental Liabilities and Reclamation Liabilities;
 - (ii) to the knowledge of Vendor, there are no threatened or pending Claims in respect of Environmental Liabilities and Reclamation Liabilities against Antrim Argentina or in respect of any of the Oil and Gas Assets;
 - (iii) there have been no releases, deposits or discharges, in violation of Applicable Law, of any hazardous or toxic substances, contaminants or wastes, including Petroleum Substances and produced water, into the Environment in respect of any of the Oil and Gas Assets of or for which Vendor, Antrim Argentina or any Person acting on behalf of Antrim Argentina, has received notice prior to the date of this Agreement that have not been rectified in all material respects or are not in the process of being rectified as of the date of this Agreement; and
 - (iv) to Vendor's knowledge, the Oil and Gas Assets have been operated in material compliance with all Environmental Laws and there are no Environmental Liabilities and Reclamation Liabilities of Antrim Argentina or otherwise pertaining to the Oil and Gas Assets other than normal course Environmental Liabilities and Reclamation Liabilities that would reasonably be expected in respect of the Oil and Gas Assets if they had been operated in a reasonable and prudent manner and in accordance with all Applicable Law; and
- (n) Hedging Contracts: there are no outstanding interest rate swaps, foreign exchange swaps, physical commodity swaps, commodity price hedging contracts, forward sales of production and similar contracts or instruments to which Antrim Argentina is a party or by which Antrim Argentina is bound.

4.4 **Representations and Warranties Respecting Taxes**

Vendor represents and warrants to Purchaser that, as of the date hereof and as at the Effective Time:

- (a) Taxes: Antrim Argentina has duly and timely:
- (i) filed all Tax Returns required to be filed by it and, to Vendor's knowledge, such Tax Returns are true, complete and accurate in all material respects;
 - (ii) paid all Taxes (including instalments) due and payable by it; and
 - (iii) withheld and remitted to the appropriate Governmental Authorities all amounts required to be withheld by it in respect of the Tax liability of any other Person (including employees and contractors) and there are no Claims for or in respect of which it has received notice against Antrim Argentina in respect of Taxes and to its knowledge, no such claim is threatened or pending nor is there any reasonable basis for such a Claim;
- (b) Agreements with Tax Authorities: Antrim Argentina has not entered into any agreement, waiver, extension or other arrangement with any taxation authority having jurisdiction respecting Taxes payable by it or Tax Returns required to be filed by it;
- (c) Elections and Designations: Antrim Argentina has not made any elections or designations pursuant to any Applicable Law respecting Taxes except as specifically disclosed in writing to Purchaser prior to the date hereof or specifically provided for in the Tax Returns of Antrim Argentina that have been made available to Purchaser prior to the date hereof;

- (d) Discussions with Tax Authorities: Neither Antrim Argentina nor any other Person acting on its behalf is engaged in any discussions or negotiations with any taxation authority having jurisdiction in respect of Antrim Argentina's Taxes; and
- (e) Tax Year: Antrim Argentina's taxation year ends on December 31.

4.5 Negation of Further Representations and Warranties by Vendor

- (a) Vendor makes no representations or warranties except as and to the extent set forth in Sections 4.1 through 4.4, inclusive. Except for such representations and warranties, and subject to the limitations provided for elsewhere herein, Vendor shall not be liable for any representation or warranty which may have been made in any document or instrument relating to the Arrangement or otherwise communicated to Purchaser in any manner.
- (b) Without in any way limiting the generality of Section 4.5(a) and notwithstanding anything herein to the contrary, Vendor does not make any representations or warranties respecting:
 - (i) the quantity, quality or recoverability of Petroleum Substances from the Oil and Gas Assets;
 - (ii) any estimates of the value of the Oil and Gas Assets or the revenues applicable to future production from the Oil and Gas Assets;
 - (iii) any engineering, geological or other interpretations or evaluations respecting the Oil and Gas Assets; or
 - (iv) the future rates of production of Petroleum Substances from the Oil and Gas Assets.
- (c) Purchaser acknowledges and confirms that it has performed its own due diligence and, except for reliance on the representations and warranties contained in Sections 4.1 through 4.4, inclusive, has relied, and will continue to rely, upon its own engineering and other evaluations and projections as the same relate to Antrim Argentina or the Oil and Gas Assets and on its own inspection of all other physical property and assets which are included in the Oil and Gas Assets. However, the Parties acknowledge and agree that the mere listing of a document or other item or matter in the Disclosure Letter shall not be deemed to be adequate disclosure of an exception to any representation or warranty made by Vendor in this Agreement, unless the representation or warranty deals only with the existence of the document or other item or matter.

4.6 Purchaser's Representations and Warranties

Purchaser represents and warrants to Vendor that:

- (a) Incorporation: it is a body corporate, duly incorporated, organized and subsisting under the laws of British Columbia;
- (b) Corporate Authority: it has the corporate power and authority to enter into and deliver this Agreement and to complete the Arrangement;
- (c) Due Execution and Enforceability: this Agreement has been executed and delivered by it and, if duly executed and delivered by the Vendor, constitutes its valid and binding obligations enforceable in accordance with its terms, subject to bankruptcy, insolvency, preference, reorganization, moratorium and other similar laws affecting creditors' rights generally and the discretion of courts with respect to equitable and discretionary remedies and defences;
- (d) Due Authorization and No Violations: the execution and delivery of this Agreement and the completion of the Arrangement have been duly authorized by all necessary corporate action on its part and, provided the

Required Approvals are obtained, do not and will not violate or conflict with any Applicable Law or its constating documents;

- (e) Required Approvals: there are no Required Approvals required to be obtained by it or its Affiliates in respect of the execution and delivery of this Agreement or the completion of the Arrangement that have not been obtained on or prior to the date hereof, other than (i) the Anti-Trust Approval (if required by Applicable Law), and (ii) the receipt of the approval of the TSXV in respect of the Arrangement and the issuance of the Share Consideration;
- (f) No Finder's Fees: it has not incurred any obligation or liability, contingent or otherwise, for broker's or finder's fees in respect of the Arrangement for which Vendor shall have any obligation or liability;
- (g) Subsidiaries: Purchaser has no material subsidiaries, other than Crown Point S.A. and CanAmericas (collectively, with Purchaser, the "**Purchaser Group**") and Purchaser is the registered and beneficial holder of: (a) 69,250,000 of the issued and outstanding ordinary, nominative, non-endorsable shares of nominal value of Crown Point S.A. (the "**Ordinary Shares**"), and the remaining 750,000 Ordinary Shares are held of record by Mateo Turic (746,599) and Alfredo Boucher (3,401) in trust for Purchaser; and (b) 100% of the issued and outstanding securities of CanAmericas; in each case, free and clear of all mortgages, charges, pledges, security interests, encumbrances, claims or demands whatsoever and no person or other entity has any agreement, option, right or privilege (whether preemptive or contractual) to purchase or receive (or capable of becoming an agreement or a right to purchase or receive) from Purchaser or other members of the Purchaser Group any issued or unissued securities of Crown Point S.A. or CanAmericas;
- (h) No Violations: except as contemplated by this Agreement, neither the execution and delivery of this Agreement by Purchaser nor the consummation of the transactions contemplated by the Arrangement nor compliance by Purchaser with any of the provisions hereof will:
 - (i) violate, 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 the Purchaser Group 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 Purchaser; or (2) any note, bond, mortgage, indenture, loan agreement, deed of trust, agreement, lien, contract or other instrument or obligation to which a member of the Purchaser Group is a party or to which any of them, or any of their respective properties or assets, may be subject or by which a member of the Purchaser Group is bound; or
 - (ii) subject to compliance with applicable statutes and regulations, violate any judgment, ruling, order, writ, injunction, determination, award, decree, statute, ordinance, rule or regulation applicable to the Purchaser Group or any of their respective properties or assets;

(except, in the case of each of clauses (i) and (ii) above, for such violations, conflicts, breaches, defaults, terminations, accelerations, creations of Encumbrances or other matters which, or any consents, approvals or notices which if not given or received, would not, individually or in the aggregate, have any Material Adverse Effect on Purchaser, or significantly impede the ability of Purchaser to consummate the transactions contemplated by the Arrangement); or
 - (iii) cause the suspension or revocation of any authorization, consent, approval or license currently in effect which would, individually or in the aggregate, have a Material Adverse Effect on Purchaser;
- (i) Financing: Purchaser has sufficient funds or committed financing available to effect the consummation of the Arrangement on the terms as contemplated hereunder and to purchase all of the Antrim Argentina

Shares to be acquired pursuant to the Arrangement and this Agreement and to pay all of its related fees and expenses;

- (j) Purchaser Shares: Purchaser has reserved and allotted a sufficient number of Purchaser Shares as are issuable pursuant to the Arrangement, and, subject to the terms and conditions of the Arrangement, such Purchaser Shares will be validly issued as fully paid and non-assessable to Vendor pursuant to the Arrangement;
- (k) Reporting Issuer Status: Purchaser is a "reporting issuer" in each of the Provinces (other than Québec) of Canada and is in material compliance with all Applicable Canadian Securities laws therein and the Purchaser Shares are listed and posted for trading on the TSXV. Purchaser is not in default of any material requirements of any Applicable Canadian Securities Laws applicable in such jurisdictions 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 Purchaser Shares is pending or, to the knowledge of Purchaser, threatened. The documents and information comprising the Purchaser Public Record did not at the respective times they were filed with the relevant Securities Authorities, contain any Misrepresentation, unless such document or information was subsequently corrected or superseded in the Purchaser Public Record prior to the date hereof. Purchaser has filed with the Securities Authorities all material forms, reports, schedules, statements and other documents required to be filed by Purchaser with the Securities Authorities since becoming a "reporting issuer". Purchaser has not filed any confidential material change report that, at the date hereof, remains confidential;
- (l) Capitalization: as of the date hereof, the authorized capital of Purchaser consists of an unlimited number of Purchaser Shares and an unlimited number of class "A" preferred shares, issuable in series. As of the date hereof, there are issued and outstanding 68,627,432 Purchaser Shares and no class "A" preferred shares. Other than stock options to acquire up to 3,515,000 Purchaser Shares, 1,702,487 Series A Warrants of the Purchaser (each whole Series A Warrant entitling the holder to purchase one Purchaser Share and one Series B Warrant of the Purchaser at an exercise price of \$1.00 per Series A Warrant) and 1,189,594 Series B Warrants of the Purchaser (each whole Series B Warrant entitling the holder to purchase one Purchaser Share at an exercise price of \$1.50 per Purchaser Share), as of the date hereof there are no options, warrants or other rights, plans, agreements or commitments of any nature whatsoever requiring the issuance, sale or transfer by Purchaser of any securities of Purchaser (including Purchaser Shares) or any securities convertible into, or exchangeable or exercisable for, or otherwise evidencing a right to acquire, any securities of Purchaser (including Purchaser Shares). All outstanding Purchaser 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 Purchaser Shares issuable upon the exercise of stock options in accordance with the terms of such options will be duly authorized and validly issued as fully paid and non-assessable and will not be subject to any pre-emptive rights;
- (m) No Orders: no order, ruling or determination having the effect of suspending the sale of, or ceasing the trading of, the Purchaser Shares or any other securities of Purchaser has 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 Purchaser, are contemplated or threatened under any Applicable Laws or by any Governmental Authority;
- (n) Books and Records: the financial books, records and accounts of Purchaser and its subsidiaries, 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 Purchaser and its subsidiaries, and (iii) accurately and fairly reflect the basis for the Purchaser Financial Statements. The corporate records and minute books of Purchaser and its subsidiaries 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 Purchaser;
- (o) Absence of Undisclosed Liabilities: except as disclosed in writing to Vendor, none of the Purchaser or any of its subsidiaries has 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 Purchaser Financial Statements (the "**Purchaser Balance Sheet**");
 - (ii) those incurred in the ordinary course of business and not required to be set forth in the Purchaser Balance Sheet under GAAP;
 - (iii) those incurred in the ordinary course of business since the date of the Purchaser Balance Sheet and consistent with past practice;
 - (iv) those incurred in connection with the execution of this Agreement; and
 - (v) those disclosed in the Purchaser Public Record;
- (p) Absence of Certain Changes or Events: except as disclosed in writing to Vendor or in the Purchaser Public Record and except for the Arrangement or any action taken in accordance with this Agreement, since August 31, 2011:
- (i) Purchaser has conducted its business only in the ordinary course of business substantially consistent with past practice;
 - (ii) there has been no Material Adverse Change in respect of Purchaser; and
 - (iii) neither Purchaser nor any subsidiary of Purchaser, and to the knowledge of Purchaser, any director, officer, employee or auditor of Purchaser or any subsidiary of Purchaser, has received or otherwise had or obtained knowledge of any fraud, material complaint, allegation, assertion or claim, whether written or oral, regarding fraud or the accounting or auditing practices, procedures, methodologies or methods of Purchaser or any subsidiary of Purchaser or their respective internal accounting controls;
- (q) Registration, Exemption Orders, Licenses, etc.: to the knowledge of Purchaser, Purchaser and each member of the Purchaser Group has obtained and is in compliance with all Governmental Authorizations, except where the failure to obtain or be in compliance could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect on Purchaser. 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 violation of any such Governmental Authorization, except where the violation would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect on Purchaser. No proceedings are pending or, to the knowledge of Purchaser, threatened, which could result in the revocation or limitation of any Governmental Authorization, and all steps have been taken and filings made on a timely basis with respect to each Governmental Authorization and its renewal, except where the failure to take such steps and make such filings would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect on Purchaser;
- (r) Compliance with Laws: the operations and business of each member of the Purchaser Group is and has been carried out in compliance with and not in violation of any Applicable Laws, other than non-compliance or violation which would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect on Purchaser or would not significantly impact the ability of Purchaser to consummate the Arrangement, and Purchaser has not received any notice of any alleged violation of any such Applicable Laws other than where such notice would not reasonably be expected to have a Material Adverse Effect on Purchaser or would not significantly impact the ability of Purchaser to consummate the Arrangement;
- (s) Restrictions on Business Activities: there is no judgment, injunction or order binding upon any member of the Purchaser Group that has or could reasonably be expected to have the effect of prohibiting, restricting

or impairing its business except where such judgment, injunction or order would not, individually or in the aggregate, have a Material Adverse Effect on Purchaser;

- (t) Non-Arm's Length Transactions: except as disclosed in the Purchaser Public Record and except for amounts due as normal salaries and bonuses and in reimbursement of ordinary expenses, there are no contracts or other transactions (including with respect to loans or other indebtedness) currently in place between any member of the Purchaser Group, on the one hand, and (i) any officer, director or employee of, or consultant to a member of the Purchaser Group, (ii) any holder of record or beneficial owner of 10% or more of the voting securities of Purchaser, or (iii) any associate or affiliate of any such Person (collectively, "**Related Parties**"). No Related Party owns, has or is entitled to any royalty, net profits interest, carried interest or any other encumbrances or claims of any nature whatsoever which are based on production from the properties or assets of Purchaser or any revenue or rights attributed thereto;
- (u) Litigation: there are no claims, actions, suits, proceedings, investigations, arbitrations, audits, grievances, assessments or reassessments in existence or pending or, to the knowledge of Purchaser, threatened, affecting or that would reasonably be expected to affect the Purchaser or affecting or that would reasonably be expected to affect any of its 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 Purchaser which would reasonably be expected to cause, individually or in the aggregate, a Material Adverse Change to Purchaser, or would significantly impede the ability of Purchaser to consummate the Arrangement;
- (v) Taxes, etc.: except to the extent that any matter referred to in this subparagraph does not, and would not reasonably be expected to, have a Material Adverse Effect on Purchaser, Purchaser has duly and timely:
 - (i) filed all Tax Returns required to be filed by it and, to Purchaser's knowledge, such Tax Returns are true, complete and accurate in all material respects;
 - (ii) paid all Taxes (including instalments) due and payable by it; and
 - (iii) withheld and remitted to the appropriate Governmental Authorities all amounts required to be withheld by it in respect of the Tax liability of any other Person (including employees and contractors) and there are no Claims for or in respect of which it has received notice against the Purchaser or any member of the Purchaser Group in respect of Taxes and to its knowledge, no such claim is threatened or pending nor is there any reasonable basis for such a Claim;
- (w) No Defaults: no member of the Purchaser Group is 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, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect on Purchaser;
- (x) Insurance: policies of insurance that are in force as of the date hereof naming any member of the Purchaser Group as an insured adequately and reasonably cover all risks as are customarily covered by oil and gas producers in the industry in which the Purchaser Group operates and having regard to the nature of the risk insured and the relative cost of obtaining insurance to protect such member of the Purchaser Group'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;
- (y) Business Conduct: neither Purchaser nor any of its directors, officers, representatives, agents or employees has, except where permitted under all Applicable Law, given or offered or agreed to give any loan, reward, advantage or benefit of any kind to any Foreign Public Official or to any Person for the benefit of a Foreign Public Official as consideration for an act or omission by the Foreign Public Official in connection with the performance of the Foreign Public Official's duties or functions, or to induce the Foreign Public Official to

use his or her position to influence any acts or decisions of the government or any Governmental Authority of Argentina or any public international organization for which the Foreign Public Official performs duties or functions and, to Purchaser's knowledge, all business and operations conducted by Purchaser have been conducted in accordance with the provisions of the *Corruption of Foreign Public Officials Act* (Canada) and any other applicable anti-bribery law, rule or regulation of any locality, or any other law, rule or regulation of similar purpose and scope;

(z) Title to Purchaser Oil and Gas Assets:

- (i) although it does not warrant title, Purchaser Group's interests in the Purchaser Oil and Gas Assets are free and clear of adverse claims created by, through or under any member of the Purchaser Group, and each member of the Purchaser Group holds its interests in the Purchaser Oil and Gas Assets under valid and subsisting leases, licenses, permits, concessions, concession agreements, contracts, subleases, reservations or other agreements, except where the failure to so hold such interests would not reasonably be expected to have a Material Adverse Effect;
- (ii) no member of the Purchaser Group has received notice from any Person claiming an interest in, or that any member of the Purchaser Group is not the beneficial owner of, the interests in the Purchaser Oil and Gas Assets, and to each member of the Purchaser Group's knowledge no such claim has been threatened or is pending;
- (iii) the interests in the Purchaser Oil and Gas Assets are not subject to material reduction by farm-out, reference to payout of a well or otherwise or subject to any obligation to pay any penalty or premium in excess of its proportionate share of costs and expenses in respect of any operations and no member of Purchaser Group has, in respect of the Purchaser Oil and Gas Assets, elected or been deemed to have elected not to participate in any operations that were conducted as sole risk operations by any member of the Purchaser Group's co-venturers; and
- (iv) the Purchaser Oil and Gas Assets are free and clear of all Encumbrances, except for Permitted Encumbrances or encumbrances arising in the ordinary course of business that would not reasonably be expected to have a Material Adverse Effect;

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

(bb) Independent Reserves Report: Purchaser made available to Gaffney, Cline & Associates Inc., prior to the issuance of their report dated effective August 31, 2011 concerning the oil, natural gas and natural gas liquids reserves of Purchaser (the "**Purchaser Report**"), for the purpose of preparing such report, all information requested by Gaffney, Cline & Associates Inc., which information did not contain any material Misrepresentation at the time such information was so provided. Except with respect to changes in commodity prices and Applicable Laws relating to the oil and gas industry in Argentina, Purchaser has no knowledge of a material and adverse change in any information provided to Gaffney, Cline & Associates Inc. since the date that such information was provided. Purchaser believes that the Purchaser Report complies with the requirements of National Instrument 51-101 and believes that the Purchaser Report reasonably presented the quantity and pre-tax present worth values of estimated oil, natural gas and natural gas liquids reserves attributable to the properties evaluated therein as at the date stated therein based upon information available at the time the Purchaser Report was prepared and the assumptions as to commodity prices and costs contained therein. No evaluator has re-evaluated any of the reserves of Purchaser since the date of the Purchaser Report. Purchaser has no knowledge of any pending or contemplated write-down of the oil, natural gas and natural gas liquids reserves set out in the Purchaser Report;

(cc) Environmental Liabilities and Reclamation Liabilities:

- (i) neither the Purchaser Group, nor any Person acting on behalf of any member of the Purchaser Group, has received notice of any Claim by any Person in respect of any Environmental Liabilities and Reclamation Liabilities, other than Claims which, either individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect;
 - (ii) to the knowledge of the Purchaser Group, there are no threatened or pending Claims in respect of Environmental Liabilities and Reclamation Liabilities against any member of the Purchaser Group or in respect of any of the Purchaser Oil and Gas Assets, other than Claims which, either individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect;
 - (iii) there have been no releases, deposits or discharges, in violation of Applicable Law, of any hazardous or toxic substances, contaminants or wastes, including Petroleum Substances and produced water, into the Environment in respect of any of the Purchaser Oil and Gas Assets or for which either any member of the Purchaser Group or any Person acting on behalf of any member of the Purchaser Group, has received notice prior to the date of this Agreement that have not been rectified in all material respects or are not in the process of being rectified as of the date of this Agreement, or, either individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect; and
 - (iv) to the knowledge of the Purchaser Group, the Purchaser Oil and Gas Assets have been operated in material compliance with all Environmental Laws and there are no Environmental Liabilities and Reclamation Liabilities of any member of the Purchaser Group or otherwise pertaining to the Purchaser Oil and Gas Assets other than normal course Environmental Liabilities and Reclamation Liabilities that would reasonably be expected in respect of the Purchaser Oil and Gas Assets if they had been operated in a reasonable and prudent manner and in accordance with all Applicable Law or Environmental Liabilities and Reclamation Liabilities which would not reasonably be expected to have a Material Adverse Effect; and
- (dd) Hedging Contracts: there are no outstanding interest rate swaps, foreign exchange swaps, physical commodity swaps, commodity price hedging contracts, forward sales of production and similar contracts or instruments to which any member of the Purchaser Group is a party or by which any member of the Purchaser Group is bound.

4.7 Negation of Further Representations and Warranties by Purchaser

- (a) Purchaser makes no representations or warranties except as and to the extent set forth in Section 4.6. Except for such representations and warranties, and subject to the limitations provided for elsewhere herein, Purchaser shall not be liable for any representation or warranty which may have been made in any document or instrument relating to the Arrangement or otherwise communicated to the Vendor in any manner.
- (b) Without in any way limiting the generality of Section 4.7(a) and notwithstanding anything herein to the contrary, Purchaser does not make any representations or warranties respecting:
 - (i) the quantity, quality or recoverability of Petroleum Substances from the Purchaser Oil and Gas Assets;
 - (ii) any estimates of the value of the Purchaser Oil and Gas Assets or the revenues applicable to future production from the Purchaser Oil and Gas Assets;
 - (iii) any engineering, geological or other interpretations or evaluations respecting the Purchaser Oil and Gas Assets; or
 - (iv) the future rates of production of Petroleum Substances from the Purchaser Oil and Gas Assets.

- (c) Vendor acknowledges and confirms that it has performed its own due diligence and, except for reliance on the representations and warranties contained in Sections 4.6, has relied, and will continue to rely, upon its own engineering and other evaluations and projections as the same relate to Purchaser or the Purchaser Oil and Gas Assets and on its own inspection of all other physical property and assets which are included in the Purchaser Oil and Gas Assets.

4.8 Survival

Subject to any limitations and other terms and conditions set forth elsewhere in this Agreement, notwithstanding the occurrence of closing of the Arrangement and the items delivered at such closing pursuant hereto, unless specified otherwise, the representations and warranties of the Parties contained in Sections 4.1 **Error! eference source not found.**through 4.4 and Section 4.6 shall survive closing for a period of 12 months thereafter and shall not merge by reason of closing or in any conveyance, transfer, assignment or other document or instrument issued pursuant to or in connection with this Agreement, provided that, the representations and warranties of Vendor in Section 4.4 shall survive until the end of the period in which Prior Period Taxes may be assessed or re-assessed under Applicable Law.

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) Interim Order. The Interim Order shall have been granted on or before May 31, 2012 in form and substance satisfactory to each of Purchaser and Vendor, acting reasonably, and such order shall not have been set aside or modified in a manner unacceptable to Purchaser and Vendor, each acting reasonably, on appeal or otherwise.
- (b) Arrangement Resolution. The Arrangement Resolution shall have been passed by the Vendor Shareholders on or prior to the Outside Date in accordance with the Interim Order.
- (c) Final Order. The Final Order shall have been granted on or prior to the Outside Date in form and substance satisfactory to Purchaser and Vendor, acting reasonably, and such order shall not have been set aside or modified in a manner unacceptable to Purchaser and Vendor, acting reasonably, on appeal or otherwise.
- (d) Articles of Arrangement. The Articles of Arrangement to be filed with the Registrar in accordance with the Arrangement shall be in form and substance satisfactory to each of Purchaser and Vendor, acting reasonably.
- (e) Listing Approval. The TSXV shall have approved the Arrangement and conditionally approved for listing all of the Purchaser Shares issuable pursuant to the Arrangement.
- (f) Waiting Periods. All domestic and foreign statutory and regulatory waiting periods applicable to the transactions contemplated by the Arrangement shall have expired or have been terminated and no unresolved material objection or opposition shall have been filed, initiated or made during any applicable statutory or regulatory period.
- (g) Required Approvals. Purchaser and Vendor shall have obtained all Required Approvals, including Required Approvals to complete the Arrangement by or from relevant Governmental Authorities, on terms and conditions satisfactory to the Parties, acting reasonably, including without limitation the Anti-Trust Approval (if required by Applicable Law).

- (h) No Actions by Governmental Authority. 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 Court or 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.
- (i) Effective Date. The Effective Date shall occur on or before the Outside Date.

The foregoing conditions are for the mutual benefit of Purchaser on the one hand and Vendor on the other hand and may be waived, in whole or in part, jointly by the Parties at any time. If any of the foregoing conditions are not satisfied or waived, then a Party may terminate this Agreement as provided in Section 7.1 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 Purchaser

The obligation of Purchaser to consummate the transactions contemplated hereby, and in particular the Arrangement, is subject to the satisfaction, on or before the Effective Date or such other time specified, of the following conditions:

- (a) Representations and Warranties. The representations and warranties of Vendor set forth herein shall be true and correct in all respects as of the Effective Date as if made on and as of such date without giving effect to any materiality qualifiers contained therein (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 Antrim Argentina, or would not, or would not reasonably be expected to, materially impede the ability of the Parties to complete the Arrangement, and Vendor shall have provided to Purchaser a certificate of a senior officer certifying such accuracy on the Effective Date; provided that Vendor shall be entitled to cure any breach of a representation and warranty within five Business Days after receipt of written notice thereof from Purchaser (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. Vendor 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 Antrim Argentina, or would not reasonably be expected to significantly impede the ability of the Parties to complete the Arrangement, and Vendor shall have provided to Purchaser a certificate of a senior officer certifying compliance with such covenants; provided that Vendor shall be entitled to cure any breach of a covenant within five Business Days after receipt of written notice thereof from Purchaser (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) Material Adverse Change. In the opinion of Purchaser, acting reasonably, there shall not have occurred any Material Adverse Change with respect to Antrim Argentina.
- (d) No Materially Adverse Actions taken by Argentine Governmental Authorities. No act, action, suit, proceeding, objection or opposition shall have been threatened or taken before or by the Government of Argentina or any Governmental Authority therein or by any elected or appointed public official in Argentina, 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 by the Government of Argentina or any Governmental Authority therein or by any elected or appointed public official in Argentina, which in the sole judgment of Purchaser, acting reasonably, in either case has been, or if the Arrangement was consummated, would or could reasonably be expected to be, materially adverse to Antrim Argentina and/or its interest in the Oil and Gas Assets, or would or could reasonably be expected to materially impede the ability of the Parties to complete the Arrangement.

- (e) Severance Costs. Prior to the Effective Time, Vendor shall have provided Purchaser with evidence that all Severance Costs have been paid to the directors, officers, employees and consultants of Antrim Argentina who are to be terminated or who are to resign (as the case may be) before or as of the Effective Time as provided herein.
- (f) Documentation Relating to Reorganization Transactions. Prior to the Effective Time, Vendor shall have provided Purchaser with true and complete copies of all agreements, certificates, notices, registrations and other instruments and documents under or pursuant to which the Reorganization Transactions were effected, in each case in form and substance satisfactory to the Purchaser, acting reasonably.
- (g) Completion of Reorganization Transactions. The Reorganization Transactions shall have been completed prior to the Effective Time in substantially the manner set forth in the Disclosure Letter and otherwise in a manner satisfactory to Purchaser, acting reasonably.
- (h) Rights of First Refusal. At the Effective Time, no Rights of First Refusal shall have been exercised and all Rights of First Refusal shall have been waived or expired in accordance with their terms, and the Vendor shall have provided to Purchaser copies of all:
 - (i) waivers in respect of any Rights of First Refusal that have been waived by the holders thereof and all such waivers shall be in form and substance satisfactory to Purchaser, acting reasonably; and
 - (ii) in respect of the Rights of First Refusal that have not been waived by the holder thereof, documentation evidencing the expiry (or purported expiry) or the satisfaction (or purported satisfaction) of all conditions for the expiry of any Rights of First Refusal that have expired and are no longer open for exercise by the holders thereof before the Effective Date and all such documentation shall be in form and substance satisfactory to Purchaser, acting reasonably.
- (i) Mailing Date. Vendor shall have mailed the Information Circular to the Vendor Shareholders not later than May 31, 2012, provided that the failure to mail by such date is not caused by a material breach of Purchaser's covenants under this Agreement.
- (j) Board and Shareholder Authorization. Vendor shall have furnished Purchaser with:
 - (i) certified copies of the resolutions duly passed by the Vendor Board of Directors approving this Agreement and the consummation of the transactions contemplated hereby; and
 - (ii) certified copies of the resolution of Vendor Shareholders, duly passed at the Vendor Meeting, approving the Arrangement Resolution.
- (k) Approval. The Vendor Board of Directors shall not have: (i) amended its affirmative recommendation to the Vendor Shareholders in a manner adverse to Purchaser; or (ii) withdrawn its affirmative recommendation to the Vendor Shareholders to vote in favour of the Arrangement Resolution.
- (l) Voting Agreements. None of the Voting Agreements shall have been breached or terminated.
- (m) Working Capital: As at the date of this Agreement, Antrim Argentina's Working Capital was not less than \$7.4 million, and Vendor shall have provided to Purchaser a certificate of a senior officer certifying such.

- (n) Calculation of Cash Consideration: Vendor shall have provided to Purchaser Vendor's calculation of the Severance Costs incurred by Antrim Argentina, the Transaction Costs incurred by Antrim Argentina, and the resulting amount of Cash Consideration payable by Purchaser to Vendor pursuant to the Arrangement, together with supporting documentation, and Purchaser shall have agreed with Vendor's calculations, acting reasonably.
- (o) Deliveries. At the Effective Time, Vendor shall have delivered the following items to Purchaser:
- (i) certificates representing all of the issued and outstanding Antrim Argentina Shares, duly endorsed for transfer by the Vendor or accompanied by a power of attorney to transfer such shares duly executed by Vendor;
 - (ii) a letter issued by Vendor and addressed to the board of directors of Antrim Argentina informing it about the proposed transfer of the Antrim Argentina Shares to Purchaser and Purchaser's Nominee hereunder and requesting the issuance of new share certificates in favour of Purchaser and Purchaser's Nominee;
 - (iii) a certified copy of a resolution of the board of directors of Antrim Argentina approving the transfer of the Antrim Argentina Shares from Vendor to Purchaser and Purchaser's Nominee as provided herein;
 - (iv) a copy of the stock ledger of Antrim Argentina evidencing the transfer of the Antrim Argentina Shares to Purchaser and Purchaser's Nominee hereunder and evidencing the issuance of new share certificates in favour of Purchaser and Purchaser's Nominee;
 - (v) new share certificates issued in the name of Purchaser and Purchaser Nominee representing all of the issued and outstanding Antrim Argentina Shares;
 - (vi) the Records;
 - (vii) evidence of: (i) the revocation of all powers of attorney granted by Antrim Argentina, including those listed in the Disclosure Letter, but excluding any such powers of attorney designated by Purchaser in writing prior to the Effective Date as powers of attorneys that are to continue in force through the Effective Time; (ii) the notification of the revocation of such powers of attorney to the respective attorneys in fact thereunder; and (iii) all public deeds of the powers of attorney being revoked;
 - (viii) resignations of all directors and officers of Antrim Argentina from all such positions and offices with Antrim Argentina and a mutual release from each such individual pursuant to which he or she releases all Claims that he or she has or may at any time have against Antrim Argentina and Purchaser, in a form acceptable to Purchaser, acting reasonably;
 - (ix) a notarized assignment of debt and acknowledgement duly executed by Vendor pursuant to which Vendor assigns and transfers all of its interest in and to the Inter-Company Indebtedness held by it at the Effective Time to the Purchaser, in a form satisfactory to Purchaser, acting reasonably;
 - (x) releases by Vendor and its Affiliates in favour of Antrim Argentina in respect of all Claims that each of them has or may at any time have against Antrim Argentina, including in respect of the principal indebtedness (including the Inter-Company Indebtedness) of, and all other amounts payable by, Antrim Argentina to Vendor and its Affiliates, together with all rights and benefits of Vendor and its Affiliates to recover such indebtedness; and
 - (xi) duly executed copies of all agreements, documents and instruments that are required or are necessary to be tabled by Vendor and its Affiliates pursuant to the Plan of Arrangement in order to evidence or give effect to the transactions contemplated thereby.

The conditions in this Section 5.2 are for the exclusive benefit of Purchaser and may be asserted by Purchaser regardless of the circumstances or may be waived by Purchaser in its sole discretion, in whole or in part, at any time and from time to time without prejudice to any other rights which Purchaser may have. If any of the foregoing conditions are not satisfied or waived, Purchaser may, in addition to any other remedies it may have at law or equity, terminate this Agreement as provided in Section 7.1 provided that, prior to the filing of the Articles of Arrangement for the purpose of giving effect to the Arrangement, Purchaser has delivered a written notice to Vendor, specifying in reasonable detail all breaches of covenants, representations and warranties or other matters which Purchaser is asserting as the basis for the non-fulfillment of the applicable conditions precedent. More than one such notice may be delivered by Purchaser.

5.3 Additional Conditions to Obligations of Vendor

The obligation of Vendor to consummate the transactions contemplated hereby, and in particular the Arrangement, is subject to the satisfaction, on or before the Effective Date or such other time specified, of the following conditions:

- (a) Representations and Warranties. The representations and warranties of Purchaser set forth herein shall be true and correct in all respects as of the Effective Date as if made on and as of such date without giving effect to any materiality qualifiers contained therein (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 Purchaser, or would not, or would not reasonably be expected to, materially impede the ability of the Parties to complete the Arrangement, and Purchaser shall have provided to Vendor a certificate of a senior officer certifying such accuracy on the Effective Date; provided that Purchaser shall be entitled to cure any breach of a representation and warranty within five Business Days after receipt of written notice thereof from Vendor (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. Purchaser 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 Purchaser, or would not reasonably be expected to significantly impede the ability of the Parties to complete the Arrangement, and Purchaser shall have provided to Vendor a certificate of a senior officer certifying compliance with such covenants; provided that Purchaser shall be entitled to cure any breach of a covenant within five Business Days after receipt of written notice thereof from Vendor (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) Material Adverse Change. In the opinion of Vendor, acting reasonably, there shall not have occurred any Material Adverse Change with respect to Purchaser.
- (d) No Materially Adverse Actions taken by Argentine Governmental Authorities. No act, action, suit, proceeding, objection or opposition shall have been threatened or taken before or by the Government of Argentina or any Governmental Authority therein or by any elected or appointed public official in Argentina, 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 by the Government of Argentina or any Governmental Authority therein or by any elected or appointed public official in Argentina, which in the sole judgment of Vendor, acting reasonably, in either case has been, or if the Arrangement was consummated, would or could reasonably be expected to be, materially adverse to Purchaser and/or its interest in the Purchaser Oil and Gas Assets, or would or could reasonably be expected to materially impede the ability of the Parties to complete the Arrangement.

- (e) Board Authorization. Purchaser shall have each furnished Vendor with certified copies of the resolutions duly passed by the Purchaser Board of Directors approving this Agreement and the consummation of the transactions contemplated hereby.
- (f) Purchase Consideration. Purchaser shall have paid the Cash Consideration by certified cheque or wire transfer, or such other payment method acceptable to Vendor, acting reasonably, to Vendor, and delivered share certificates representing the Share Consideration as directed by Vendor.
- (g) Releases. Executed releases shall have been received by each director and officer of Antrim Argentina who has tendered their resignation in connection with the transactions contemplated hereby in a form mutually acceptable to the parties thereto, each acting reasonably.

The conditions in this Section 5.3 are for the exclusive benefit of Vendor and may be asserted by Vendor regardless of the circumstances or may be waived by Vendor in its sole discretion, in whole or in part, at any time and from time to time without prejudice to any other rights which Vendor may have. If any of the foregoing conditions are not satisfied or waived, Vendor may, in addition to any other remedies it may have at law or equity, terminate this Agreement as provided in Section 7.1, provided that, prior to the filing of the Articles of Arrangement for the purpose of giving effect to the Arrangement, Vendor has delivered a written notice to Purchaser, specifying in reasonable detail all breaches of covenants, representations and warranties or other matters which Vendor is asserting as the basis for the non-fulfillment of the applicable conditions precedent. More than one such notice may be delivered by Vendor.

5.4 Notice and Effect of Failure to Comply with Conditions

Each of Purchaser and Vendor 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: (i) cause any of the representations or warranties of such Party contained herein to be untrue or inaccurate in any material respect; or (ii) 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, Articles of Arrangement are filed under the ABCA to give effect to the Arrangement.

ARTICLE 6 AMENDMENT

6.1 Amendment

This Agreement may at any time and from time to time before or after the holding of the Vendor Meeting be amended by written agreement 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 Vendor 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.

6.2 Amendment of Plan of Arrangement

- (a) The Parties 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 Vendor Meeting, approved by the Court; and (iii) communicated to holders of Vendor Common 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 the Vendor or Purchaser at any time prior to or at the Vendor 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 Vendor 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 Vendor Meeting shall be effective only if it is consented to by each of the Parties.
- (d) Any amendment, modification or supplement to the Plan of Arrangement may be made following the Effective Time by the Parties, provided that it concerns a matter which, in the reasonable opinion of the Parties, is of an administrative nature required to better give effect to the implementation of the Plan of Arrangement and is not adverse to the financial or economic interests of the Parties or any Vendor Shareholder.

ARTICLE 7 TERMINATION

7.1 Termination

- (a) This Agreement may be terminated at any time prior to the Effective Date:
- (i) by mutual written consent of Purchaser and Vendor;
 - (ii) as provided in Sections 5.1, 5.2 and 5.3;
 - (iii) by Purchaser upon the occurrence of a Purchaser Damages Event as provided in Section 7.2;
 - (iv) by Vendor upon the occurrence of a Purchaser Damages Event as provided in Section 7.2(d) (in accordance with Section 3.4(b)(vii)) and the payment by Vendor to Purchaser of the amount required by Section 7.2;
 - (v) by Vendor upon the occurrence of a Vendor Damages Event provided for in Section 7.4; and
 - (vi) in accordance with Section 3.6(e).
- (b) If this Agreement is terminated in accordance with the foregoing provisions of this Section 7.1, this Agreement shall forthwith become void and no Party shall have any liability or further obligation to the other Parties hereunder, except as provided in Section 3.6(e) and this Article 7 and each Party's obligations under the Vendor Confidentiality Agreement and the Purchaser Confidentiality Agreement, which shall survive such termination, and provided that neither the termination of this Agreement nor anything contained in this Section 7.1(b) shall relieve any 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.

7.2 Purchaser Damages

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

- (a) the Vendor Board of Directors withdraws, amends, changes or qualifies, or proposes publicly to withdraw, amend, change or qualify, in any manner adverse to Purchaser, any of its recommendations, approvals or determinations referred to in Section 2.6;
- (b) the Vendor Board of Directors shall have failed to publicly reaffirm any of its recommendations, approvals or determinations referred to in Section 2.6 in accordance with Section 3.4 or within five Business Days of any written request to do so by Purchaser (or, in the event that the Vendor Meeting to approve the Arrangement is scheduled to occur within such five Business Day period, prior to the scheduled date of such meeting);
- (c) an Antrim Argentina Acquisition Proposal or an Antrim Canada Acquisition Proposal is publicly announced, proposed, offered or made to the Vendor Shareholders or to Vendor and has not expired or been withdrawn at the time of the Vendor Meeting, and the Vendor Shareholders do not approve the Arrangement or the Arrangement is not submitted for their approval;
- (d) the Vendor Board of Directors or any committee of the Vendor Board of Directors accepts, recommends, approves or enters into an agreement, understanding or letter of intent to implement an Antrim Canada Superior Corporate Acquisition Proposal;
- (e) Vendor is in breach of any of its covenants or obligations in Section 3.4 in any material respect;
- (f) Vendor 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, Antrim Argentina or materially impedes or would reasonably be expected to materially impede the completion of the Arrangement, and the Vendor fails to cure such breach within five Business Days after receipt of written notice thereof from Purchaser (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);
- (g) Vendor 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, Antrim Argentina or materially impedes or would reasonably be expected to materially impede the completion of the Arrangement, and the Vendor fails to cure such breach within five Business Days after receipt of written notice thereof from Purchaser (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
- (h) the Vendor Shareholders do not approve the Arrangement and none of the events described in Sections 7.2(a) through 7.2(g), inclusive, has occurred;

(each of the above being a "**Purchaser Damages Event**") then in the event of the termination of this Agreement pursuant to Section 7.1, Vendor shall pay to Purchaser (or to whom Purchaser may direct in writing) a fee (the "**Purchaser Termination Fee**") as liquidated damages in immediately available funds within two Business Days after the first to occur of the events described above, which Purchaser Termination Fee shall be equal to the amount of: (i) \$3,500,000 in the event that the Purchaser Damages Event arises from Section 7.2(a), (b), (c), (d) or (e); (ii) \$2,500,000 in the event that the Purchaser Damages Event arises from Section 7.2(f) or (g); and (iii) \$1,000,000 in the event that the Purchaser Damages Event arises from Section 7.2(h). Following a Purchaser Damages Event, but

prior to payment of the Purchaser Termination Fee, Vendor shall and shall be deemed to hold such payment in trust for Purchaser. The Vendor shall only be obligated to make one payment pursuant to this Section 7.2.

At the election of the Vendor, the Purchaser Termination Fee may be paid to the Purchaser in U.S. dollars or Argentine pesos rather than Canadian dollars, and may be paid to an account of the Purchaser (as designated by the Purchaser) located in either Canada or Argentina. If the Vendor makes the aforementioned election, the Purchaser Termination Fee shall, for the purpose of calculating the amount of U.S. dollars or Argentine pesos payable by Vendor to Purchaser, be translated from Canadian dollars into U.S. dollars or Argentine pesos (as the case may be) using the rate of exchange in effect on the date that this Agreement is terminated based on the rates published on the Bank of Canada's website as being in effect at approximately noon on each trading day.

7.3 Purchaser Liquidated Damages

Each Party acknowledges that the Purchaser Termination Fee set out in Section 7.2 is a payment of liquidated damages which are a genuine pre-estimate of the damages which Purchaser 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. Vendor 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 amount pursuant to Section 7.2 is the sole monetary remedy of Purchaser; provided, however, that this limitation shall not apply in the event of fraud or intentional breach of this Agreement by Vendor. 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 Vendor Confidentiality Agreement or the Purchaser Confidentiality Agreement or otherwise to obtain specific performance of any of such acts, covenants or agreements, without the necessity of posting bond or security in connection therewith.

7.4 Vendor Damages

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

- (a) Purchaser 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, Purchaser or materially impedes or would reasonably be expected to materially impede the completion of the Arrangement, and Purchaser fails to cure such breach within five Business Days after receipt of written notice thereof from the Vendor (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
- (b) Purchaser 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, Purchaser or materially impedes or would reasonably be expected to materially impede the completion of the Arrangement, and Purchaser fails to cure such breach within five Business Days after receipt of written notice thereof from the Vendor (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 "**Vendor Damages Event**"), then in the event of the termination of this Agreement pursuant to Section 7.1, Purchaser shall pay to Vendor (or to whom Vendor may direct in writing) \$2,500,000 (the "**Vendor Termination Fee**") as liquidated damages in immediately available funds to an account designated by Vendor within two Business Days after the first to occur of the events described above. Following a Vendor Damages Event, but prior to payment of the Vendor Termination Fee, Purchaser shall and shall be deemed to hold such payment in trust for Vendor. The Purchaser shall only be obligated to make one payment pursuant to this Section 7.4.

7.5 Vendor Liquidated Damages

Each Party acknowledges that the Vendor Termination Fee set out in Section 7.4 is a payment of liquidated damages which are a genuine pre-estimate of the damages which the Vendor 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. Purchaser 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 amount pursuant to Section 7.4 is the sole monetary remedy of the Vendor; provided, however, that this limitation shall not apply in the event of fraud or intentional breach of this Agreement by Purchaser. 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 Vendor Confidentiality Agreement or the Purchaser Confidentiality Agreement or otherwise to obtain specific performance of any of such acts, covenants or agreements, without the necessity of posting bond or security in connection therewith.

ARTICLE 8 LIABILITIES AND INDEMNITIES

8.1 Vendor's General Liabilities and Indemnities

From and after the Effective Date, Vendor shall be liable for all Losses and Liabilities suffered, sustained, paid or incurred by Purchaser, and, in addition and as an independent covenant, shall defend, indemnify and save harmless Purchaser from and against all Losses and Liabilities suffered, sustained, paid or incurred by Purchaser and all Claims made against Purchaser, in either case, as a direct consequence of:

- (a) any breach by Vendor of any of its representations or warranties contained in Sections 4.1 through 4.4, inclusive, in respect of which Purchaser has provided written notice thereof, in reasonable detail, to Vendor within the 12-month period immediately following the Effective Date, except in the case of a Claim made by Purchaser in respect of a breach by Vendor of its representations and warranties in Section 4.4, in respect of which such period shall extend to the end of the period in which Prior Period Taxes may be assessed or re-assessed under Applicable Law; or
- (b) any breach by Vendor of any of its covenants contained in this Agreement and to be performed at or prior to the Effective Date in respect of which Purchaser has provided written notice thereof, in reasonable detail, to Vendor within the 12-month period immediately following the Effective Date.

8.2 Purchaser's General Liabilities and Indemnities

From and after the Effective Date, Purchaser shall be liable for all Losses and Liabilities suffered, sustained, paid or incurred by Vendor, and, in addition and as an independent covenant, shall defend, indemnify and save harmless Vendor from and against all Losses and Liabilities suffered, sustained, paid or incurred by it and all Claims made against it, in either case, as a direct consequence of:

- (a) any breach by Purchaser of any of its representations or warranties contained in Section 4.6; or
- (b) any breach by Purchaser of any of its covenants contained in this Agreement and to be performed at or prior to the Effective Date;

in respect of which Vendor has provided written notice thereof, in reasonable detail, to Purchaser within the 12-month period immediately following the Effective Date.

8.3 Purchaser's Environmental Liabilities and Indemnities

- (a) From and after the Effective Date, Purchaser shall:
 - (i) be liable for all past, present and future Environmental Liabilities; and

- (ii) defend, indemnify and save harmless Vendor and its Affiliates from and against all Losses and Liabilities suffered, sustained, paid or incurred by any of them and all Claims made against any of them in respect of any past, present and future Environmental Liabilities.

This assumption of liability and indemnity shall apply without limit and without regard to the negligence of Vendor or any of Vendor's Affiliates. The Parties acknowledge that the Consideration has taken into account all of the Environmental Liabilities identified by Purchaser and, accordingly, this assumption of liability and indemnity shall apply in respect of all of such Environmental Liabilities. Purchaser hereby waives, and acknowledges and agrees that it shall not exercise, any right or remedy against Vendor or its Affiliates in respect to any such Environmental Liabilities that it may otherwise have under Applicable Law, including any right to name Vendor or any of its Affiliates as a party to any Claim to which Purchaser is a party.

- (b) Notwithstanding Section 8.3(a), nothing in this Section 8.3 shall be construed so as to require Purchaser to be liable for or to defend, indemnify or save harmless Vendor and its Affiliates in connection with any Losses and Liabilities suffered, sustained, paid or incurred by any of them or any Claims made against any of them in respect of any Environmental Liabilities to the extent that such Losses and Liabilities or Claim arise as a consequence of any breach of any representation or warranty of Vendor contained in Sections 4.1 through 4.4, inclusive, or any breach by Vendor of any of its covenants contained in this Agreement.

8.4 Limitation of Indemnities

No Party shall make any claim under or in respect of Section 8.1 or 8.2 after the expiry of the 12-month period immediately following the Effective Date (other than claims in respect of Vendor's representations and warranties in Section 4.4, in respect of which such period shall extend to the end of the period in which Prior Period Taxes may be assessed or re-assessed under Applicable Law) and no Party shall have any liability to indemnify another Party under Section 8.1 or 8.2, as the case may be, unless written notice, with reasonable particulars, of the applicable Losses and Liabilities or Claim for which such other Party is seeking indemnity under such provisions has been received by such Party during the 12-month period immediately following the Effective Date (other than claims in respect of Vendor's representations and warranties in Section 4.4, in respect of which such period shall extend to the end of the period in which Prior Period Taxes may be assessed or re-assessed under Applicable Law).

8.5 Procedures – Indemnities

If a Party (the "**Claiming Party**") wishes to claim indemnification from another Party (the "**Indemnifying Party**") pursuant to Section 8.1, 8.2 or 8.3 (or any other provision of this Agreement providing for indemnification), the following shall apply:

- (a) Promptly after acquiring knowledge of the subject matter of the Claim or the Losses and Liabilities in respect of which the claim for indemnification is to be made (an "**Indemnified Matter**"), the Claiming Party shall provide notice thereof to the Indemnifying Party, provided that, failure to give such notice will not limit or lessen the right of the Claiming Party to indemnify under this Agreement except to the extent that the Indemnifying Party is prejudiced in its contest or defence of the Indemnified Matter as a result of such failure. Such notice shall describe the nature of the Indemnified Matter in reasonable detail and indicate, if reasonably ascertainable, the Claiming Party's good faith estimate of the amount for which the Indemnifying Party may be liable under this Agreement in respect of such Indemnified Matter.
- (b) If the Indemnified Matter relates to a Claim made or brought by a third party:
 - (i) The Indemnifying Party shall have the right to participate in or to elect to assume control of the defence or dispute of any such Claim. Any such participation in or assumption of the control of the defence or dispute of the Claim shall be at the Indemnifying Party's own expense and use counsel chosen by the Indemnifying Party. The Claiming Party shall provide all reasonable assistance that the Indemnifying Party may reasonably request in connection with such defence or dispute.

- (ii) The Claiming Party shall have the right to participate in the defence or dispute of any such Indemnified Matter using counsel of its own choice if representation of both the Claiming Party and the Indemnifying Party by the same counsel would be inappropriate due to conflicting interests of the two Parties, including Claims that would be partially excluded from indemnification by the Indemnifying Party by virtue of another provision of this Agreement. The Indemnifying Party shall be liable for the costs of such additional counsel retained by the Claiming Party, but only to the extent that such costs pertain to the defence or dispute of the Indemnified Matter.
 - (iii) The Claiming Party shall not settle or compromise, or propose to settle or compromise, any such Indemnified Matter without first obtaining the consent of the Indemnifying Party, provided that, such consent shall not be required if: (A) the Indemnifying Party denies or disputes that the particular Claim constitutes an Indemnified Matter and refuses to take responsibility for the defence or dispute thereof as provided above; (B) the Indemnifying Party fails to respond to any notice of the Indemnified Matter given by the Claiming Party in accordance with Section 8.5(a) within 15 days of receipt thereof by the Indemnifying Party; or (C) the Indemnifying Party either refuses or fails to defend or dispute such Indemnified Matter after assuming responsibility for the defence or dispute thereof as provided above. In each such case, the Claiming Party shall be entitled to defend, dispute, settle or compromise such a Claim by a third party in any manner it determines to be appropriate, acting reasonably and in good faith, subject to any limitations set forth in this Agreement.
- (c) If the Indemnified Matter relates to Losses and Liabilities directly suffered, sustained, paid or incurred by the Claiming Party, the Indemnifying Party shall respond to the Claiming Party as to whether the Indemnifying Party accepts liability for such Indemnified Matter within 30 days of receipt of the Claiming Party's notice given in accordance with Section 8.5(a), and:
 - (i) if the Indemnifying Party does not respond within such 30-day notice period, the Indemnifying Party shall be deemed to have accepted its liability for such Indemnified Matter;
 - (ii) if the Indemnifying Party accepts its liability for such Indemnified Matter, the Indemnifying Party shall discharge its obligation to defend, indemnify and save harmless the Claiming Party within 30 days after the end of such notice period (or commence to discharge such obligation within 30 days after the end of such notice period and thereafter diligently continue to discharge such obligation if such obligation cannot reasonably be discharged in full during such 30-day period); and
 - (iii) if the Indemnifying Party disputes whether the particular Losses and Liabilities constitute an Indemnified Matter or the amount of such Losses or Liabilities for which the Indemnifying Party is liable within such 30-day period, or if the Indemnifying Party accepts or is deemed to have accepted liability for such Indemnified Matter, but fails to discharge such liability within the specified period, the Claiming Party shall be free to seek to enforce its rights hereunder against the Indemnifying Party in respect of such Indemnified Matter under this Agreement in any manner that it deems appropriate.
- (d) If the Indemnifying Party has paid an amount in respect of an Indemnified Matter pursuant to this Agreement, then: (i) the Indemnifying Party will be subrogated to all and any Claims that the Claiming Party may have relating thereto without any further action; (ii) the Claiming Party, without limiting its rights against the Indemnifying Party under this Agreement, shall provide any reasonable assistance that the Indemnifying Party may reasonably request in order to permit the Indemnifying Party to pursue such Claims; and (iii) if the Claiming Party is subsequently reimbursed by any Person or from any source other than the Indemnifying Party in respect of the Indemnified Matter, the Claiming Party shall promptly pay to the Indemnifying Party any such amounts so received by it, up to the amount received from the Indemnifying Party in respect of such Indemnified Matter.

8.6 Survival

The assumption of liability and the indemnities provided for in Sections 8.1, 8.2 and 8.3 (and in any other provision of this Agreement providing for the assumption of liability and indemnification) shall be deemed to apply to, and shall not merge in, all assignments, transfers, conveyances, novations and other documents, assigning, transferring and conveying the Antrim Argentina Shares and the Inter-Company Indebtedness to Purchaser.

8.7 Limitation of Liability

Notwithstanding anything to the contrary in this Agreement, no Party shall be liable for or liable to indemnify another Party in respect of any Consequential Losses suffered, sustained or incurred by another Party or any of that other Party's directors, officers, shareholders, employees or agents howsoever arising under or in connection with this Agreement or the Arrangement, including any termination of this Agreement prior to the Effective Time.

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 facsimile transmission:

(a) in the case of Purchaser, to:

Crown Point Ventures Ltd.
460, 910 - 7 Avenue SW
Calgary, Alberta T2P 3N8

Attention: Murray McCartney
Facsimile: (403) 232-1158

with a copy to:

Burnet, Duckworth & Palmer LLP
2400, 525 - 8 Avenue SW
Calgary, Alberta T2P 1G1

Attention: Jeff T. Oke
Facsimile: (403) 260-0332

(b) in the case of Antrim Energy Inc., to:

Antrim Energy Inc.
610, 301 - 8 Avenue SW
Calgary, Alberta T2P 1C5

Attention: Stephen E. Greer
Facsimile: (403) 264-5113

with a copy to:

Burstall Winger LLP
1600, 333 - 7th Avenue S.W.
Calgary, Alberta T2P 2Z1

Attention: Jay M. Zammit
Facsimile: (403) 266-6016

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 the time such facsimile transmission 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 any of the Parties hereto without the prior written consent of the other Party hereto; provided, however, that Purchaser may assign all or any part of its rights under this Agreement to, and its obligations under this Agreement may be assumed by, any of its subsidiaries without the prior written consent of Vendor, provided that if such assignment and/or assumption takes place, Purchaser shall continue to be liable jointly and severally with such subsidiary for all of its obligations hereunder.

10.3 Public Communications

Each of Purchaser and Vendor agree to consult with each other 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 this Agreement, including in Sections 2.8, 3.2(aa) and 3.5 and Article 7, 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 Party 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 non-exclusive jurisdiction of the courts of the Province of Alberta located in Calgary, in respect of all matters arising out of this Agreement, without prejudice to the rights of the Parties to take proceedings in any other jurisdiction. 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 Confidentiality

If the Arrangement closes, Vendor covenants that, from and after the Effective Time to the second anniversary of the Effective Date, it shall not disclose (and shall ensure that its Affiliates and its and their officers, directors and employees shall not disclose) any information (whether written, oral, electronic or otherwise) relating to Antrim Argentina or its business, affairs, financial position, corporate status, operations or any of the Oil and Gas Assets, or relating to Purchaser or its business, affairs, financial position, corporate status, operations or any of its assets, provided that:

- (a) the foregoing non-disclosure obligations shall not apply to the following information:
 - (i) information which is in the public domain, but only after it enters the public domain and only if the entry into the public domain was not as a result of a breach by Vendor of its obligations under this Section 10.9; or
 - (ii) information which is made available to Vendor or its Affiliate by a Person which, to Vendor's knowledge after reasonable inquiry by Vendor or its Affiliate, is not obligated to Purchaser or Antrim Argentina not to disclose such information; and
- (b) Vendor or its Affiliates may disclose such information to the extent necessary to comply with Applicable Law or stock exchange rules to which it or its Affiliates are subject or to its advisors, accountants, auditors, legal counsel and taxation authorities, provided that it shall take all measures as are reasonable in the circumstances to maintain the confidentiality and prevent further disclosure of such information provided that the exception in this Section 10.9(b) shall not apply in respect to any information relating to Purchaser or its assets, business, affairs, financial position, corporate status or operations.

10.10 Waiver

Any 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 such Party and, unless otherwise provided in the written waiver, will be limited to the specific breach or condition waived.

[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.

ANTRIM ENERGY INC.

By: _____
Name:
Title:

CROWN POINT VENTURES LTD.

By: _____
Name:
Title:

EXHIBIT A
PLAN OF ARRANGEMENT

EXHIBIT B

ARRANGEMENT RESOLUTION

BE IT RESOLVED AS A SPECIAL RESOLUTION OF THE HOLDERS OF COMMON SHARES OF ANTRIM ENERGY INC. (THE "**CORPORATION**") 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 Exhibit ● to Appendix ● to the Information Circular of the Corporation dated ●, 2012 (the "**Information Circular**") accompanying the notice of meeting is hereby authorized, approved, ratified and confirmed;
2. the arrangement agreement between the Corporation and Crown Point Ventures Ltd. dated effective March 23, 2012 (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 4 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 the Corporation may, without further notice to or approval of the securityholders of the Corporation, subject to the terms of 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 the Corporation is hereby authorized, for and on behalf of the Corporation, 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 the Corporation 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.