SURGE ENERGY INC. as Borrower

- and -

THE PERSONS PARTY HERETO FROM TIME TO TIME
IN THEIR CAPACITIES AS LENDERS

- and -

THOSE OTHER FINANCIAL INSTITUTIONS WHICH
HEREAFTER BECOME LENDERS
UNDER THIS AGREEMENT

- and -

NATIONAL BANK OF CANADA
as Administrative Agent

- and with -

NATIONAL BANK FINANCIAL MARKETS
as Sole Bookrunner

- and -

NATIONAL BANK FINANCIAL MARKETS and ATB FINANCIAL
as Co-Lead Arrangers

SECOND AMENDED AND RESTATED CREDIT AGREEMENT

December 19, 2022

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SECOND AMENDED AND RESTATED CREDIT AGREEMENT

THIS SECOND AMENDED AND RESTATED CREDIT AGREEMENT is made the **December 19**, 2022

BETWEEN:

SURGE ENERGY INC.
as Borrower

\- and –

THE PERSONS PARTY HERETO FROM TIME TO TIME
IN THEIR CAPACITIES AS LENDERS

\- and -

NATIONAL BANK OF CANADA
as Administrative Agent

\- and with -

NATIONAL BANK FINANCIAL MARKETS
as Sole Bookrunner

\- and -

NATIONAL BANK FINANCIAL MARKETS and ATB FINANCIAL
as Co-Lead Arrangers

PREAMBLE:

The Borrower, as borrower, National Bank of Canada and the other lenders from time-to-time party thereto, as lenders, and National Bank of Canada, as agent, as amended, restated, supplemented or otherwise modified from time to time to the date hereof are party to an amended and restated credit agreement dated May 3, 2022 (as amended to the date hereof, the "**Existing NBC Credit Agreement**").

The Borrower, the Lenders under the Existing NBC Credit Agreement and the Agent wish to amend and restate the Existing NBC Credit Agreement to add the Term Facility and make other amendments, in each case, on the terms and conditions set forth herein.

AGREEMENT:

In consideration of the covenants and agreements between the Parties contained in this Agreement and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

ARTICLE 1
INTERPRETATION

1.1 Definitions.

Capitalized words and phrases used in this Agreement and the other Loan Documents, the Schedules hereto and in all notices and communications expressed to be made pursuant to this Agreement will have the meanings set out in Schedule A, unless, in the case of another Loan Document, otherwise defined in such Loan Document.

1.2 Headings.

Headings, subheadings and the table of contents contained in the Loan Documents are inserted for convenience of reference only, and will not affect the construction or interpretation of the Loan Documents.

1.3 Subdivisions.

Unless otherwise stated, reference herein to a Schedule or to an Article, Section, paragraph or other subdivision is a reference to such Schedule to this Agreement or such Article, Section, paragraph or other subdivision of this Agreement. Unless specified otherwise, reference in Schedule A to a Schedule or to an Article, Section, paragraph or other subdivision is a reference to such Schedule or Article, Section, paragraph or other subdivision of this Agreement.

1.4 Number.

Wherever the context in the Loan Documents so requires, a term used herein importing the singular will also include the plural and vice versa.

1.5 Statutes, Regulations and Rules.

Any reference in the Loan Documents to all or any section or paragraph or any other subdivision of any Law will, unless otherwise expressly stated, be a reference to that Law or the relevant section or paragraph or other subdivision thereof, as such Law may be amended, substituted, replaced or re-enacted from time to time.

1.6 Permitted Encumbrances.

Any reference in any of the Loan Documents to a Permitted Encumbrance is not intended to and will not be interpreted as subordinating or postponing, or as any agreement to subordinate or postpone, any obligation of any Loan Party to the Lenders under any of the Loan Documents to any Permitted Encumbrance.

1.7 Monetary References.

Whenever an amount of money is referred to in the Loan Documents, such amount will, unless otherwise expressly stated, be in Canadian Dollars.

1.8 Time.

Time will be of the essence of the Loan Documents.

1.9 Governing Law.

This Agreement will be governed by and construed in accordance with the Law in force in the Province of Alberta from time to time.

1.10 Enurement.

The Loan Documents will be binding upon and will enure to the benefit of the Parties and their respective successors and permitted assigns.

1.11 Amendments.

No Loan Document may be amended orally and, subject to Sections 1.12(a), 17.16 and 18.1(e), any amendment may only be made by way of an instrument in writing signed by the Parties.

1.12 No Waiver.

(a) Subject to Sections 1.12(c) and 17.16(a), no waiver by a Party of any provision or of the breach of any provision of the Loan Documents will be effective unless it is contained in a written instrument duly executed by an authorized officer or representative of such Party. Such written waiver will affect only the matter specifically identified in the instrument granting the waiver and will not extend to any other matter, provision or breach.

(b) The failure of a Party to take any steps in exercising any right in respect of the breach or non-fulfillment of any provision of the Loan Documents will not operate as a waiver of that right, breach or provision, nor will any single or partial exercise of any right preclude any other or future exercise of that right or the exercise of any other right, whether in Law or otherwise.

(c) Acceptance of payment by a Party after a breach or non-fulfillment of any provision of the Loan Documents requiring a payment to such Party will constitute a waiver of such provision if cured by such payment, but will not constitute a waiver or cure of any other provision of the Loan Documents.

1.13 Severability.

If the whole or any portion of this Agreement or the application thereof to any circumstance will be held invalid or unenforceable to an extent that does not affect the operation of this Agreement in question in a fundamental way, the remainder of this Agreement in question, or its application to any circumstance other than that to which it has been held invalid or unenforceable, will not be affected thereby and will be valid and enforceable to the fullest extent permitted by applicable Law.

1.14 Inconsistency.

To the extent that there is any inconsistency or ambiguity between the provisions of this Agreement and any other Loan Document, the provisions of this Agreement will govern to the extent necessary to eliminate such inconsistency or ambiguity.

1.15 Accounting Terms and Principles.

Except as otherwise expressly provided, all accounting terms, principles and calculations applicable to the Credit Facilities will be interpreted, applied and calculated, as the case may be, in accordance with GAAP. The basis of accounting and all calculations set out in this Agreement will be applied and made on a consistent basis and will not be changed for the purposes of this Agreement unless required by GAAP or as agreed to by the Majority Lenders in writing, such agreement not to be unreasonably withheld. It will be reasonable for the Lenders to withhold their consent if a proposed change could adversely affect the obligations of the Borrower or rights of the Lenders under the Loan Documents.

1.16 Accounting Changes.

(a) In the event that any Accounting Change occurs, the Borrower will deliver an Accounting Change Notice to the Agent together with a description of the nature of such Accounting Change and the effect, if any, of the Accounting Change on the Borrower's current and immediately prior year's financial statements. If the Borrower, the Agent or the Majority Lenders determine that any such change would cause an amount required to be determined for the purposes of any financial calculation hereunder (including for the purposes of determining the applicable margin in Section 3.9(a)) (each, a "**Financial Calculation**") to be materially different than the amount that would be determined without giving effect to such change, then the Borrower, the Agent or the Majority Lenders, as the case may be, shall deliver an Accounting Change Notice to the other Parties (through the Agent) of such Accounting Change. Such notice shall state whether the Borrower, the Agent or the Majority Lenders, as applicable, wishes to revise the method of calculating one or more of the Financial Calculations (including the revision of any of the defined terms used in the determination of such Financial Calculation) in order that amounts determined after giving effect to such Accounting Change and the revised method of calculating such Financial Calculation will approximate the amount that would be determined without giving effect to such Accounting Change and without giving effect to the revised method of calculating such Financial Calculation. The Accounting Change Notice shall be delivered by the Borrower to the Agent within 60 days after the end of the Fiscal Quarter in which the Accounting Change is implemented or, if such Accounting Change is implemented in the fourth Fiscal Quarter or in respect of an entire Fiscal Year, within 120 days after the end of such period. Following receipt of an Accounting Change Notice, either the Borrower or the Majority Lenders may provide a proposal to the other as to how to amend the provisions of this Agreement to give effect to the foregoing.

(b) If, pursuant to the Accounting Change Notice, the Borrower, does not indicate that it desires to revise the method of calculating one or more of the Financial Calculations, the Majority Lenders or the Agent, as applicable, may within 30 days after receipt of the Accounting Change Notice, notify the Borrower that they wish to revise the method of calculating one or more of the Financial Calculations in the manner described above.

(c) If the Agent, the Borrower or the Majority Lenders so indicate that they wish to revise the method of calculating one or more of the Financial Calculations, the Borrower and the Lenders shall in good faith attempt to agree on a revised method of calculating such Financial Calculation(s), provided that until such time as any such agreement in writing has been reached, such method of calculation shall not be revised and all amounts to be determined thereunder shall be determined without giving effect to the Accounting Change. For greater certainty, if no notice of a desire to revise the method of calculating the Financial Calculation(s) in respect of an Accounting Change is given by either the

Borrower, the Agent or the Majority Lenders within the applicable time period described above, then the method of calculating the Financial Calculations shall not be revised in response to such Accounting Change and all amounts to be determined pursuant to the Financial Calculations shall be determined after giving effect to such Accounting Change.

(d) If a Compliance Certificate is delivered in respect of a Fiscal Quarter or Fiscal Year in which an Accounting Change is implemented without giving effect to any revised method of calculating any of the Financial Calculations, and subsequently, as provided above, the method of calculating the Financial Calculation is revised in response to such Accounting Change, or the amounts to be determined pursuant to the Financial Calculations are to be determined without giving effect to such Accounting Change, the Borrower shall, as soon as reasonably possible, deliver a revised Compliance Certificate. Any Event of Default which arises as a result of the Accounting Change and which is cured by this Section 1.16 shall be deemed to have never occurred.

(e) For the purposes of this Agreement, including all Financial Calculations required to be made hereunder, any lease which would have been accounted for as an operating lease under GAAP as in effect on December 31, 2018 shall, notwithstanding any subsequent change in GAAP, not constitute a Capital Lease hereunder (whether such lease is entered into or assumed before or after December 31, 2018).

1.17 Changes to LMR.

If (a) as a result of any change in any applicable Law, rule, policy, regulation, order or directive, any applicable Energy Regulator ceases to use a liability management (or equivalent) rating as a means of determining whether a corporation is in compliance with such regulator's abandonment and reclamation policies, regulations and directives in any one or more Material LMR Jurisdiction, (b) the method of calculation of any LMR changes in any material manner in any Material LMR Jurisdiction, or (c) if the threshold for which (i) license transfers of regulated properties shall be permitted under an Energy Regulator's licensee liability regime in any Material LMR Jurisdiction changes in any material respect or (ii) any security deposits will be required to be provided to the applicable Energy Regulator, then, in any such case, the Borrower and the Agent shall enter into good faith discussions with a view to determining a comparable rating system or threshold, as applicable, to replace the concept of LMR as set forth herein that is, at such time, broadly accepted as the prevailing market practice for such regulation in the applicable Material LMR Jurisdiction, with the intent of having the respective positions of the Lenders and the Borrower after such change conform as nearly as possible to their respective positions immediately prior to such change; provided that, until any such agreement is reached, the LMR shall continue to be calculated as if no such change had occurred. Upon the Borrower and the Agent agreeing on such methodology for determining LMR and the thresholds set forth herein, the Borrower and the Lenders party hereto shall enter into documentation to amend the provisions hereof to refer to such rate and make all other adjustments incidental thereto. The parties hereto agree that such amendment shall require the consent of the Majority Lenders notwithstanding anything to the contrary set out herein.

1.18 Schedules.

The following are the Schedules which form part of this Agreement:

Schedule A:	Definitions
Schedule B:	Commitments
Schedule C:	Form of Environmental Certificate

Schedule D:	Form of Compliance Certificate
Schedule E:	Form of Assignment Agreement
Schedule F:	Form of Notice of Borrowing
Schedule G:	Form of Notice of Rollover or Notice of Conversion or Notice of Repayment
Schedule H	Loan Party Information
Schedule I:	Form of Oil and Gas Ownership Certificate
Schedule J:	Form of Request for Offer of Extension
Schedule K:	Material Contracts
Schedule L	Permitted Second Lien Amortization Payments
Schedule M	Form of LMR and Decommissioning Worksheet

1.19 Amendment and Restatement

(a) It is acknowledged and agreed by the Parties that:

(i) the Existing NBC Credit Agreement is hereby amended and restated in the form of this Agreement;

(ii) on the Amendment and Restatement Date, all indebtedness and liabilities of the Borrower to the Lenders and the Agent under the Existing NBC Credit Agreement including (A) all "Advances" under the "Syndicated Facility" (as each such term is defined in the Existing NBC Credit Agreement), shall be deemed to be, and construed as, indebtedness and liabilities of the same type of the Borrower to the Lenders under the Syndicated Revolving Facility under this Agreement and (B) all indebtedness and liabilities under the "Operating Facility" (as defined in the Existing NBC Credit Agreement) shall be deemed to be, and construed as, indebtedness and liabilities of the same type under the Operating Facility under this Agreement;

(iii) all such "Advances" shall be continuing in all respects, and this Agreement shall not be deemed to evidence or result in a novation thereof;

(iv) as of the Amendment and Restatement Date, the Borrower and the Lenders under the Existing NBC Credit Agreement and the Agent shall have no further rights or obligations to each other under the Existing NBC Credit Agreement as it exists immediately prior to the amendment and restatement effected hereby; and

(v) this Agreement is an amendment and restatement of the Existing NBC Credit Agreement and not a novation of the Existing NBC Credit Agreement.

(b) All references to the "Credit Agreement" or similar references contained in the Loan Documents delivered prior to the effectiveness of this Agreement in connection or under the Existing NBC Credit Agreement shall be references to this Agreement without further amendment to those documents. The Borrower confirms that each Loan Document, including without limitation any delivered under the Existing NBC Credit Agreement, remains in full force and effect.

1.20 Interest Rates; Benchmark Notification.

The interest rate on any U.S. Dollar Advance may be derived from an interest rate benchmark that may be discontinued or is, or may in the future become, the subject of regulatory reform. Upon the occurrence of a Benchmark Transition Event with respect to any then-current Benchmark for SOFR Loans, Section 8.4 provides a mechanism for determining an alternative rate of interest. The Agent does not warrant or accept any responsibility for, and shall not have any liability with respect to: (a) the continuation of, the administration of, the submission of, the calculation of, the performance of or any other matter related to any interest rate used in this Agreement (including U.S. Base Rate, Daily Simple SOFR, Adjusted Daily Simple SOFR, SOFR, the Term SOFR Reference Rate, Adjusted Term SOFR or Term SOFR) or any component definition thereof or rates referred to in the definition thereof, or with respect to any alternative or successor rate thereto, or replacement rate thereof (including any Benchmark Replacement for SOFR Loans), including whether the composition or characteristics of any such alternative, successor or replacement reference rate will be similar to, or produce the same value or economic equivalence of, or have the same value or economic equivalence of as the existing interest rate (or any component thereof) being replaced or have the same volume or liquidity as did any existing interest rate (or any component thereof) prior to its discontinuance or unavailability. The Agent, the Lenders and their respective affiliates and/or other related entities may engage in transactions that affect the calculation of any interest rate (or component thereof) used in this Agreement or any alternative, successor or alternative rate (including any Benchmark Replacement for SOFR Loans) and/or any relevant adjustments thereto, in each case, in a manner adverse to the Borrower. The Agent may select information sources or services in its reasonable discretion to ascertain any interest rate used in this Agreement, any component thereof, or rates referred to in the definition thereof, in each case pursuant to the terms of this Agreement, and shall have no liability to the Borrower, any Lender or any other Person for damages of any kind, including direct or indirect, special, punitive, incidental or consequential damages, costs, losses or expenses (whether in tort, contract or otherwise and whether at law or in equity), for any error or calculation of any such rate (or component thereof) provided by any such information source or service.

ARTICLE 2
CONDITIONS PRECEDENT

2.1 Conditions Precedent to Effectiveness.

This Agreement will become effective upon satisfaction of the following conditions (unless waived in writing by all of the Lenders):

(a) the receipt, where applicable, by the Agent, for and on behalf of the Lenders, of the following documents each fully executed (as applicable) and in full force and effect, and in form and substance satisfactory to the Lenders, acting reasonably:

(i) this Agreement;

(ii) a withdrawal letter from Export Development Canada;

(iii) Closing Certificates from each Loan Party, including all attachments thereto;

(iv) a recently dated certificate of status or other similar type of evidence for the governing jurisdiction of each Loan Party;

(v) a Compliance Certificate giving *pro forma* effect to the Enerplus Acquisition;

(vi) the Security shall remain in full force and effect, as confirmed by the Borrower pursuant to Section 4.9;

(vii) evidence that the Loan Parties have in full force and effect such policies of insurance in such amounts issued by such insurers of recognized standing covering the property of the Borrower as required by Section 13.1(g);

(viii) the Closing Opinion;

(ix) the Loan Parties shall have received all applicable board, independent committee, shareholder, regulatory, court and other third-party approvals (or waivers thereof, as applicable) and all licenses, consents and permits required for the execution and delivery of the Loan Documents and the consummation of the transactions contemplated thereby, including from SAF Galaxy LP in respect of any consents required under the Permitted Second Lien Credit Agreement and the Borrower shall have certified same, and provided certified true and complete copies of same, in its Closing Certificate;

(x) an amendment to the Intercreditor Agreement on terms and conditions satisfactory to the Agent and Lenders;

(xi) a certified true and complete copy of the Enerplus Acquisition Agreement;

(xii) evidence satisfactory to the Agent and the Lenders that:

(A) all regulatory and other third-party consents, approvals, permits and licenses necessary for the closing of the Enerplus Acquisition (including under the Permitted Second Lien Credit Agreement) shall have been received except to the extent the same are not required to be obtained prior to the Closing Date (as defined in the Enerplus Acquisition Agreement);

(B) all of the Enerplus Acquired Assets shall have been (or will be, concurrently with the closing of this Agreement) transferred to the Borrower pursuant to the terms of the Enerplus Acquisition Agreement free and clear of all adverse claims and encumbrances arising or occurring in connection with the Enerplus Acquisition, other than Permitted Encumbrances; and

(C) the closing of the Enerplus Acquisition has occurred in accordance with the Enerplus Acquisition Agreement (or will occur, concurrently with the closing of this Term Facility and subject only to the payment of the purchase price under the Enerplus Acquisition Agreement) and with all material conditions thereunder having been obtained or satisfied and not waived (or, if waived, with the consent of all of the Lenders, such consent not to be unreasonably withheld); and

(D) the Borrower shall have received or shall concurrently herewith receive net proceeds from the issuance of the Permitted Second Lien Incremental Debt in the principal amount of at least $40,000,000;

with such evidence including, but not necessarily being limited to, a certificate of the Borrower respecting each of the foregoing items;

(xiii) certified true and complete copies of all Material Contracts to the extent not previously delivered (including any Permitted Second Lien Debt Documents entered into in connection with the Permitted Second Lien Incremental Debt);

(xiv) a no interest letter from each secured party, if any, with a registered Lien over or in respect of any of the Enerplus Acquired Assets;

(xv) evidence of satisfactory insurance as required by Section 13.1(g) together with an insurance certificate from the Loan Parties' insurance broker showing the Agent as first loss payee and additional insured;

(xvi) evidence of the continued registration, filing and recording of the Security in all applicable offices or places of registration, including the Provinces of Alberta, British Columbia, Manitoba and Saskatchewan; and

(xvii) a Notice of Borrowing, direction to pay and flow of funds satisfactory to the Agent, acting reasonably, and, for certainty, directing the Agent to make payments required in connection with the Enerplus Acquisition;

(b) the Aggregate Principal Amount outstanding under the Revolving Facilities does not exceed [Redacted: Percentage]% of the Revolving Facilities Commitment Amount;

(c) satisfactory Lien searches or similar evidence from each applicable jurisdiction confirming no registered Liens against the Loan Parties, which are not Permitted Encumbrances, other than those in respect of which satisfactory releases and/or discharges have been provided to the Agent;

(d) no Default, Event of Default or Material Adverse Effect shall exist or will result from the initial Advance hereunder and the Borrower shall have certified the same in its Closing Certificate;

(e) no event shall have occurred since September 30, 2022, nor shall the Lenders become aware of any fact which the Lenders shall determine has or would reasonably be expected to have, a Material Adverse Effect on the Borrower's business or assets as a whole or on its ability to meet its obligations to the Lenders and the Borrower shall have certified the same in its Closing Certificate;

(f) each of the representations and warranties set out in Section 12.1 shall be true and correct and the Borrower shall have certified the same in its Closing Certificate;

(g) copies of such other documents as may be reasonably required by the Agent;

(h) each Lender's satisfaction with all information, including supporting documentation and other evidence, requested by any Lender or the Agent pursuant to Section 18.11 or other anti-money laundering rules and regulations information and "know your client" information; and

(i) the payment of all fees and expenses which are payable by the Borrower to the Agent and the Lenders, as the case may be.

ARTICLE 3
CREDIT FACILITIES

3.1 Credit Facilities.

Subject to the terms and conditions hereof and effective on the Amendment and Restatement Date:

(a) Syndicated Revolving Facility. The Lenders hereby establish the Syndicated Revolving Facility in favour of the Borrower. Accommodations under the Syndicated Revolving Facility may be drawn down, repaid and redrawn from time to time by the Borrower during the Revolving Period in Canadian Dollars or the Canadian Dollar Exchange Equivalent thereof in U.S. Dollars, or any combination thereof, to a maximum of the Syndicated Revolving Facility Commitment Amount. Each Lender's Individual Syndicated Revolving Facility Commitment Amount is set out in Schedule B.

(b) Operating Facility. The Operating Lender hereby establishes the Operating Facility in favour of the Borrower. Accommodations under the Operating Facility may be drawn down, repaid and redrawn from time to time by the Borrower during the Revolving Period in Canadian Dollars or the Canadian Dollar Exchange Equivalent thereof in U.S. Dollars, or any combination thereof, to a maximum of the Operating Facility Commitment Amount.

(c) Term Facility. The Term Facility Lenders hereby establish the Term Facility in favour of the Borrower. Accommodations under the Term Facility are non-revolving and shall be made available by way of a single Drawdown on the Amendment and Restatement Date in an amount not to exceed the Term Facility Commitment Amount. Immediately after such Drawdown, the unutilized portion of the Term Facility shall be automatically cancelled without the requirement for any further action by any Party and each of the Term Facility Commitment Amount, the Commitment Amount and the Borrowing Base shall be permanently reduced by the amount of such cancellation (and each Term Facility Lender's Term Facility Commitment Amount shall automatically be permanently reduced by its Rateable Portion thereof). Each Term Facility Lender's Individual Term Facility Commitment Amount as of the Amendment and Restatement Date is set out in Schedule B.

(d) Borrowing Base. Notwithstanding the Commitment Amount, the Aggregate Principal Amount under the Credit Facilities shall at no time exceed the Borrowing Base.

(e) MasterCard Facility. The Agent shall, in addition to the Credit Facilities, be entitled to make available to the Loan Parties, or any of them, MasterCard facilities on such terms and conditions, in such amounts and pursuant to such agreements as the Agent agrees to from time to time, provided that such MasterCard facilities shall not exceed the Canadian Dollar Exchange Equivalent in Canadian Dollars of $250,000. Notwithstanding the fact that the MasterCard facilities will be established as additional and separate facilities from the Credit Facilities: (i) all amounts owing under such MasterCard facilities shall be deemed to be Indebtedness arising under the Operating Facility for purposes of those provisions under this Agreement respecting repayment of the Obligations (including, without limitation, Section 14.3), the Agent's share thereof, the definitions of "Loan Documents" and "Security", and the granting, discharge and *pari passu* sharing of Security in connection with such Obligations and (ii) all amounts owing under such MasterCard facilities shall be included in the calculation of the Aggregate Principal Amount under all of the Credit Facilities for purposes of the *pari passu* sharing of Security.

3.2 Extension of Revolving Period.

(a) End of Revolving Period. The Revolving Period in respect of the Revolving Facilities will end on December 19, 2023.

(b) Extension of Credit.

(i) The Borrower may, provided no Default or Event of Default has occurred and is continuing, request an Offer of Extension in respect of each Lender for which there is a Revolving Period at such time (each a "**Revolving Lender**") not more than 90 days and not less than 60 days prior to the last day of the then current Revolving Period (or such other period as the Majority Lenders and the Borrower may agree). Such request shall be made by the Borrower by delivering to the Agent an executed Request for Offer of Extension and, if not previously delivered, the most current financial statements and production information required to be delivered by it hereunder. The Agent shall within 2 Banking Days of receipt thereof notify the Revolving Lenders of such Request for Offer of Extension and each Revolving Lender shall notify the Agent and the Borrower as to whether or not it agrees (in its sole discretion) to such request no later than 30 days prior to the last day of the then current Revolving Period (the "**Notification Date**"); provided that, if a Revolving Lender does not so notify the Agent and the Borrower on or prior to the Notification Date, such Revolving Lender shall be deemed to have elected not to agree to such Request for Offer of Extension; and provided further that the last day of the Revolving Period shall not at any time be extended for more than one year as a result of any agreed extension.

(ii) If the Borrower fails to make a Request for Offer of Extension within the time provided above, the then current Revolving Period will not be followed by a new Revolving Period and will continue until the Term Conversion Date with each such Lender's Individual Revolving Commitment Amount remaining available for Drawdown until the Term Conversion Date applicable to such Lender.

(iii) If the Majority Revolving Lenders agree to such Request for Offer of Extension, the Agent shall forthwith deliver to the Borrower an Offer of Extension with respect to all Revolving Facilities on behalf of the Revolving Lenders who have agreed to extend. Any such Offer of Extension shall be open for acceptance by the Borrower until the Banking Day immediately preceding the last day of the then current Revolving Period. Upon written notice by the Borrower to the Agent accepting an outstanding Offer of Extension and agreeing to the terms and conditions specified therein, if any, the Revolving Period, in respect of those Revolving Lenders agreeing to such an extension, shall be extended to the date specified in the Offer of Extension subject to the terms and conditions, if any, specified in such Offer of Extension effective on the date of acceptance by the Borrower of the Offer of Extension.

(iv) If any Lender that receives notification from the Agent that the Borrower has made a Request for Offer of Extension, elects not to or is deemed not to make an Offer of Extension (each a "**Non-Agreeing Lender**"), the Agent shall forthwith so advise each of the other Lenders which do agree to provide an Offer of Extension and each such Lender shall have the right (but not the obligation) to purchase the Individual Syndicated Revolving Facility Commitment Amount of such Non-Agreeing Lenders (each a "**Non-Agreeing Lender Syndicated Revolving Facility Commitment Amount**") for a purchase price in an amount equal to the Aggregate Principal Amount of the Advances owing to such Non-Agreeing Lenders (or such lower amount as may otherwise be agreed to by the applicable Non-Agreeing Lender in its sole discretion), together with accrued interest thereon to the date of payment of such principal amount and all other Obligations payable by the Borrower to such Non-Agreeing Lenders under this Agreement and the other Loan Documents (including all losses, costs and expenses suffered or incurred by the Non-Agreeing Lenders as a result of complying with this Section 3.2(b) and all amounts owing to it under Sections 3.9(h), 18.5 and 18.6). Each of the other Lenders wishing to exercise its rights to purchase the Non-Agreeing Lender Syndicated Revolving Facility Commitment Amount (a "**Purchasing Lender**") shall so notify the Borrower, the Agent and each of the other Lenders in writing, and such Purchasing Lender shall thereupon be obligated to purchase not less than 15 days prior to the last day of the then current Revolving Period, an amount equal to the Non-Agreeing Lender Syndicated Revolving Facility Commitment Amount multiplied by such Purchasing Lender's Rateable Portion of the Commitment Amount, over the aggregate of all Purchasing Lender's Rateable Portion of the Commitment Amount, or as otherwise agreed to by the Borrower and all Purchasing Lenders. The Purchasing Lender shall be deemed to have made an Offer of Extension in respect of the Non-Agreeing Lender Syndicated Revolving Facility Commitment Amount so purchased and the applicable Term Conversion Date applicable to such commitment shall, upon acceptance of such offer by the Borrower, be extended to the Term Conversion Date applicable to such Lender and such Revolving Facility. The Non-Agreeing Lenders, the Purchasing Lenders, the Agent, the Borrower and each of the other Lenders, if any, shall forthwith duly execute and deliver any necessary documentation to give effect to such purchase, whereupon the Non-Agreeing Lenders shall, as of the effective date thereof, be released from their obligations to the Borrower hereunder and under the other Loan Documents arising subsequent to such date.

(v) If a Non-Agreeing Lender Syndicated Revolving Facility Commitment Amount is not purchased pursuant to Section 3.2(b)(iv), at the option of the Borrower:

(A) so long as no Default or Event of Default exists and is continuing or would reasonably be expected to result therefrom, the Borrower may repay all Advances (which shall include, for greater certainty, the face amount of all Bankers' Acceptances and BA Equivalent Loans accepted by such Non-Agreeing Lender) and other Obligations owing hereunder and under the other Loan Documents (including any expenses, breakage and other costs determined in accordance with Section 8.2) to such Non-Agreeing Lender on the applicable Term Conversion Date, including cash collateralization in full of any contingent obligations in any respect of any outstanding Letters of Credit, provided that a Bankers' Acceptance will not be paid prior to its Maturity Date (but provided that the Borrower may provide Escrow Funds in respect thereof to the Agent on behalf of such Lender in accordance with Section 9.5) and, upon such repayment, the

Non-Agreeing Lender shall cease to be a Lender hereunder and the Non-Agreeing Lender Syndicated Revolving Facility Commitment Amount shall be terminated; the Syndicated Revolving Facility Commitment Amount or the Operating Facility Commitment Amount, as applicable, shall be reduced by the amount of the terminated Non-Agreeing Lender Syndicated Revolving Facility Commitment Amount, and the Rateable Portion of each remaining Lender shall be adjusted accordingly;

(B) the Non-Agreeing Lender shall, if requested by the Borrower, assign and transfer such Non-Agreeing Lender Syndicated Revolving Facility Commitment Amount to a Lender pursuant to Section 16.2; or

(C) the undrawn portion of the Non-Agreeing Lender Syndicated Revolving Facility Commitment Amount shall, effective at 5:01 p.m. (Montreal time) on the applicable Term Conversion Date, be cancelled and such Non-Agreeing Lender's Individual Commitment Amount shall thereafter convert to a one-year non-revolving term facility as provided for in Section 3.3.

(vi) A Revolving Period may only be extended pursuant to Section 3.2(b)(i) if the Majority Revolving Lenders agree to provide an Offer of Extension, and if such Majority Revolving Lenders do not agree to provide an Offer of Extension, (a) the provisions of Sections 3.2(b)(iv) and 3.2(b)(v) shall not be applicable and the provisions of Section 3.3 shall apply, and (b) the undrawn portion of the Individual Revolving Commitment Amounts of all Revolving Lenders (including the Operating Lender) shall, effective at 5:01 p.m. (Montreal time) on the Term Conversion Date, be cancelled and such Revolving Lenders' Individual Revolving Commitment Amount shall thereafter convert from a Syndicated Revolving Facility to a one year non-revolving term facility as provided for in Section 3.3.

(vii) This Section 3.2 shall apply from time to time to permit successive extensions of the Revolving Period, any Term Conversion Date, the Syndicated Revolving Facility Termination Date and the Operating Facility Termination Date if and for so long as the Majority Revolving Lenders have agreed in accordance with Section 3.2(b)(vi); provided that no such extension will occur unless all Revolving Facilities are so extended.

(viii) For certainty, the Term Facility Termination Date shall not be extended.

3.3 Conversion to Term Loan.

(a) Syndicated Revolving Facility. Subject to Sections 3.2(b)(iv) and 3.2(b)(v), the undrawn portion of any Non-Agreeing Lender Syndicated Revolving Facility Commitment Amount in respect of the Syndicated Revolving Facility will be automatically cancelled at 5:01 p.m. (Montreal time) on the Term Conversion Date applicable to such Non-Agreeing Lender. Effective at such Term Conversion Date, the Syndicated Revolving Facility will, with respect to a Non-Agreeing Lender, cease to be a revolving type facility and, unless unconditionally and irrevocably repaid in accordance with Section 3.2(b)(v)(A), will become a non-revolving term loan facility, repayable in accordance with Section 3.5(a)(ii).

(b) Operating Facility. Subject to Sections 3.2(b)(iv) and 3.2(b)(v), the undrawn portion of the Operating Facility Commitment Amount will be automatically cancelled at 5:01 p.m. (Montreal time) on the then current Term Conversion Date in respect of the Operating Lender. Effective at such time on such Term Conversion Date, the Operating Facility will cease to be a revolving type facility, and unless unconditionally and irrevocably repaid in accordance with Section 3.2(b)(v)(A), will become a non-revolving term loan facility, repayable in accordance with Section 3.5(b)(ii).

3.4 Maturity Date.

The Borrower will not be entitled to request an Advance from a Syndicated Revolving Facility Lender under the Syndicated Revolving Facility which has a Maturity Date after the Syndicated Revolving Facility Termination Date applicable to such Syndicated Revolving Facility Lender. The Borrower will not be entitled to request an Advance from the Operating Lender which has a Maturity Date after the Operating Facility Termination Date.

3.5 Repayment.

(a) Syndicated Revolving Facility.

(i) During the Revolving Period, the Borrower may borrow, repay and re-borrow Advances under the Syndicated Revolving Facility, subject to Sections 3.1(a) and 5.7.

(ii) With respect to the Term-out Lenders under the Syndicated Revolving Facility, the Aggregate Principal Amount of the Syndicated Revolving Facility on the Term Conversion Date applicable to such Term-out Lenders will be repayable by the Borrower in one balloon principal payment, together with all accrued and unpaid interest and fees thereon, and all other Obligations owing to such Term-out Lenders under the Syndicated Revolving Facility, on the Syndicated Revolving Facility Termination Date applicable to such Term-out Lenders.

(b) Operating Facility.

(i) During the Revolving Period, the Borrower may borrow, repay and re-borrow Advances under the Operating Facility, subject to Sections 3.1(b), 3.2 and 5.7.

(ii) The Aggregate Principal Amount under the Operating Facility on the Term Conversion Date applicable to the Operating Lender, together with all accrued and unpaid interest and fees thereon, and all other Obligations owing to the Operating Lender in connection therewith, will be repayable by the Borrower in one balloon principal payment, on the Operating Facility Termination Date.

(c) Term Facility. The Borrower shall repay:

(i) $4,000,000 of the Aggregate Principal Amount under the Term Facility on the last day of each and every Fiscal Quarter of the Borrower beginning with the Fiscal Quarter ending March 31, 2023 until such Aggregate Principal Amount is repaid in full;

(ii) on the Banking Day that is three Banking Days before the last day of each and every month beginning with the month ending May 31, 2024, an amount equal to the amount of the Additional Amortization Payment (Second Lien Incremental Debt) required to be repaid under the Permitted Second Lien Credit Agreement on the last Banking Day of such month; and

(iii) the Aggregate Principal Amount outstanding under the Term Facility, together with all accrued and unpaid interest and fees thereon, and all other Obligations owing to the Term Facility Lenders in connection therewith, in one balloon principal payment on the Term Facility Termination Date.

(d) Borrowing Base Shortfall. If at any time there occurs a Borrowing Base Shortfall, the Agent shall deliver to the Borrower a notice setting out the amount of the Borrowing Base Shortfall (the "**Shortfall Notice**"). Upon receipt of the Shortfall Notice, the Borrower will do one of the following or a combination thereof, (A) immediately, in the case of a re-determination relating to a disposition of assets and (B) in all other cases, within 60 days after receipt of the Shortfall Notice, reduce the Obligations under the Credit Facilities by the amount of the Borrowing Base Shortfall, with the proceeds of such reduction to be paid to each of the Lenders based on their Rateable Portion of the Credit Facilities.

If the Borrowing Base Shortfall is not eliminated as required above within the requisite period prescribed above, such failure shall become an Event of Default for the purposes of this Agreement at the end of such prescribed period.

Notwithstanding the foregoing provisions of this Section 3.5(d), nothing herein contained will affect or modify the rights of the Lenders under the Loan Documents or the obligations of the Borrower thereunder.

(e) Effect of Borrowing Base Shortfall. If a Shortfall Notice is given, then unless and until the Borrowing Base Shortfall is eliminated as required by Section 3.5(d), the Borrower will:

(i) not request Advances under any Credit Facility, other than the Rollover or Conversion of an existing Advance and the extension or replacement of an existing Letter of Credit;

(ii) provide to the Agent, for the benefit of the Lenders, such information available to it to assist it in determining the forecasted Available Cash Flow over the anticipated period of the Borrowing Base Shortfall;

(iii) not dispose or permit the disposition of any Borrowing Base Property except pursuant to paragraphs (a), (b) and (c) of the definition of Permitted Dispositions or as otherwise agreed to by the Majority Lenders;

(iv) pay the increased compensation required under Section 3.9(d); and

(v) not make any payments of interest, principal or premium under or in respect of the Convertible Debenture Obligations, the Permitted Second Lien Debt or the NRCan Indebtedness.

If the Borrowing Base Shortfall is eliminated, then the Borrower will no longer be subject to the restrictions and obligations imposed in this Section 3.5(e).

(f) Dedication of Available Cash Flow. Following receipt of a Shortfall Notice and until the Borrowing Base Shortfall described therein is eliminated and, the Borrower will dedicate on a monthly basis to the Aggregate Principal Amount of the Credit Facilities such portion of Available Cash Flow as is designated by the Majority Lenders to eliminate as soon as possible, and in any event within 60 days, the Borrowing Base Shortfall, such monthly deductions to be apportioned to each of the Lenders based on their Rateable Portion of the Credit Facilities, in each case in accordance with Section 3.5(d). The first such monthly deduction will take place no later than 30 days after the Shortfall Notice is delivered.

(g) Prepayment. Any prepayment for the purpose of eliminating a Borrowing Base Shortfall will be shared by the Lenders in accordance with Section 3.5(d).

(h) Revolving Facility Termination Dates. With respect to each Lender under each Revolving Facility, the remaining Aggregate Principal Amount owing to such Lender under each Revolving Facility will be repayable by the Borrower in one principal repayment on the Syndicated Revolving Facility Termination Date and the Operating Facility Termination Date, as applicable (subject to the cash collateralization of Letters of Credit as required by Section 10.1(e) or of Bankers' Acceptances as permitted by Section 9.5), together with all accrued and unpaid interest and fees thereon and all other Obligations owing to such Lender under each such Revolving Facility, as applicable.

(i) Term Facility Termination Date. With respect to each Term Facility Lender under the Term Facility, the remaining Aggregate Principal Amount owing to such Term Facility Lender under the Term Facility will be repayable by the Borrower in one principal repayment on the Term Facility Termination Date (subject to the cash collateralization of Bankers' Acceptances as permitted by Section 9.5), together with all accrued and unpaid interest and fees thereon and all other Obligations owing to such Term Facility Lender.

(j) Payments to Agent. All payments of the Obligations of the Borrower to the Lenders under the Syndicated Facilities will be made by the Borrower to the Agent for the account of the applicable Lenders, and, except to the extent otherwise provided herein, in accordance with each such Lender's Rateable Portions in such Syndicated Facility. All payments of the Obligations of the Borrower to the Operating Lender under the Operating Facility will be made to the Operating Lender. Any payment received by the Agent or the Operating Lender after 1:00 p.m. (Montreal time) shall be deemed, for all purposes, to have been received by the Agent or the Operating Lender, as applicable, on the next Banking Day.

3.6 Prepayment and Cancellation.

Subject to Section 9.5 and with the same notice required under Section 5.2, the Borrower may at any time prepay (in minimum amounts of Cdn. $1,000,000 or U.S. $1,000,000, as applicable, under any Syndicated Facility and Cdn. $100,000 or U.S. $100,000, as applicable, under the Operating Facility and, in any case, in multiples of Cdn. $100,000 or U.S. $100,000, as applicable, for any amount in excess thereof (except no such minimums shall apply to the repayment of Canadian Dollar overdraft or U.S. Dollar overdraft Advances under the Operating Facility)) without premium, bonus or penalty, any or all of the Aggregate Principal Amount, except that (i) a Bankers' Acceptance will not be paid prior to its Maturity Date (but provided that the Borrower may provide Escrow Funds in respect thereof to the Agent on behalf of such Lender in accordance with Section 9.5), (ii) a SOFR Loan may only be paid prior to its Maturity Date in accordance with Section 8.2, and (iii) a Letter of Credit may only be prepaid if such Letter of Credit is returned to the Operating Lender for cancellation or cash collateralized in accordance with Section 10.1(e). At any time, the Borrower may also, upon the Borrower giving the Agent not less than two

(2) Banking Days prior notice, cancel (in minimum amounts of Cdn. $1,000,000 or U.S. $1,000,000, as applicable, and in multiples of Cdn. $100,000 or U.S. $100,000, as applicable, for any amount in excess thereof) any undrawn portion of the Commitment Amount, including any undrawn portion resulting from a prepayment. Any prepayment or cancellation in respect of a Credit Facility will be made, except to the extent otherwise provided herein, *pro rata* to all Lenders under such Credit Facility on the basis of each Lender's Rateable Portion. Any prepayment or cancellation in respect of the Term Facility will be made in inverse order of maturity and result in a permanent reduction of the Borrowing Base in a commensurate amount.

3.7 Use of Proceeds.

The Borrower will be entitled, subject to Sections 13.4(n), 13.4(r) and 13.4(t), to use the proceeds of each Revolving Facility for general corporate purposes including for the exploration, development, production or acquisition of domestic oil and natural gas reserves in Western Canada. The Borrower will be entitled and required to use the proceeds of the Term Facility solely to fund the Enerplus Acquisition, the Enerplus Transaction Costs.

3.8 Types of Accommodation.

(a) Syndicated Revolving Facility. The Borrower may from time to time obtain Advances under the Syndicated Revolving Facility by way of:

(i) Canadian Prime Rate Loans, in principal amounts of not less than Cdn. $1,000,000 and in multiples of Cdn. $100,000 for any amounts in excess thereof;

(ii) U.S. Base Rate Loans, in principal amounts of not less than U.S. $1,000,000 and in multiples of U.S. $100,000 for any amounts in excess thereof;

(iii) Bankers' Acceptances or BA Equivalent Loans, as applicable; and

(iv) SOFR Loans, subject to Section 8.1.

(b) Operating Facility. The Borrower may from time to time obtain Advances under the Operating Facility by way of:

(i) overdraft borrowings in Canadian Dollars or US Dollars, in principal amounts of not less than Cdn. $100,000 and in multiples of Cdn. $100,000 for any amounts in excess thereof;

(ii) Canadian Prime Rate Loans, in principal amounts of not less than Cdn. $100,000 and in multiples of Cdn. $100,000 for any amounts in excess thereof;

(iii) U.S. Base Rate Loans, in principal amounts of not less than U.S. $100,000 and in multiples of U.S. $100,000 for any amounts in excess thereof;

(iv) Bankers' Acceptances or BA Equivalent Loans, as applicable;

(v) SOFR Loans, subject to Section 8.1; and

(vi) Letters of Credit subject to Section 10.1(a).

(c) Term Facility. The Borrower shall, on the Amendment and Restatement Date, obtain a Drawdown under the Term Facility, and may from time to time thereafter obtain Advances in respect of such Drawdown, in each case, by way of:

(i) Canadian Prime Rate Loans, in principal amounts of not less than Cdn. $1,000,000 and in multiples of Cdn. $100,000 for any amounts in excess thereof; and

(ii) Bankers' Acceptances or BA Equivalent Loans, as applicable,

provided that, for certainty, there shall only be one Drawdown under the Term Facility on the Amendment and Restatement Date.

3.9 Interest, Fees and Expenses.

(a) Interest and Fees. Interest and fees payable by the Borrower under the Credit Facilities will be payable in the following manner:

(i) subject to Section 3.9(d), each Canadian Prime Rate Loan drawn under the Credit Facilities and each overdraft borrowing in Canadian Dollars under the Operating Facility, will bear interest at a variable rate of interest per annum equal to the Canadian Prime Rate plus the applicable margin indicated in the Pricing Table;

(ii) each U.S. Base Rate Loan drawn under the Credit Facilities and each overdraft borrowing in U.S. Dollars under the Operating Facility will bear interest at a variable rate of interest per annum equal to the U.S. Base Rate plus the applicable margin indicated in the Pricing Table;

(iii) for each Bankers' Acceptance, the stamping fee (the "**BA Stamping Fee**") payable by the Borrower on the acceptance thereof by the applicable Lenders will be calculated on the basis of a 365-day year and based upon the applicable BA Stamping Fee indicated in the Pricing Table, subject to Section 3.9(d);

(iv) each SOFR Loan drawn under the Credit Facilities will bear interest at a rate per annum equal to Adjusted Term SOFR plus the applicable margin indicated in the Pricing Table, subject to Section 7.2(d);

(v) the Borrower will pay to the Operating Lender an issuance or renewal fee (the "**Letter of Credit Fee**") in respect of each Letter of Credit under the Operating Facility in accordance with Section 7.4, together with all other customary administrative charges in respect thereof;

(vi) the standby fee payable by the Borrower as set forth in Section 3.9(f) will be calculated based upon the applicable standby fee indicated in the Pricing Table below with respect to each Credit Facility; and

(vii) The following table is referred to in this Agreement as the "**Pricing Table**":

PRICING TABLE

REVOLVING FACILITIES

Level	Senior Debt to EBITDA Ratio	Canadian Prime Rate/U.S. Base Rate Margin	BA Stamping Fee / SOFR Loans / Letter of Credit Fee (Financial LCs)*	Standby Fee
I	≤ 0.50:1	[Redacted: Amount] bps	[Redacted: Amount] bps	[Redacted: Amount] bps
II	> 0.50:1 ≤1.00:1	[Redacted: Amount] bps	[Redacted: Amount] bps	[Redacted: Amount] bps
III	> 1.00:1 ≤ 1.50:1	[Redacted: Amount] bps	[Redacted: Amount] bps	[Redacted: Amount] bps
IV	> 1.50:1 ≤ 2.00:1	[Redacted: Amount] bps	[Redacted: Amount] bps	[Redacted: Amount] bps
V	> 2.00:1 ≤ 2.50:1	[Redacted: Amount] bps	[Redacted: Amount] bps	[Redacted: Amount] bps
VI	> 2.50:1 ≤ 3.00:1	[Redacted: Amount] bps	[Redacted: Amount] bps	[Redacted: Amount] bps
VII	> 3.00:1 ≤ 3.50:1	[Redacted: Amount] bps	[Redacted: Amount] bps	[Redacted: Amount] bps
VIII	> 3.50:1 ≤ 4.00:1	[Redacted: Amount] bps	[Redacted: Amount] bps	[Redacted: Amount] bps
IX	> 4.00:1 ≤ 4.50:1	[Redacted: Amount] bps	[Redacted: Amount] bps	[Redacted: Amount] bps
X	> 4.50:1	[Redacted: Amount] bps	[Redacted: Amount] bps	[Redacted: Amount] bps

* Performance LCs will be issued at 66⅔% of the applicable Letter of Credit Fee stated in the Pricing Table to be applicable to Financial LCs.

TERM FACILITY

Level	Senior Debt to EBITDA Ratio	Canadian Prime Rate Margin	BA Stamping Fee
I	≤ 0.50:1	[Redacted: Amount] bps	[Redacted: Amount] bps
II	> 0.50:1 ≤1.00:1	[Redacted: Amount] bps	[Redacted: Amount] bps
III	> 1.00:1 ≤ 1.50:1	[Redacted: Amount] bps	[Redacted: Amount] bps
IV	> 1.50:1 ≤ 2.00:1	[Redacted: Amount] bps	[Redacted: Amount] bps

V	> 2.00:1 ≤ 2.50:1	[Redacted: Amount] bps	[Redacted: Amount] bps
VI	> 2.50:1 ≤ 3.00:1	[Redacted: Amount] bps	[Redacted: Amount] bps
VII	> 3.00:1 ≤ 3.50:1	[Redacted: Amount] bps	[Redacted: Amount] bps
VIII	> 3.50:1 ≤ 4.00:1	[Redacted: Amount] bps	[Redacted: Amount] bps
IX	> 4.00:1 ≤ 4.50:1	[Redacted: Amount] bps	[Redacted: Amount] bps
X	> 4.50:1	[Redacted: Amount] bps	[Redacted: Amount] bps

(viii) From the Amendment and Restatement Date until the date on which the next Compliance Certificate is delivered in accordance with Section 13.3(b), the Level applicable to the Borrower in the Pricing Grid will be determined in accordance with the Compliance Certificate delivered per Section 2.1(a)(v).

(b) Changes in Rates due to Change in Ratio. For the purposes hereof, the effective date on which any change in interest rates, BA Stamping Fees, Letter of Credit Fees or standby fees occurs will be the day that is 3 Banking Days after the Borrower delivers a Compliance Certificate as required hereunder which evidences a change in the Senior Debt to EBITDA Ratio that would result in a change in the level set out in the Pricing Table; provided that if such Compliance Certificate is not so delivered when required, then the applicable interest rates and fees shall be those set forth in the highest Level of the Pricing Table effective as of the date such Compliance Certificate was otherwise due, such pricing to be effective until the first day following the date that such overdue Compliance Certificate is delivered (and notwithstanding the Default arising from such failure). Any increase or decrease in (i) the interest rates on SOFR Loans outstanding on the effective date of such change in the aforesaid rates and fees will apply proportionately to each such SOFR Loan outstanding on the basis of the number of days remaining in the term to maturity thereof; (ii) the BA Stamping Fees on Bankers' Acceptances outstanding on the effective date of such change in the aforesaid rates and fees will apply on any Rollover of an existing Bankers' Acceptance but otherwise the BA Stamping Fees on any Bankers' Acceptance existing at such effective date will not change until the Maturity Date thereof; and (iii) the Letter of Credit Fees outstanding on the effective date of such change in the aforesaid rates and fees will apply proportionately to each such Letter of Credit outstanding on the basis of the number of days remaining in the applicable calendar quarter at the time of such change and thereafter, at such increased or decreased rate.

(c) Restatement of Ratio. If the Borrower has delivered a Compliance Certificate that is subsequently found to be inaccurate in any way as a result of the Borrower's financial results having to be restated or if the Borrower's financial results were inaccurately reflected in the original financial results on which such Compliance Certificate was based or for any other reason and the result thereof is that the Senior Debt to EBITDA Ratio that was originally reported was lower (and the corresponding Level in the Pricing Table was lower) than it otherwise would have been in the absence of such inaccuracy or prior to such restatement, then the Borrower will, immediately upon the correction of such inaccuracy or upon such restatement, pay to the Agent for the benefit of the applicable Lenders an amount equal to the interest, BA Stamping Fees, Letter of Credit Fees and standby fees that the Lenders should have received, but did not receive, over the applicable period had the Senior Debt to EBITDA Ratio, and the underlying components thereof, been reported correctly in the first instance.

(d) Borrowing Base Shortfall or Event of Default. Effective upon the occurrence and during the continuance of a Borrowing Base Shortfall or an Event of Default (the "**Pricing Change Effective Date**"), the interest rates then applicable to Canadian Prime Rate Loans, SOFR Loans, U.S. Base Rate Loans, BA Stamping Fees and Letter of Credit Fees will each increase by [Redacted: Amount] Basis Points per annum (the "**Pricing Change**") and such increase will remain in effect for as long as a Borrowing Base Shortfall or Event of Default exists. An increase in interest rates, BA Stamping Fees and Letter of Credit Fees as aforesaid arising from a Borrowing Base Shortfall or an Event of Default applies to all outstanding Advances under the Credit Facilities and will on the Pricing Change Effective Date apply proportionately to each SOFR Loan, Bankers' Acceptance and Letter of Credit outstanding at such time on the basis of the number of days remaining in the term to maturity of each such Advance. The Borrower will pay to the Lenders any resulting increase in BA Stamping Fees and Letter of Credit Fees on or prior to the third Banking Day following the Pricing Change Effective Date. Effective upon the Borrowing Base Shortfall or Event of Default which triggered the Pricing Change being cured, waived or otherwise no longer existing, the interest rates applicable to Canadian Prime Rate Loans, SOFR Loans, U.S. Base Rate Loans, BA Stamping Fees and Letter of Credit Fees will each decrease by [Redacted: Amount] Basis Points per annum and revert to the rates set out in the Pricing Table. In the event that the Event of Default or Borrowing Base Shortfall no longer exists and the Borrower has paid in advance the increased BA Stamping Fee or the Letter of Credit Fees for the term to maturity of a Bankers' Acceptance or a Letter of Credit, the Lenders will repay such amounts to the Borrower promptly after such Borrowing Base Shortfall or Event of Default no longer exists.

(e) Agency Fee. The Borrower will pay to the Agent as consideration for acting as administrative agent a fee as set forth in a fee letter between the Agent and the Borrower.

(f) Standby Fee. The Borrower will, effective from and including the Amendment and Restatement Date, pay to the Agent for the benefit of the Lender or Lenders under each Revolving Facility, a standby fee in Canadian Dollars from time to time equal to the Basis Points set forth in the pricing table above, calculated on the basis of a 365 or 366 day year, as applicable, multiplied by (i) in respect of the Syndicated Revolving Facility, the Syndicated Revolving Facility Commitment Amount less the Canadian Dollar Exchange Equivalent of the Aggregate Principal Amount of the Syndicated Revolving Facility; and (ii) in respect of the Operating Facility, the Operating Facility Commitment Amount less the Canadian Dollar Exchange Equivalent of the Aggregate Principal Amount of the Operating Facility. The standby fee will be calculated daily and will be payable quarterly in arrears on the first Banking Day of each calendar quarter for the previous calendar quarter and on the Term Conversion Date. Standby fees will be distributed to each Lender on the unused portion of the Individual Commitment Amount of each Lender.

(g) Increase in Rates on Term Conversion Date. The interest rates and fees applicable to the Credit Facilities determined in accordance with Section 3.9(a) shall, effective upon and during the Term-out Period, each increase by [Redacted: Amount] Basis Points. With respect to SOFR Loans, Bankers' Acceptances or Letters of Credit outstanding on under a Revolving Facility on the Term Conversion Date, such increase shall apply on the basis of the number of days remaining in the term to maturity of each such Advance. With respect to Bankers' Acceptances drawn under a Revolving Facility, the Borrower will pay to the Agent for the benefit of the applicable Lenders any resulting increase in BA Stamping Fees with respect to outstanding Bankers' Acceptances on or prior to the third Banking Day following the applicable Term Conversion Date.

(h) Expenses. The Borrower will pay or reimburse the Agent and the Lenders, as applicable, for the reasonable out of pocket expenses, including reasonable legal fees and disbursements (on a solicitor and his own client full indemnity basis), the fees of a financial advisor to the Agent and the Lenders after the occurrence of one or more of a Default, Event of Default, Borrowing Base Shortfall or Material Adverse Effect and all enforcement costs, incurred by the Agent and the Lenders, as applicable, in connection with (i) the establishment and initial syndication of the Credit Facilities and the negotiation, preparation, execution and maintenance of the Loan Documents and (ii) the enforcement of their rights and remedies under the Loan Documents.

3.10 Borrowing Base.

(a) Borrowing Base. The Borrowing Base as of the Amendment and Restatement Date is $210,000,000, provided that each Credit Facility is made available by the applicable Lenders in accordance with their Rateable Portion thereof, and in an amount not to exceed each such Lender's respective Individual Commitment Amount.

(b) Setting of Borrowing Base. In each year any of the Credit Facilities remain available to the Borrower or any Obligations remain outstanding, a determination of the Borrowing Base will occur semi-annually on or before (i) May 31, based on an independent engineering reserve report dated no earlier than December 31 of the previous calendar year and which report is to be provided by April 30 of each year, and (ii) November 30, based upon an update to the annual independent engineering report effective no earlier than June 30 of each year and which update is to be provided by October 31 of each year and prepared by the internal engineering staff of the Borrower (in any such case, the "**Scheduled Borrowing Base Date**"). The first Scheduled Borrowing Base Date after the Amendment and Restatement Date will take place on or before May 31, 2023.

(c) Additional Redeterminations. In addition to the Scheduled Borrowing Base Dates:

(i) the Majority Lenders may cause a re-determination of the Borrowing Base at any time from time to time:

(A) if a Material Adverse Effect has occurred;

(B) if the amounts received by Loan Parties from all Hedge Monetizations (other than those permitted by clauses (d) and (e) of the definition of Permitted Dispositions) since the last Borrowing Base Determination together with the proceeds received by the Loan Parties from dispositions (for certainty, other than Permitted Dispositions described in clauses (a), (b), (c) and (f) of the definition thereof) exceeds the Threshold Amount; or

(C) one additional time per calendar year, upon request;

(ii) if (I) at any time the LMR of any Loan Party is less than 2.00; or (II) any Loan Party, or any of the Loan Party Assets, become subject to an Abandonment/Reclamation Order where the applicable Loan Party's proportionate share (based on the applicable title and operating documents in respect of such well, facility or pipeline) of the aggregate estimated cost to comply with all such outstanding orders exceeds [Redacted: Percentage]% of the Threshold Amount, then, in either case, unless waived by all Lenders, the Lenders will re-determine the Borrowing Base in accordance with this Section 3.10(c) within 45 days after the Agent has received notice of, in the case of clause (I) above, such LMR being less than 2.00, or, in the case of clause (II) above, such Loan Party's receipt of such Abandonment/Reclamation Order (provided that, for the purpose of determining the estimated cost in clause (II) above, the Borrower shall provide the Lenders with a reasonable and factually supportable estimate of such costs within fifteen (15) Banking Days of its receipt of the applicable order and shall deliver to the Lenders all such relevant information related to such estimate as may be reasonably required by the Lenders, which estimate shall be certified by the president, chief executive officer, chief operating officer, chief financial officer or vice president, finance of the Borrower, and the Majority Lenders, acting reasonably and in good faith, must approve such estimate);

(iii) any Lender may notify the Agent to cause a re-determination of the Borrowing Base within five days after receipt of a Permitted Second Lien Incremental Debt Prepayment Notice; and

(iv) the Lenders shall cause a re-determination of the Borrowing Base if requested by the Borrower pursuant to Section 3.10(f) (each of the scheduled and additional Borrowing Base determinations noted above are referred to herein as a "**Borrowing Base Determination**").

(d) Determination of Borrowing Base. The Lenders shall make each Borrowing Base Determination in consultation with each other, and any such Borrowing Base Determination will require the unanimous consent of all of the Lenders. Each Lender, in making its determination of the Borrowing Base value in connection with a Borrowing Base Determination, will act in accordance with its usual and customary practices for revolving loans of this nature. If the Lenders are unable to agree on the Borrowing Base Determination on or before the applicable Scheduled Borrowing Base Date or other applicable Borrowing Base Determination date set out herein, the Borrowing Base Determination shall be determined to be the lowest Borrowing Base value proposed by a Lender or Lenders, subject to any adjustment required pursuant to Section 17.7. The Borrower will cooperate in all respects in providing the Agent, in a timely manner and for the benefit of the Lenders, with such information as may be reasonably required or requested by the Lenders to assist in determining the Borrowing Base within the time periods required hereunder. To assist the Lenders in a determination of the Borrowing Base, the Borrower will, while any Credit Facility remains available to the Borrower, provide the Agent for the benefit of the Lenders, with the materials and documents set forth in Section 13.3(d).

(e) Notification of Borrowing Base. The Agent shall within 5 Banking Days of any Borrowing Base Determination advise the Borrower of the Borrowing Base value and, in the event that Borrowing Base Determination was not unanimously consented to by the Lenders and was determined to be the lowest Borrowing Base value proposed by a Lender or Lenders, the Agent shall advise the Borrower as to which Lender(s) had the lowest Borrowing Base (the "**Non-Conforming Borrowing Base Lender**"). The Borrowing Base shall be effective immediately upon notice thereof to the Borrower and any resulting adjustment of the Commitment Amount shall occur automatically. The Borrowing Base will remain in effect until the next Borrowing Base Determination is made as required or permitted herein.

(f) Borrower May Request Redetermination. The Borrower may (i) at any time in connection with an acquisition of assets where the lending value thereof is reasonably expected to exceed the Threshold Amount, or (ii) at any time but not more than once between scheduled Borrowing Base Determinations, request a redetermination of the Borrowing Base. Upon such request, the Borrowing Base will be redetermined as soon as reasonably practicable, provided that the Borrower has made available to the Agent, for the benefit of the Lenders, the current information which, in the opinion of the Majority Lenders, acting reasonably, is required to perform such redetermination. The Borrowing Base will be adjusted effective on the date specified in the notice of same given by the Agent to the Borrower. In connection with any such redetermination, the Agent on behalf of the Lenders will be entitled to charge the Borrower a reasonable "work" fee to be agreed upon between the Borrower and the Agent.

3.11 Swap Facilities.

Subject to Sections 13.4(c), 13.4(d), 13.4(e) and 13.4(f), each Lender may enter into Lender Swaps with a Loan Party; provided that all Swap Indebtedness ranks at all times *pari passu* with the Loan Parties' Obligations under the Credit Facilities and the Loan Documents.

ARTICLE 4
SECURITY

4.1 Security.

The present and future Lender Secured Obligations of the Borrower and each other Loan Party to the Agent and the other Lender Secured Parties, howsoever arising or incurred, will be secured by the following, each in form satisfactory to the Agent acting reasonably (collectively, the "**Security**"):

(a) a demand debenture initially in the amount of Cdn. $750,000,000 (as such amount may be increased from time to time as agreed to by the Borrower and the Agent) from each Loan Party (or a joinder thereto) to be registered in all appropriate jurisdictions, as each such debenture may be amended, restated, supplemented or otherwise modified from time to time;

(b) a guarantee from each Loan Party (or a joinder thereto) in favour of the Agent with respect to the Lender Secured Obligations of the other Loan Parties;

(c) the Intercreditor Agreement;

(d) when requested by the Agent, such documents and instruments providing a fixed Lien in accordance with Section 4.6; and

(e) such further guarantees, security agreements, deeds or other instruments of conveyance, assignment, transfer, mortgage, pledge or charge as may be reasonably required by the Agent and the Lenders from time to time.

4.2 Sharing of Security.

The Borrower and the Lenders agree and acknowledge that the Security is being shared equally among the Lender Secured Parties to secure the Lender Secured Obligations on a *pari passu* basis and that the Agent will hold the Security for the benefit of the Lender Secured Parties hereunder. For purposes of the above sentence, "*pari passu* basis" means:

(a) with respect to the Lenders under a Credit Facility, the Canadian Dollar Exchange Equivalent of the Aggregate Principal Amount and other Obligations under such Credit Facility relative to the Canadian Dollar Exchange Equivalent of all Lender Secured Obligations;

(b) with respect to the Swap Lenders, the Canadian Dollar Exchange Equivalent of the Permitted Swap Indebtedness relative to the Canadian Dollar Exchange Equivalent of all Lender Secured Obligations; and

(c) with respect to any Lender as it relates to the Cash Management Obligations, the Canadian Dollar Exchange Equivalent of the Cash Management Obligations owing to such Lender relative to the Canadian Dollar Exchange Equivalent of all Lender Secured Obligations.

If requested by the Lenders or any Swap Lender, the Lenders and the Swap Lenders will enter into such further agreements and assurances as may be reasonably requested to further evidence the provisions of this Section 4.2.

4.3 Exclusivity of Remedies.

Nothing herein contained or in the Security now held or hereafter acquired by or granted to the Agent and the Lenders, nor any act or omission of the Agent and the Lenders with respect to any such Security, will in any way prejudice or affect the rights, remedies or powers of the Agent and the Lenders with respect to any other security at any time held by the Agent and the Lenders.

4.4 Form of Security.

The Security will be in such form or forms as will be required by the Agent, acting reasonably, and will be registered in such offices in Canada or any province thereof (or any other applicable jurisdiction) as the Agent may from time to time require to protect the Liens created thereby, provided that the Agent will not register, except pursuant to Section 4.6, against title to the P&NG Rights. Should the Agent determine at any time and from time to time acting reasonably that the form and nature of the then existing Security is deficient in any way or does not fully provide the Lender Secured Parties with the Liens and priority to which each is entitled hereunder, the Borrower will forthwith execute and deliver or cause to be executed and delivered to the Agent, at the Borrower's expense, such amendments to the Security or provide such new security as the Agent may reasonably request. Without limiting the generality of the foregoing, the Borrower acknowledges that the Security has been prepared based on applicable Laws and the Borrower agrees that the Agent will have the right, acting reasonably, to require that the Security be amended or supplemented: (a) to reflect any changes in applicable Laws, whether arising as a result of statutory amendments, court decisions or otherwise; (b) to facilitate the creation and registration of appropriate security in all appropriate jurisdictions including, if required, pursuant to Section 4.6, a fixed charge registration in respect thereof; or (c) if a Loan Party amalgamates with any other Person or enters into any reorganization, in each case in order to confer upon the Agent the security intended to be created hereby.

4.5 After-Acquired Property.

All property acquired by or on behalf of any Loan Party who has provided a debenture to the Agent pursuant to Section 4.1 or otherwise after the date of execution of the Security which forms part of the property of any Loan Party (hereafter collectively referred to as "**After-Acquired Property**"), will be subject to the Security without any further conveyance, mortgage, pledge, charge, assignment or other act on the part of the Parties. Without limiting the effect of the preceding sentence, the Borrower will, or will cause the applicable Loan Party to, from time to time execute and deliver and the Agent will register, all at the Borrower's expense, such instruments supplemental to the Security, in form and substance satisfactory to the Agent, acting reasonably, as may be necessary or desirable to ensure that the Security as amended and supplemented constitutes in favour of the Lender Secured Parties an effective Lien to the extent created by the Security over such After-Acquired Property as required hereunder, subject only to Permitted Encumbrances which under applicable Law rank in priority thereto.

4.6 Undertaking to Grant Fixed Charge Security.

If the Majority Lenders, acting reasonably, determine in their sole discretion that there has been a Material Adverse Effect (which, for the purposes of this Section 4.6 may include the occurrence of a Borrowing Base Shortfall) or the Lenders otherwise consider it necessary, acting reasonably, for their adequate protection, the Borrower, at the request of the Agent, will forthwith grant or cause to be granted to the Agent for the benefit of the Lender Secured Parties, within 20 Banking Days of such request, a fixed Lien (subject only to Permitted Encumbrances which under applicable Law rank in priority thereto) in such Loan Party's property as the Agent, in its sole discretion, determines as security for the Lender Secured Obligations. In this connection, the Borrower will:

(a) provide the Agent with such information as is reasonably required by the Agent to identify the property to be charged pursuant to this Section 4.6;

(b) do all such things as are reasonably required to grant, or cause such Loan Party to grant, in favour of the Lender Secured Parties, a fixed Lien (subject only to Permitted Encumbrances which under applicable Law rank in priority thereto) in respect of such property to be so charged pursuant to this Section 4.6;

(c) provide the Agent with all corporate or partnership resolutions and other action, as reasonably required, for such Loan Party to grant the fixed Lien (subject only to Permitted Encumbrances which under applicable Law rank in priority thereto) in the property identified by the Agent to be so charged;

(d) provide the Agent with such security instruments and other documents which the Agent, acting reasonably, deems are necessary to give full force and effect to the provisions of this Section 4.6;

(e) assist the Agent in the registration or recording of such agreements and instruments in such public registry offices in Canada or any province thereof (or any other applicable jurisdiction) as the Agent, acting reasonably, deems necessary to give full force and effect to the provisions of this Section 4.6; and

(f) pay all reasonable costs and expenses incurred by the Agent in connection with the preparation, execution and registration of all agreements, documents and instruments, including any amendments to the Security, made in connection with this Section 4.6.

4.7 Discharge of Security.

The Agent will discharge the Security at the Borrower's expense forthwith after all of the Lender Secured Obligations have been unconditionally and irrevocably paid or satisfied in full.

4.8 Security for Lender Swaps with Former Lenders.

(a) If a Lender ceases to be a Lender under this Agreement (a "**Former Lender**"), all Swap Indebtedness owing to such Former Lender and its Affiliates under Lender Swaps entered into while such Former Lender was a Lender shall remain secured by the Security, subject to the terms hereof, to the extent that such Swap Indebtedness was secured by the Security prior to such Lender becoming a Former Lender and, subject to the following provisions of this Section 4.8. For certainty, any Swap Indebtedness under Hedging Agreements entered into with a Former Lender or an Affiliate thereof after the Former Lender has ceased to be a Lender shall not be secured by the Security. Notwithstanding the foregoing, while any Obligations remain outstanding under any Credit Facility, no Former Lender or any Affiliate thereof shall have any right to cause or require the enforcement of the Security or any right to participate in any decisions relating to the Security, including any decisions relating to the enforcement or manner of enforcement of the Security or decisions relating to any amendment to, waiver under, release of or other dealing with all or any part of the Security; for certainty, the sole right of a Former Lender and its Affiliates with respect to the Security while any Obligations remain outstanding under the Credit Facilities is to share, on a *pari passu* basis in any proceeds of realization and enforcement of the Security. If any amendment to this Section 4.8 or Section 14.3 is proposed that would adversely affect the rights of a Former Lender under this Agreement, then such amendment shall require the consent of each affected Former Lender.

(b) Subject to Section 4.7, if any Lender Swap remains outstanding after the Obligations are otherwise fully paid and satisfied and the Credit Facilities are cancelled, the Agent shall be entitled to discharge the Security; provided that:

(i) at the request of any Swap Lender, but subject to paragraph (iv) below, the Borrower agrees to enter into margin arrangements with such Swap Lender under which the Borrower will be required to provide such Swap Lender with a pledge of cash or marketable securities or other form of security acceptable to such Swap Lender, in form and in an aggregate amount as required by such Swap Lender;

(ii) at the request of any Swap Lender (which request may be made at any time after the Amendment and Restatement Date), but subject to paragraph (iv) below, the Borrower agrees to amend its ISDA Master Agreement with such Swap Lender to reflect the provisions of paragraph (i) above;

(iii) the provisions of paragraph (i) and (ii) above shall survive repayment of the Obligations and termination of the Credit Facilities; and

(iv) any Swap Lender may elect to expressly override the provisions in paragraphs (i) and (ii) above in its ISDA Master Agreement (or in any amendment thereto) by expressly contemplating the discharge of the Security and the consequences thereof; provided that no such election shall affect the rights of any other Swap Lender.

4.9 Acknowledgement of Existing Security

The Borrower hereby: (i) acknowledges that the Security previously granted to the Agent by it, or by 1413942 Alberta Ltd., as amalgamation predecessor to it (the "**Prior Subsidiary**"), under or in connection with the Existing NBC Credit Agreement continues in full force and effect, without this

Agreement in any way impairing or derogating from any of the guarantees, indemnities, mortgages, pledges, charges, assignments, security interests and covenants therein contained or thereby constituted, as continuing security for all indebtedness, liabilities and other obligations, including all of the Lender Secured Obligations owing by the undersigned under each of (y) this Agreement (including, *inter alia*, the amounts available hereunder) and (z) the loan party guarantee dated as of December 9, 2021 granted by the Borrower and the Prior Subsidiary in respect of the Lender Secured Obligations (which the undersigned confirms remains in full effect and guarantees, *inter alia*, the Lender Secured Obligations under this Agreement), and (ii) confirms that the Security granted by it and by the Prior Subsidiary has been granted to the Agent for its own benefit and on behalf of the Lender Secured Parties.

ARTICLE 5
FUNDING AND OTHER MECHANICS

5.1 Funding of Accommodations.

Subject to Section 5.2, Article 8 and Article 9, all Advances requested by the Borrower will be made available by deposit of the applicable funds (which in the case of Bankers' Acceptances will be the Net Proceeds) into the Borrower's Account for value on the Banking Day on which the Advance is to take place.

5.2 Notice Provisions.

Drawdowns under the Credit Facilities will be made available to the Borrower and the Borrower will be entitled to effect a Rollover or Conversion where permitted hereunder, in each case on the requested Banking Day, provided (other than in respect of overdraft borrowings under the Operating Facility, where no notice is required) a Notice of Borrowing or Notice of Rollover or Notice of Conversion, as applicable, is received by the Agent from the Borrower as follows:

(a) with respect to Advances, other than by way of Letters of Credit, SOFR Loans or Bankers' Acceptances, at least 1 Banking Day prior to such Advance, provided notice is received by the Agent no later than 12:00 noon (Montreal time) on the Banking Day immediately preceding the requested Drawdown Date or the date of Rollover or Conversion, as soon as applicable;

(b) with respect to a Drawdown, Rollover or Conversion of or into a Bankers' Acceptance or BA Equivalent Loan, at least 2 Banking Days prior to such Advance, provided notice is received by the Agent no later than 12:00 noon (Montreal time) on the second Banking Day immediately preceding the Drawdown Date or the date of Rollover or Conversion, as applicable;

(c) with respect to a Drawdown, Rollover or Conversion of or into a SOFR Loan, at least 3 Banking Days prior to such Advance, provided notice is received by the Agent no later than 12:00 noon (Montreal time) on the third Banking Day immediately preceding the Drawdown Date or the date of Rollover or Conversion, as applicable; and

(d) with respect to Advances under the Operating Facility by way of Letters of Credit, at least 3 Banking Days prior to such Advance, provided notice is received by the Agent no later than 12:00 noon (Montreal time) on the third Banking Day immediately preceding the requested Drawdown Date or the date of Rollover or Conversion, as applicable.

Any of the notices referred to in the foregoing paragraphs of this Section 5.2 may, subject to Section 18.2, be given by the Borrower to the Agent by telephone and in such case will be followed by the Borrower delivering to the Agent on the same day the written notice required hereunder confirming such instructions.

5.3 Irrevocability.

A Notice of Borrowing, Notice of Rollover or Notice of Conversion when given by the Borrower will be irrevocable and will oblige the Borrower, the Agent and the Lenders to take the action contemplated herein and therein on the date specified therein, provided that, any such notice will not be binding on a Lender who makes a determination under Section 11.2.

5.4 Rollover or Conversion of Accommodations.

(a) Subject to Section 5.2, Article 8, Article 9 and Article 10, the Borrower will be entitled to effect a Rollover of one type of Accommodation into the same type of Accommodation under the same Credit Facility or to effect a Conversion of one type of Accommodation into another type of Accommodation, in each case under the same Credit Facility and on the terms herein provided.

(b) Subject to Section 8.1(b), if the Borrower fails to give the Agent a duly completed Notice of Rollover or Notice of Conversion if and as required by Section 5.2, or if in giving such notice the Borrower fails to provide for the Rollover or Conversion of all of the Advances then maturing, the Borrower will be deemed to have irrevocably elected to convert such maturing Advances, or that part of such maturing Advances which the Borrower has failed to provide for in such notice, as the case may be, into a Canadian Prime Rate Loan with respect to a Cdn. Dollar Advance or a U.S. Base Rate Loan with respect to a U.S. Dollar Advance.

(c) No Conversion of a Bankers' Acceptance will be made prior to its Maturity Date.

5.5 Agent's Obligations.

Upon receipt of a Notice of Borrowing, Notice of Rollover or Notice of Conversion with respect to a proposed Advance under any Syndicated Facility, the Agent will forthwith notify the applicable Lenders of the proposed date on which such Advance is to take place, of each applicable Lender's Rateable Portion of such Advance and of the account of the Agent to which each applicable Lender's Rateable Portion thereof is to be credited, if applicable.

5.6 Lenders' Obligations (Syndicated Revolving Facility).

Each Syndicated Revolving Facility Lender will, prior to 12:00 noon (Montreal time) on the proposed date on which an Advance under the Syndicated Revolving Facility is to take place (other than an Advance by way of Bankers' Acceptances, in which case prior to 2:00 p.m. (Montreal time)), credit the account of the Agent specified in the Agent's notice given pursuant to Section 5.5 with such Syndicated Revolving Facility Lender's Rateable Portion of such Advance, and upon receipt of the funds from such Syndicated Revolving Facility Lender, the Agent will make available to the Borrower the amount so credited.

5.7 Lenders' Obligations (Term Facility).

Each Term Facility Lender will, prior to 12:00 noon (Montreal time) on the proposed date on which an Advance under the Term Facility is to take place (other than an Advance by way of Bankers' Acceptances, in which case prior to 2:00 p.m. (Montreal time)), credit the account of the Agent specified in the Agent's notice given pursuant to Section 5.5 with such Term Facility Lender's Rateable Portion of such Advance, and upon receipt of the funds from such Term Facility Lender, the Agent will make available to the Borrower the amount so credited.

5.8 Failure of a Lender to Fund.

(a) Unless the Agent has actual notice that a Lender has not made or will not make available to the Agent for value on a Drawdown Date the applicable amount required from such Lender pursuant to Section 5.6 or 5.7, as applicable, the Agent shall be entitled to assume that such amount has been or will be received from such Lender when so due and the Agent may (but shall not be obliged to), in reliance upon such assumption, make available to the Borrower a corresponding amount (except that no such amount shall be made available to the Borrower in the case of a deemed Advance). If such amount is not in fact received by the Agent from such Lender on such Drawdown Date and the Agent has made available a corresponding amount to the Borrower on such Drawdown Date as aforesaid (or is deemed to have made an Advance to the Borrower in such amount), such Lender shall pay to the Agent on demand an amount equal to the aggregate of the applicable amount required from such Lender pursuant to Section 5.6 or 5.7, as applicable, plus an amount equal to the product of (i) the rate per annum applicable to overnight deposits made with the Agent for amounts approximately equal to the amount required from such Lender multiplied by (ii) the amount that should have been paid to the Agent by such Lender on such Drawdown Date and was not, multiplied by (iii) a fraction, the numerator of which is the number of days that have elapsed from and including such Drawdown Date to but excluding the date on which the amount is received by the Agent from such Lender and the denominator of which is 365 in the case of all Advances. A certificate of the Agent containing details of the amount owing by a Lender under this Section 5.8(a) shall be binding and conclusive in the absence of manifest error. If any such amount is not in fact received by the Agent from such Lender on such Drawdown Date, the Agent shall be entitled to recover from the Borrower, on demand, the related amount made available by the Agent to the Borrower as aforesaid together with interest thereon at the applicable rate per annum payable by the Borrower hereunder. The failure of any Lender to make its Rateable Portion of the applicable Advance will not relieve any other Lender of its obligation, if any, hereunder to make its Rateable Portion of such Advance on the date that such Advance is to take place, but no Lender will be responsible for the failure of any other Lender to provide its Rateable Portion of any such Advance under the applicable Credit Facility.

(b) Notwithstanding the provisions of Section 5.8(a), if any Lender fails to make available to the Agent its Rateable Portion of any Advance, which for greater certainty includes a deemed Advance hereunder (such Lender being herein called the "**Non-Paying Lender**"), the Agent shall forthwith give notice of such failure by the Non-Paying Lender to the Borrower (except where such failure relates to a deemed Advance) and to the other Lenders. The Agent shall then forthwith give notice to the other Lenders that any Lender may make available to the Agent all or any portion of the Non-Paying Lender's Rateable Portion of such Advance (but in no way shall any other Lender or the Agent be obliged to do so) in the place of the Non-Paying Lender. If more than one Lender gives notice that it is prepared to make funds available in the place of a Non-Paying Lender in such circumstances and the aggregate of the funds which such Lenders (herein collectively called the "Contributing Lenders" and individually called the "**Contributing Lender**") are prepared to make available exceeds the amount of the Advance which the Non-Paying Lender failed to make, then each Contributing Lender shall be deemed to have given notice that it is prepared to make available its Rateable Portion of such Advance based on the Contributing Lenders' relative commitments to advance in such circumstances. If any Contributing Lender makes funds available in the place of a Non-Paying Lender in such circumstances, then the Non-Paying Lender shall pay to any Contributing Lender making the funds available in its place, forthwith on demand, any amount advanced on its behalf together with interest thereon at the rate applicable to such Advance from the date of advance to the date of payment, against payment by the Contributing Lender making the funds available of all interest received in respect of the Advance from the Borrower. The failure of any Lender to make available to the Agent its Rateable Portion of any Advance as required herein shall not relieve any other Lender of its obligations to make available to the Agent its Rateable Portion of any Advance as required herein.

(c) Notwithstanding any provision of this Agreement to the contrary, if any Lender becomes a Defaulting Lender, either as a result of being a Non-Paying Lender or otherwise, then the following provisions shall apply for so long as such Lender is a Defaulting Lender:

(i) the standby fees payable pursuant to Section 3.9(f) shall cease to accrue on the unused portion of the Individual Commitment Amount of such Defaulting Lender;

(ii) a Defaulting Lender shall not be included in determining whether, and the Individual Commitment Amount and the Rateable Portion of the Aggregate Principal Amount of such Defaulting Lender shall not be included in determining whether, all Lenders or the Majority Lenders have taken or may take any action hereunder (including any consent to any amendment or waiver pursuant to Section 17.16), provided that any waiver, amendment or modification requiring the consent of all Lenders or each affected Lender that affects such Defaulting Lender differently than other affected Lenders shall require the consent of such Defaulting Lender;

(iii) subject to Sections 5.8(a) and 5.8(b), for the purposes of any Advance requested hereunder while there is a Defaulting Lender, each Lender's Rateable Portion thereof shall be calculated based on such Lender's Individual Commitment Amount relative to the Commitment Amount reduced by the Individual Commitment Amount of the Defaulting Lender;

(iv) to the extent permitted by applicable Law, the Agent may require such Defaulting Lender to pay to the Agent for deposit into an escrow account maintained by and in the name of the Agent an amount equal to such Defaulting Lenders' maximum contingent obligations hereunder to the Agent;

(v) the Agent may withhold any payments owing to such Defaulting Lender for set-off against such Defaulting Lender's existing or reasonably foreseeable future obligations hereunder; and

(vi) for the avoidance of doubt, the Borrower shall retain and reserve its other rights and remedies respecting each Defaulting Lender.

5.9 Exchange Rate Fluctuations.

(a) Subject to Section 5.9(b), if as a result of currency fluctuation, the Canadian Dollar Exchange Equivalent of the Aggregate Principal Amount owing to (i) the Lenders under the Credit Facilities exceeds the Commitment Amount, (ii) the Syndicated Revolving Facility Lenders under the Syndicated Revolving Facility exceeds the Syndicated Revolving Facility Commitment Amount or (iii) the Operating Lender under the Operating Facility exceeds the Operating Facility Commitment Amount (in the case of (i), (ii) or (iii), the "**Excess**"), the Borrower will, within 3 Banking Days after a written request from the Agent, pay the applicable Excess to the Agent as a Principal Repayment for the benefit of the applicable Lenders to be shared on the basis of each applicable Lender's Rateable Portion.

(b) Notwithstanding Section 5.9(a) and Section 5.10, if the applicable Excess represents an amount which is less than [Redacted: Percentage]% of the Commitment Amount under the applicable Credit Facility, then the Borrower will only be required to repay the applicable Excess on the earlier of the next Rollover Date or Conversion Date and 30 days after written request from the Agent.

5.10 Excess Relating to SOFR Loans, Letters of Credit and Bankers' Acceptances.

Subject to Section 5.9(b), if to pay an Excess it is necessary to repay an Advance made by way of Bankers' Acceptance or a Letter of Credit or a SOFR Loan prior to the Maturity Date thereof, the Borrower will not be required to repay such Advances until the Maturity Date applicable thereto, provided, however, that at the request of the Agent, the Borrower will forthwith pay the Excess to the Agent for deposit into a Cash Collateral Account maintained by and in the name of the Agent for the benefit of the applicable Lenders. The Excess will be held by the Agent for set-off against future Obligations owing by the Borrower to the applicable Lenders in respect of such Excess, if any, or shall make such other arrangements to affect the same as may be agreed to by the affected Lenders. The Agent shall have exclusive control over all amounts at any time on deposit in such Cash Collateral Account. The deposit of the Excess by the Borrower with the Agent as herein provided, will not operate as a repayment of the Aggregate Principal Amount until such time as the Excess is actually paid to the Lenders as a Principal Repayment. If at any time the Borrower is no longer required to pay the Excess on deposit with the Agent, the Agent shall promptly return the Excess to the Borrower.

ARTICLE 6
ADVANCES UNDER THE CREDIT FACILITIES

6.1 Conditions Precedent to all Advances.

The Lenders' obligation to provide any Advance under the Credit Facilities will be subject to the following conditions precedent being met (unless waived in writing by all of the Lenders):

(a) on the initial Advance hereunder, the Borrower will have complied, or cause to be complied, with the deliveries required under Section 2.1;

(b) the appropriate Notice of Borrowing, Notice of Rollover or Notice of Conversion will have been delivered in accordance with the notice provisions provided in Section 5.2;

(c) no Default or Event of Default will have occurred and be continuing or, in the case of any Advances by way of a Drawdown, will result from such Drawdown;

(d) subject to Section 12.2, each of the representations and warranties set out in Article 12 (other than those stated to be made as of a certain date) will be true and correct with the same effect as if such representations and warranties had been made on the date of such Advance;

(e) in the case of any Advances by way of a Drawdown, no Borrowing Base Shortfall will have occurred and be continuing;

(f) other than on the initial Advance hereunder, no circumstance or event has occurred since the date of the most financial statements most recently delivered pursuant to Section 13.3(a) which has had or would reasonably be expected to have a Material Adverse Effect; and

(g) after giving effect to the proposed Advance, the Loan Parties would not have any Excess Cash.

ARTICLE 7
CALCULATION OF INTEREST AND FEES

7.1 Records.

The Agent will maintain records, in written or electronic form, evidencing all Advances and all other Obligations owing by the Borrower to the Agent and each Lender under this Agreement. The Agent will enter in such records details of all amounts from time to time owing, paid or prepaid by the Borrower to it hereunder. In addition, each Lender will maintain records, in written or electronic form, evidencing all Advances and other Obligations owing by the Borrower to such Lender. The information entered in such records will constitute *prima facie* evidence of the Obligations of the Borrower to the Agent and each Lender under the Loan Documents. In the event of a conflict between the records of the Agent and a Lender maintained pursuant to this Section 7.1, the records of the Agent shall prevail, absent manifest error. The Operating Lender will maintain records, in written or electronic form, evidencing all Advances it has made in respect of the Operating Facility.

7.2 Payment of Interest and Fees.

(a) Interest. Except as expressly stated otherwise herein, all Canadian Prime Rate Loans, U.S. Base Rate Loans and SOFR Loans from time to time outstanding will bear interest, as well after as before maturity, default and judgment, with interest on overdue interest, at the applicable rates as prescribed under Section 3.8(c) or Section 18.10. Interest payable at a variable rate will be adjusted automatically without notice to the Borrower whenever there is a variation in such rate.

(b) Calculation of Interest and Fees. Interest on Canadian Prime Rate Loans and U.S. Base Rate Loans will accrue and be calculated but not compounded daily and be payable monthly in arrears on the first Banking Day of each month for the immediately preceding month, or, after notice to the Borrower, on such other Banking Day as is customary for the Agent having regard to its then existing practice. Interest on Canadian Prime Rate Loans and Letter of Credit Fees will be calculated on the basis of a 365- or 366-day year, as applicable.

(c) *Interest Act* (Canada). For the purposes of the *Interest Act* (Canada) and any other applicable Laws which may hereafter regulate the calculation or computation of interest on borrowed funds, the annual rates of interest and fees applicable to Canadian Prime Rate Loans, U.S. Base Rate Loans, Bankers' Acceptances and Letters of Credit, respectively, are the rates as determined hereunder multiplied by the actual number of days in a period of one year commencing on the first day of the period for which such interest or stamping fee is payable and divided by 365 or 366, as applicable. Interest on BA Stamping Fees on Bankers' Acceptances will be calculated on a basis of 365 days.

(d) SOFR Loans. Interest on SOFR Loans will accrue and be calculated but not compounded daily and be payable at the end of each applicable Interest Period, provided that, where the Interest Period exceeds 3 months, interest will be calculated and payable every 3 months during the term of the Interest Period and on the last day of the applicable Interest Period. Interest on SOFR Loans will be calculated on the basis of the actual number of days in each Interest Period in respect of SOFR Loans divided by 360. For the purposes of the *Interest Act* (Canada) and any other applicable Laws, the annual rates of interest applicable to SOFR Loans are the rates as determined hereunder multiplied by the actual number of days in a period of one year commencing on the first day of the period for which such interest is payable and divided by 360.

7.3 Payment of BA Stamping Fee.

The Borrower will pay to the Agent for the account of the Lenders under the applicable Credit Facility the applicable BA Stamping Fee under Section 3.9(a) with respect to Bankers' Acceptances on the date of acceptance thereof by the Lenders. Payment of the BA Stamping Fee may be made by way of set off as provided in Section 9.4.

7.4 Calculation and Payment of Issuance Fees.

Letter of Credit Fees will be calculated on the basis of a 365- or 366-day year, as applicable, and for such period of time as the applicable Letter of Credit remains outstanding. The Letter of Credit Fees will be payable quarterly in arrears on the third Banking Day following the end of each Fiscal Quarter. Notwithstanding the foregoing, the minimum Letter of Credit Fee shall be not less than the minimum flat rate issuance fee set by the Operating Lender from time to time in accordance with its customary practice for letters of credit issued on behalf of comparable borrowers (the "**Minimum Quarterly Fee**") and, if the Minimum Quarterly Fee applies, the Letter of Credit Fee shall be payable in advance at the time of issuance of the applicable Letter of Credit. The Minimum Quarterly Fee shall be payable in Canadian Dollars for all Canadian Dollar denominated Letters of Credit and U.S. Dollars for all U.S. Dollar denominated Letters of Credit.

7.5 Debit Authorization.

Subject to the provisions of this Agreement, the Borrower does hereby expressly and irrevocably authorize the Agent and the Operating Lender to effect all the necessary debits, deposits and credits in the Borrower's Accounts in order to accommodate the Lenders in making Advances, in order to accommodate the Borrower in making payments to the Lenders as required hereunder and to pay all amounts due and payable under the Loan Documents and the Cash Management Arrangements.

The Borrower authorizes the Operating Lender daily, or otherwise as and when determined by the Operating Lender from time to time, to ascertain the position or net position (as the case may be) in respect of all amounts contained in the Borrower's Account in respect of overdraft borrowings under the Operating Facility and the Aggregate Principal Amount owing under the Operating Facility, and that:

(a) if such position or net position is a credit in favour of the Borrower, the Operating Lender may apply the amount of such credit or any part thereof as a repayment of the Aggregate Principal Amount of the Operating Facility, and the Operating Lender will debit the Borrower's Account with the amount of such repayment; and

(b) if such position or net position is a debit in favour of the Operating Lender, the Operating Lender will make an overdraft borrowing under the Operating Facility of such amount as is required to place such account in such credit or net credit position as has been agreed between the Borrower and the Operating Lender from time to time, and the Operating Lender may increase the Aggregate Principal Amount under the Operating Facility and credit such account with such Advance,

provided that at no time shall the Aggregate Principal Amount of the Operating Facility exceed the Operating Facility Commitment Amount.

7.6 Maximum Rate of Return.

Notwithstanding any provision herein to the contrary, in no event will the aggregate "interest" (as defined in section 347 of the *Criminal Code* (Canada)) payable under this Agreement exceed the maximum effective annual rate of interest on the "credit advanced" (as defined in that section 347) permitted under that section and, if any payment, collection or demand pursuant to this Agreement in respect of "interest" (as defined in that section 347) is determined to be contrary to the provisions of that section 347, such payment, collection or demand will be deemed to have been made by mutual mistake of the Borrower and the applicable Lenders and the amount of such payment or collection will be refunded to the Borrower. If any provision is determined to be contrary to the provisions of section 347 of the *Criminal Code* (Canada), then notwithstanding such provision, such amount or rate shall be deemed to have been adjusted *nunc pro tunc* to the maximum amount or rate of interest, as the case may be, as would not be so prohibited by Law or so result in a receipt by a Lender of interest at a criminal rate. For purposes of this Agreement, the effective annual rate of interest will be determined in accordance with generally accepted actuarial practices and principles over the term of the Credit Facilities on the basis of annual compounding of the lawfully permitted rate of interest and, in the event of dispute, a certificate of a Fellow of the Canadian Institute of Actuaries appointed by the Agent will be *prima facie* evidence, for the purposes of such determination.

7.7 Waiver of Judgment Interest Act (Alberta).

To the extent permitted by applicable Law, the provisions of the *Judgment Interest Act* (Alberta) will not apply to the Loan Documents and are hereby expressly waived by the Borrower.

7.8 Deemed Reinvestment Not Applicable.

For the purposes of the *Interest Act* (Canada), the principle of deemed reinvestment of interest will not apply to any interest calculation under the Loan Documents, and the rates of interest stipulated in this Agreement are intended to be nominal rates and not effective rates or yields.

ARTICLE 8
GENERAL PROVISIONS RELATING TO SOFR LOANS

8.1 General.

(a) The aggregate amount of each Advance by way of a SOFR Loan will be in a principal amount of not less than U.S. $1,000,000 and in multiples of U.S. $100,000 for any amounts in excess thereof and each SOFR Loan will have a term to maturity of 1, 3 or 6 months (subject to availability), or as otherwise agreed by the Lenders.

(b) If the Borrower elects to Drawdown by way of a SOFR Loan, effect a Rollover of a SOFR Loan or a Conversion of an Accommodation into a SOFR Loan, the Borrower will specify in its Notice of Borrowing, Notice of Rollover or Notice of Conversion, as applicable, the Interest Period (which will begin and end on a Banking Day) applicable to such SOFR Loan. If the Borrower fails, as required hereunder, to select a Interest Period for any proposed SOFR Loan, then the applicable Interest Period will be approximately one month as determined by the Agent.

(c) Any amount owing by the Borrower in respect of any SOFR Loan which is not paid or subject to a Rollover or a Conversion at maturity in accordance with this Agreement will, as and from its Maturity Date, be deemed to be outstanding as a U.S. Base Rate Loan.

8.2 Early Termination of Interest Periods.

If the early termination of any SOFR Loan is required hereunder, the Borrower will pay to the Lenders all expenses and out-of-pocket costs incurred by the Lenders as a result of the early termination of the SOFR Loan, including expenses and out-of-pocket costs incurred due to early redemption of offsetting deposits. If, in the sole discretion of a Lender, acting reasonably, any such early termination cannot be effected, the SOFR Loan will not be terminated and the Borrower will continue to pay interest to the applicable Lenders, at the rate per annum applicable to such SOFR Loan for the remainder of the applicable Interest Period. A written statement of the Agent as to the aggregate amount of such expenses and out of pocket costs will be *prima facie* evidence of the amount thereof.

8.3 Inability to Determine Rates

(a) Subject to Section 8.4, if, on or prior to the first day of any Interest Period for any SOFR Loan:

(i) the Agent determines (which determination shall be conclusive and binding absent manifest error) that "Adjusted Term SOFR" cannot be determined pursuant to the definition thereof, or

(ii) the Majority Lenders determine that for any reason in connection with the delivery by the Borrower of any Notice of Borrowing for a SOFR Loan, or Notice of Rollover or Notice of Conversion of or into a SOFR Loan, that Adjusted Term SOFR for the requested Interest Period with respect to such proposed SOFR Loan does not adequately and fairly reflect the cost to such Lenders of making and maintaining such SOFR Loan, and the Majority Lenders have provided notice of such determination to the Agent,

the Agent will promptly so notify the Borrower and each Lender.

(b) Upon notice by the Agent to the Borrower as set forth in Section 8.3(a), any obligation of the Lenders to make SOFR Loans, and any right of the Borrower to Rollover SOFR Loans or to Convert U.S. Base Rate Loans to SOFR Loans, shall be suspended (to the extent of the affected SOFR Loans or affected Interest Periods) until the Agent (with respect to Section 8.3(a)(ii), at the instruction of the Majority Lenders) revokes such notice. Upon receipt of such notice, (i) the Borrower may revoke any pending request for a Drawdown of, Conversion into or Rollover of SOFR Loans (to the extent of the affected SOFR Loans or affected Interest Periods) or, failing that, the Borrower will be deemed to have converted any such request into a request for an Advance of or Conversion to U.S. Base Rate Loans in the amount specified therein and (ii) any outstanding affected SOFR Loans will be deemed to have been converted into U.S. Base Rate Loans at the end of the applicable Interest Period. Upon any such Conversion, the Borrower shall also pay accrued interest on the amount so converted, together with any additional amounts required pursuant to Section 8.2.

8.4 Benchmark Replacement Setting – SOFR Loans

(a) Notwithstanding anything to the contrary herein or in any other Loan Document, if a Benchmark Transition Event in respect of the Benchmark for SOFR Loans and its related Benchmark Replacement Date have occurred prior any setting of the then-current Benchmark for SOFR Loans, then (x) if a Benchmark Replacement is determined in accordance with clause (a)(1) of the definition of “Benchmark Replacement” for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Loan Document in respect of such Benchmark setting and subsequent Benchmark settings without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document and (y) if a Benchmark Replacement is determined in accordance with clause (a)(2) of the definition of “Benchmark Replacement” for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Loan Document in respect of any Benchmark setting at or after 5:00 p.m. (New York City time) on the fifth (5th) Banking Day after the date notice of such Benchmark Replacement is provided to the Lenders without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document so long as the Agent has not received, by such time, written notice of objection to such Benchmark Replacement from Lenders comprising the Majority Lenders. If the Benchmark Replacement is Adjusted Daily Simple SOFR, all interest payments will be payable on a monthly basis.

(b) No Hedging Agreement shall be deemed to be a “Loan Document” for purposes of this Section 8.4.

(c) In connection with the use, administration, adoption or implementation of a Benchmark Replacement for SOFR Loans, the Agent will have the right to make applicable Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Loan Document, any amendments implementing such Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Loan Document.

(d) The Agent will promptly notify the Borrower and the Lenders of (i) the implementation of any Benchmark Replacement for SOFR Loans and (ii) the effectiveness of any related Conforming Changes in connection with the use, administration, adoption or implementation of such Benchmark Replacement. The Agent will notify the Borrower of (x) the removal or reinstatement of any tenor of a Benchmark for SOFR Loans pursuant to Section 8.4(e) and (y) the commencement of any Benchmark Unavailability Period. Any determination, decision or election that may be made by the Agent or, if applicable, any Lender (or group of Lenders) pursuant to this Section 8.4, including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error and may be made in its or their sole discretion and without consent from any other party to this Agreement or any other Loan Document, except, in each case, as expressly required pursuant to this Section 8.4.

(e) Notwithstanding anything to the contrary herein or in any other Loan Document, at any time (including in connection with the implementation of a Benchmark Replacement for SOFR Loans), (i) if the then-current Benchmark for SOFR Loans is a term rate (including the Term SOFR Reference Rate) and either (A) any tenor for such Benchmark is not displayed on a screen or other information service that publishes such rate from time to time as selected by the Agent in its reasonable discretion or (B) the regulatory supervisor for the administrator of such Benchmark has provided a public statement or publication of information announcing that any tenor for such Benchmark is not or will not be representative, then the Agent may modify the definition of "Interest Period" (or any similar or analogous definition) for any Benchmark settings at or after such time to remove such unavailable or non-representative tenor and (ii) if a tenor that was removed pursuant to clause (i) above either (I) is subsequently displayed on a screen or information service for a Benchmark for SOFR Loans (including a Benchmark Replacement for SOFR Loans) or (II) is not, or is no longer, subject to an announcement that it is not or will not be representative for a Benchmark for SOFR Loans (including a Benchmark Replacement for SOFR Loans), then the Agent may modify the definition of "Interest Period" (or any similar or analogous definition) for all Benchmark settings for SOFR Loans at or after such time to reinstate such previously removed tenor.

(f) Upon the Borrower's receipt of notice of the commencement of a Benchmark Unavailability Period, the Borrower may revoke any pending request for a SOFR Loan of, conversion to or continuation of SOFR Loans to be made, converted or continued during any Benchmark Unavailability Period and, failing that, the Borrower will be deemed to have converted any such request into a request for an Advance of a U.S. Base Rate Loans.

(g) If any Lender determines that any applicable Law has made it unlawful, or that any Relevant Governmental Body has asserted that it is unlawful, for any Lender or its applicable lending office to make, maintain or fund Accommodations whose interest is determined by reference to SOFR, the Term SOFR Reference Rate, Adjusted Term SOFR or Term SOFR, or to determine or charge interest based upon SOFR, the Term SOFR Reference Rate, Adjusted Term SOFR or Term SOFR, then, upon notice thereof by such Lender to the Borrower (through the Agent) (such notice, an "**Illegality Notice**"), (a) any obligation of the Lenders to make Accommodations or Rollovers of SOFR Loans, and any right of the Borrower to Convert U.S. Base Rate Loans to SOFR Loans shall be suspended, and (b) if such notice asserts the illegality of such Lender making or maintaining U.S. Base Rate Loans the interest rate on which is determined by reference to any Adjusted Term SOFR component of the Accommodation (if any), the interest rate on which U.S. Base Rate Loans of such Lender shall, if necessary to avoid such illegality, be determined by the Agent without reference to any Adjusted Term SOFR component of the U.S. Base Rate (if any), in each case, until each affected Lender notifies the Agent and the Borrower that the circumstances giving rise to such determination no longer exist. Upon receipt of an Illegality Notice, the Borrower shall, if necessary to avoid such illegality, upon demand from any Lender (with a copy to the Agent), prepay or, if applicable, convert all SOFR Loans of such Lender to U.S. Base Rate Loans (the interest rate on which the U.S. Base Rate Loans shall, if necessary to avoid such illegality, be determined by the Agent without reference to the Adjusted Term SOFR component of the U.S. Base Rate), either on the last day of the Interest Period therefor, if all affected Lenders may lawfully continue to maintain such SOFR Loan to such day, or immediately, if any Lender may not lawfully continue to maintain such SOFR Loan to such day, in each case, until the Agent is advised in writing by each affected Lender that it is no longer illegal for such Lender to determine or charge interest rates based upon SOFR, the Term SOFR Reference Rate, Adjusted Term SOFR or Term SOFR. Upon any such prepayment or conversion following receipt of an Illegality Notice, the Borrower shall also pay accrued interest on the amount so prepaid or converted, together with any additional amounts required pursuant to Section 8.4(a).

ARTICLE 9
GENERAL PROVISIONS RELATING TO BANKERS' ACCEPTANCES

9.1 General.

Each bankers' acceptance draft tendered by the Borrower for acceptance by a Lender will be in a form acceptable to the accepting Lenders, acting reasonably, and the Advance in respect thereof under the applicable Credit Facility will be in a principal amount of not less than Cdn. $1,000,000 and in multiples of Cdn. $100,000 for any amounts in excess thereof, and will have terms of 1 or 3 months (subject to availability), unless otherwise agreed to by the accepting Lenders.

9.2 Terms of Acceptance by the Lenders.

(a) Payment. The Borrower will provide for payment to the Agent for the benefit of the Lenders of each Bankers' Acceptance at its maturity, either by payment of the face amount thereof or, through the utilization of an Accommodation in accordance with this Agreement, or through a combination thereof. The Borrower waives presentment for payment of Bankers' Acceptances by the Lenders and will not claim from the applicable Lenders any days of grace for the payment at maturity of Bankers' Acceptances. Any amount owing by the Borrower in respect of any Bankers' Acceptance which is not paid at maturity in accordance with this Agreement or subject to a Rollover or Conversion, will, as and from its maturity date, be deemed to be outstanding as a Canadian Prime Rate Loan under the applicable Credit Facility.

(b) Power of Attorney. To facilitate the procedures contemplated in this Agreement, the Borrower appoints each Lender from time to time as the attorney-in-fact of the Borrower to execute, endorse and deliver on behalf of the Borrower drafts or depository bills in the form or forms prescribed by such Lender for bankers' acceptances denominated in Canadian Dollars (each such executed draft or depository bill which has not yet been accepted by a Lender being referred to as a "**Draft**"). Each Bankers' Acceptance executed and delivered by a Lender on behalf of the Borrower as provided for in this Section 9.2(b) will be as binding upon the Borrower as if it had been executed and delivered by a duly authorized officer of the Borrower. The foregoing appointment will cease to be effective three Banking Days following receipt by the Lender in question of a notice from the Borrower revoking such appointment provided that any such revocation will not affect Bankers' Acceptances previously executed and delivered by a Lender pursuant to such appointment.

(c) Depository Bills. It is the intention of the Parties that pursuant to the *Depository Bills and Notes Act* (Canada) ("**DBNA**"), all Bankers' Acceptances accepted by the Lenders under this Agreement will be issued in the form of a "**depository bill**" (as defined in the DBNA), deposited with a "clearing house" (as defined in the DBNA), including The Canadian Depository for Securities Ltd. or its nominee CDS & Co. ("**CDS**"). In order to give effect to the foregoing, the Agent will, subject to the approval of the Borrower and the Lenders, establish and notify the Borrower and the Lenders of any additional procedures, consistent with the terms of this Agreement, as are reasonably necessary to accomplish such intention, including:

(i) any instrument held by the Agent for purposes of Bankers' Acceptances will have marked prominently and legibly on its face and within its text, at or before the time of issue, the words "This is a depository bill subject to the *Depository Bills and Notes Act* (Canada)";

(ii) any reference to the authentication of the Bankers' Acceptance will be removed; and

(iii) any reference to the "bearer" will be removed and such Bankers' Acceptances will not be marked with any words prohibiting negotiation, transfer or assignment of it or of an interest in it.

9.3 BA Equivalent Loans.

In lieu of accepting Bankers' Acceptance Drafts on any Drawdown Date, or any date of Rollover or Conversion, as applicable, each Non-BA Lender will make a BA Equivalent Loan. Any BA Equivalent Loan will be made on the relevant Drawdown Date, or any date of Rollover or Conversion, as applicable, and its Maturity Date will be the Maturity Date of the corresponding Bankers' Acceptances. The amount of each BA Equivalent Loan will be equal to the Discount Proceeds of the corresponding Bankers' Acceptances calculated on the basis that the applicable Lenders were not Non-BA Lenders and were therefore required to purchase such Bankers' Acceptances. On the Maturity Date of a BA Equivalent Loan, the Borrower will pay to the Non-BA Lender an amount equal to the face amount of the Bankers' Acceptance which such Non-BA Lender would have accepted in lieu of making a BA Equivalent Loan if it were not a Non-BA Lender. All provisions of this Agreement with respect to Bankers' Acceptances will apply to BA Equivalent Loans provided that stamping fees with respect to a BA Equivalent Loan will be calculated on the basis of the amount with respect to such BA Equivalent Loan which the Borrower is required to pay on the Maturity Date.

9.4 General Mechanics.

(a) <u>Notice</u>. Each Lender shall advance its Rateable Portion of each Advance by way of Bankers' Acceptances and BA Equivalent Loans in accordance with the provisions set forth herein. The Agent, promptly following receipt of a Notice of Borrowing from the Borrower pursuant to Section 5.2 requesting an Advance by way of Bankers' Acceptances, shall (i) advise each Lender of the face amount of the Bankers' Acceptances to be accepted by it, and (ii) advise each Non-BA Lender of the face amount of its BA Equivalent Loan. The aggregate face amounts of Bankers' Acceptances to be accepted by each Lender and the amount of the BA Equivalent Loans for each Non-BA Lender shall be determined by the Agent by reference to the respective Individual Commitment Amounts of the Lenders, subject to Section 9.4(f).

(b) <u>Bankers' Acceptances</u>. Unless such Lender makes a BA Equivalent Loan pursuant to the terms of Section 9.3, upon acceptance of a Bankers' Acceptance by a Lender, such Lender will purchase, or arrange for the purchase of, each Bankers' Acceptance from the Borrower at the BA Discount Rate applicable to such Lender for such Bankers' Acceptance accepted by it and provide to the Agent the Discount Proceeds for the account of the Borrower. The BA Stamping Fee payable by the Borrower to a Lender in respect of each Bankers' Acceptance by such Lender will be set off against the Discount Proceeds payable by such Lender under this Section 9.4. Such Lender may from time to time hold, sell, rediscount or otherwise dispose of any or all Bankers' Acceptances accepted and purchased by it.

(c) Rollovers. In the case of a Rollover of maturing Bankers' Acceptances, each Lender under the applicable Credit Facility, in order to satisfy the continuing liability of the Borrower to the Lender for the face amount of the maturing Bankers' Acceptances, will retain for its own account the Net Proceeds of each new Bankers' Acceptance issued by it in connection with such Rollover and the Borrower will, on the Maturity Date of the maturing Bankers' Acceptances, pay to the Agent for the benefit of the Lenders under the applicable Credit Facility an amount equal to the difference between the face amount of the maturing Bankers' Acceptances and the aggregate Net Proceeds of the new Bankers' Acceptances.

(d) Conversion to BA's. In the case of a Conversion from a Canadian Prime Rate Loan into an Accommodation by way of Bankers' Acceptances, each Lender under the applicable Credit Facility, in order to satisfy the continuing liability of the Borrower to each Lender for the amount of the Canadian Prime Rate Loan being converted, will retain for its own account the Net Proceeds of each new Bankers' Acceptance issued by it in connection with such Conversion and the Borrower will, on the date of issuance of the Bankers' Acceptances pay to the Agent for the benefit of the Lenders under the applicable Credit Facility an amount equal to the difference between the amount of the Canadian Prime Rate Loan being converted including any accrued interest thereon, owing to the Lenders under the applicable Credit Facility and the Net Proceeds of such Bankers' Acceptances.

(e) Conversion from BA's. In the case of a Conversion of an Accommodation by way of Bankers' Acceptances into a Canadian Prime Rate Loan, each Lender, in order to satisfy the liability of the Borrower to each Lender for the face amount of the maturing Bankers' Acceptances, will record the obligation of the Borrower to it as a Canadian Prime Rate Loan under the applicable Credit Facility, unless the Borrower provides for payment to the Agent for the benefit of the Lenders under the applicable Credit Facility of the face amount of the maturing Bankers' Acceptance in some other manner acceptable to the Lenders.

(f) Rounding. In the case of an issue of Bankers' Acceptances, the Agent will round allocations amongst the Lenders to ensure that each Bankers' Acceptance issued has a face amount which is a whole number multiple of Cdn. $100,000 (and such rounded allocations shall constitute the Lenders' respective Rateable Portions for the purposes of this Agreement).

9.5 Escrowed Funds.

Upon the request of the Agent after the occurrence and during the continuance of an Event of Default, upon cancellation and termination of this Agreement, or if required in connection with outstanding Bankers' Acceptances accepted by a Lender whose Individual Commitment Amount is being terminated or repaid in accordance with the terms hereof, the Borrower will forthwith pay to the Agent for deposit into an escrow account maintained by and in the name of the Agent for the benefit of the applicable Lenders, an amount equal to the applicable Lenders' maximum potential liability under then outstanding Bankers' Acceptances (the "**Escrow Funds**"). The Escrow Funds will be held by the Agent for set-off against future Obligations owing by the Borrower to the applicable Lenders in respect of such Bankers' Acceptances and pending such application will not bear interest. If the Escrow Funds are deposited as a result of the occurrence of an Event of Default and if such Event of Default is either waived or cured in compliance with the terms of this Agreement, then the remaining Escrow Funds if any will be promptly released to the Borrower. The deposit of the Escrow Funds by the Borrower with the Agent as herein provided will not operate as a repayment of the Aggregate Principal Amount until such time as the Escrow Funds are actually paid to the applicable Lenders as a Principal Repayment.

9.6 Benchmark Replacement Setting – Bankers' Acceptances and BA Equivalent Loans.

Notwithstanding anything to the contrary herein or in any other Loan Document (and each Swap Document shall be deemed not to be a "Loan Document" for purposes of this Section 9.6):

(a) On May 16, 2022 Refinitiv Benchmark Services (UK) Limited ("**RBSL**"), the administrator of the CDOR Rate, announced in a public statement that the calculation and publication of all tenors of the CDOR Rate will permanently cease immediately following a final publication on Friday, June 28, 2024. On the date that all Available Tenors of the CDOR Rate have either permanently or indefinitely ceased to be provided by RBSL (the "**CDOR Cessation Date**"), if the then-current Benchmark for Bankers' Acceptances and BA Equivalent Loans is the CDOR Rate, the Benchmark Replacement for Bankers' Acceptances and BA Equivalent Loans will replace such Benchmark for all purposes hereunder and under any Loan Document in respect of any setting of such Benchmark on such day and all subsequent settings without any amendment to, or further action or consent of any other party to this Agreement or any other Loan Document. If the Benchmark Replacement is Daily Compounded CORRA, all interest payments will be payable on a monthly basis.

(b) Upon the occurrence of a Benchmark Transition Event in respect of the Benchmark for Bankers' Acceptances and BA Equivalent Loans, the applicable Benchmark Replacement will replace the then-current Benchmark for Bankers' Acceptances and BA Equivalent Loans for all purposes hereunder and under any Loan Document in respect of any Benchmark setting in respect of Bankers' Acceptances and BA Equivalent Loans at or after 5:00 p.m. (Toronto time) on the fifth (5th) Banking Day after the date notice of such Benchmark Replacement is provided to the Lenders without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document so long as the Agent has not received, by such time, written notice of objection to such Benchmark Replacement from Lenders comprising the Majority Lenders. At any time that the administrator of the then-current Benchmark for Bankers' Acceptances and BA Equivalent Loans has permanently or indefinitely ceased to provide such Benchmark or such Benchmark has been announced by the administrator or the regulatory supervisor for the administrator of such Benchmark pursuant to public statement or publication of information to be no longer representative of the underlying market and economic reality that such Benchmark is intended to measure and that representativeness will not be restored, the Borrower may revoke any request for an Advance that would bear interest by reference to such Benchmark until the Borrower's receipt of notice from the Agent that a Benchmark Replacement has replaced such Benchmark, and, failing that, the Borrower will be deemed to have converted any such request into a request for a borrowing of or conversion to Canadian Prime Rate Loans.

(c) In connection with the implementation and administration of a Benchmark Replacement for Bankers' Acceptances and BA Equivalent Loans, the Agent will have the right to make applicable Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Loan Document, any amendments implementing such Conforming Changes will become effective without any further action or consent of any other party to this Agreement.

(d) The Agent will promptly notify the Borrower and the Lenders of (i) the implementation of any Benchmark Replacement for Bankers' Acceptances and BA Equivalent Loans, (ii) any occurrence of a Term CORRA Transition Event, (iii) the effectiveness of any related Conforming Changes, and (iv) by delivering a BA Cessation Notice pursuant to Section 9.6(g), its intention to terminate the obligation of the Lenders to make or maintain Bankers' Acceptances. Any determination, decision or election that may be made by the Agent or, if applicable, any Lender (or group of Lenders) pursuant to this Section 9.6(d), including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action, will be conclusive and binding absent manifest error and may be made in its or their sole discretion and without consent from any other party hereto, except, in each case, as expressly required pursuant to this Section 9.6(d).

(e) At any time (including in connection with the implementation of a Benchmark Replacement for Bankers' Acceptances and BA Equivalent Loans), if the then-current Benchmark for Bankers' Acceptance and BA Equivalent Loans is a term rate (including Term CORRA or the CDOR Rate), then (i) the Agent may remove any tenor of such Benchmark that is unavailable or non-representative for such Benchmark (including Benchmark Replacement) settings and (ii) the Agent may reinstate any such previously removed tenor for such Benchmark (including Benchmark Replacement) settings.

(f) Notwithstanding anything to the contrary herein or in any Loan Document and subject to the proviso below in this Section 9.6(f), if a Term CORRA Transition Event and its related Term CORRA Transition Date have occurred, then on and after such Term CORRA Transition Date (i) the Benchmark Replacement described in clause (b)(1)(i) of such definition will replace the then-current Benchmark for all purposes hereunder or under any Loan Document in respect of any setting of such Benchmark on such day and all subsequent settings, without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document; and (ii) each Bankers' Acceptance or BA Equivalent Loan outstanding on the Term CORRA Transition Date bearing interest based on the then-current Benchmark shall convert, on the last day of the then-current interest payment period, into a loan bearing interest at the Benchmark Replacement for Bankers' Acceptances and BA Equivalent Loans described in clause (b)(1)(i) of such definition having a tenor approximately the same length as the interest payment period applicable to such Advance immediately prior to the conversion or such other Available Tenor as may be selected by the Borrower and agreed by the Agent; provided that, this Section 9.6(f) shall not be effective unless the Agent has delivered to the Lenders and the Borrower a Term CORRA Notice, and so long as the Agent has not received, by 5:00 p.m. (Toronto time) on the fifth (5th) Banking Day after the date of the Term CORRA Notice, written notice of objection to such conversion to Term CORRA from Lenders comprising the Majority Lenders or the Borrower.

(g) The Agent shall have the option to, effective as of the date set out in the BA Cessation Notice, which shall be a date on or after the CDOR Cessation Date (the "**BA Cessation Effective Date**"), terminate the obligation of the Lenders to make or maintain Bankers' Acceptances, provided that the Agent shall give notice to the Borrower and the Lenders at least thirty (30) Banking Days prior to the BA Cessation Effective Date ("**BA Cessation**

Notice"). If the BA Cessation Notice is provided, then as of the BA Cessation Effective Date, so long as the Agent has not received, by 5:00 p.m. (Toronto time) on the fifth (5th) Banking Day after the date of the BA Cessation Notice, written notice of objection to the termination of the obligation to make or maintain Bankers' Acceptances from Lenders comprising the Majority Lenders, (i) any Notice of Borrowing that requests the conversion of any Advance to, or rollover of any Advance as, a Bankers' Acceptance shall be ineffective, and (ii) if any Notice of Borrowing requests a Bankers' Acceptance, such Advance shall be made as a Canadian Prime Rate Loan. For the avoidance of doubt, any outstanding Bankers' Acceptance shall remain in effect following the CDOR Cessation Date until such Bankers' Acceptance's stated maturity.

ARTICLE 10
GENERAL PROVISIONS RELATING TO LETTERS OF CREDIT

10.1 General.

(a) Availability. Each Letter of Credit will be made available by the Operating Lender on the terms and conditions set forth herein and each Letter of Credit (including all documents and instruments required to be presented thereunder) will be satisfactory in form and substance to the Operating Lender, acting reasonably. No Letter of Credit will be issued (or will be renewable at the option of the beneficiary thereunder) for a term in excess of one year (provided that a Letter of Credit may have a term in excess of one year if the Operating Lender agrees) or will require payment in any currency other than Canadian Dollars or U.S. Dollars, and the Aggregate Principal Amount owing under the Operating Facility with respect to the face amount of outstanding Letters of Credit shall at no time exceed Cdn. $15,000,000 (or the Canadian Dollar Exchange Equivalent thereof, if in U.S. Dollars) (or such greater amount up to the Operating Facility Commitment Amount, as the Operating Lender may agree).

(b) Fees and Charges. As a condition of the issuance or renewal of any Letter of Credit, the Borrower will pay to the Operating Lender the issuance or renewal fee specified Section 3.9(a) on the day of issue, which fee shall be determined for a period equal to the number of days that each such Letter of Credit will be outstanding to the Maturity Date thereof. The Borrower will also pay to the Operating Lender its customary administrative charges in respect of the issue, amendment, renewal or transfer of such Letter of Credit, and each drawing made under such Letter of Credit.

(c) Condition to Advance. The Operating Lender shall only issue a Letter of Credit if the following conditions have been satisfied:

(i) the Operating Lender shall have received an executed LC Application specifying:

(A) the proposed date of issuance (which shall be a Banking Day at least 3 Banking Days following the date of such request);

(B) the expiry date thereof;

(C) the name and address of the beneficiary thereof;

(D) whether the Letter of Credit is a Financial LC or a Performance LC; provided that in the case of any dispute, the Operating Lender shall determine whether a Letter of Credit is a Financial LC or a Performance LC in accordance with its usual and customary practices;

(E) the face amount and currency thereof; and

(F) the terms and conditions of the requested Letter of Credit and other relevant details; and

(ii) the Operating Lender shall have received such other customary administrative documents as it shall have reasonably requested as a condition to the issuance of such Letter of Credit.

In the event of any conflict or inconsistency between the terms of an LC Application and such other documents and this Agreement, the terms of this Agreement shall prevail and any liability of the Borrower in respect of Letters of Credit shall be governed by this Agreement irrespective of the provisions of any LC Application or such other documents. The Operating Lender will determine whether a Letter of Credit is a Financial LC or a Performance LC in accordance with its customary practices.

(d) Drawing under Letters of Credit. In the event of any request for a drawing under any Letter of Credit, the Borrower shall reimburse the Operating Lender on demand by the Operating Lender, in the relevant currency, an amount, in same day funds, equal to the amount of such drawing (for greater certainty, failure to reimburse the Operating Lender as provided in this sentence shall not constitute a Default or Event of Default). If the Borrower does not (i) make any payment required by the preceding sentence from the proceeds of an Accommodation obtained under this Agreement or otherwise, or (ii) notify the Operating Lender prior to 1:00 p.m. (Montreal time) on the second Banking Day following receipt by the Borrower of the notice from the Operating Lender referred to in the first sentence of this paragraph that the Borrower intends to reimburse the Operating Lender for the amount of such drawing with funds other than the proceeds of Advances:

(i) the Borrower shall be deemed to have given a Notice of Borrowing to the Operating Lender to make a Canadian Prime Rate Loan or U.S. Base Rate Loan, as applicable (irrespective of whether any other applicable conditions precedent specified herein have been satisfied), on the third Banking Day following the date on which such notice is provided by the Operating Lender to the Borrower in an amount equal to the amount of such drawing; and

(ii) subject to the terms and conditions of this Agreement, the Operating Lender shall, on the next Banking Day following the date of such drawing, make such Advance in accordance with Article 3 and it shall apply the proceeds thereof to the reimbursement of the Operating Lender for the amount of such drawing.

The Borrower agrees to accept each such Canadian Prime Rate Loan or U.S. Base Rate Loan, as applicable, and hereby irrevocably authorizes and directs the Operating Lender to apply the proceeds thereof in payment of the liability of the Borrower with respect to such required payment.

(e) Cash Collateral. If any Letter of Credit is outstanding on the date the Credit Agreement is cancelled, or at any time that an Event of Default occurs or a domestic or foreign court issues any judgment or order restricting or prohibiting payment by the Operating Lender under such Letter of Credit or extending the liability of the Operating Lender to make payment under such Letter of Credit beyond the expiry date specified therein, the Borrower will forthwith upon demand by the Operating Lender pay to the Operating Lender funds in the applicable currency in the undrawn amount of the Letter of Credit and such funds will be held by the Operating Lender in a non-interest bearing account for payment of any liability under such Letter of Credit so long as the Operating Lender has or may in any circumstances have any liability under such Letter of Credit. Any balance of such funds remaining at such time as the Operating Lender does not have and may never have any liability under such Letter of Credit will nevertheless continue to be held by the Operating Lender, if and so long as any Default or Event of Default is continuing, as security for the remaining liabilities of the Borrower hereunder.

(f) Obligations Absolute. The obligation of the Borrower to reimburse the Operating Lender for drawings made under any Letter of Credit shall be unconditional and irrevocable and shall be fulfilled strictly in accordance with the terms of this Agreement under all circumstances, including:

(i) any lack of validity or enforceability of any Letter of Credit;

(ii) the existence of any claim, set-off, defence or other right which the Borrower may have at any time against a beneficiary or any transferee of any Letter of Credit (or any Persons for whom any such transferee may be acting), the Operating Lender, any Lender or any other Person, whether in connection with this Agreement, the Loan Documents, the transactions contemplated herein and therein or any unrelated transaction (including any underlying transaction between the Borrower and the beneficiary of such Letter of Credit);

(iii) any incapacity, disability or lack or limitation of status or of power of the Borrower or the beneficiary of any Letter of Credit;

(iv) any breach of contract or other dispute between the Borrower and the Operating Lender, the beneficiary of any Letter of Credit or any other Person;

(v) any payment by the Operating Lender under any Letter of Credit if such payment does not breach the standards of reasonable care specified in the Uniform Customs or disentitle the Operating Lender to reimbursement under ISP98, in each case as stated on its face to be applicable to the respective Letter of Credit; or

(vi) the fact that a Default or an Event of Default shall have occurred and be continuing.

(g) Indemnification; Nature of Lenders' Duties.

(i) In addition to amounts payable as elsewhere provided in this Article 10, the Borrower hereby agrees to protect, indemnify, pay and save the Operating Lender and its directors, officers, employees, agents and representatives harmless from and against any and all claims, demands, liabilities, damages, losses, costs, charges and expenses (including reasonable legal fees and expenses) which the indemnitee may incur or be subject to as a consequence, direct or indirect, of the issuance of any Letter of Credit, other than as a result of the breach of the standards of reasonable care specified in the Uniform Customs, or where the Operating Lender would not be entitled to the foregoing indemnification under ISP98, in each case as stated on its face to be applicable to such Letter of Credit, or where such claim, demand, liability, damages, loss, cost, charge or expense arises from or relates to the gross negligence or wilful misconduct of an indemnitee under this paragraph (as determined by a final, non-appealable judgement of a court of competent jurisdiction).

(ii) As between the Borrower, on the one hand, and the Operating Lender, on the other hand, the Borrower assumes all risks of the acts and omissions of, or misuse of the Letters of Credit issued hereunder by, the respective beneficiaries of such Letters of Credit and, without limitation of the foregoing, the Operating Lender shall not be responsible for:

(A) the invalidity or insufficiency of any instrument transferring or assigning or purporting to transfer or assign any such Letter of Credit or the rights or benefits thereunder or proceeds thereof, in whole or in part, which may prove to be invalid or ineffective for any reason;

(B) errors in interpretation of technical terms;

(C) any loss or delay in the transmission or otherwise of any document required in order to make a drawing under any such Letter of Credit or of the proceeds thereof; and

(D) the misapplication by the beneficiary of any such Letter of Credit of the proceeds of any drawing under such Letter of Credit;

None of the above shall affect, impair or prevent the vesting of any of the Operating Lender's rights or powers hereunder. No action taken or omitted by the Operating Lender under or in connection with any Letter of Credit issued by it or the related certificates, if taken or omitted in good faith, shall put the Operating Lender under any resulting liability to the Borrower (provided that the Operating Lender acts in accordance with the standards of reasonable care specified in the Uniform Customs and otherwise as may be required under ISP98, in each case as stated on its face to be applicable to the respective Letter of Credit).

(iii) The Borrower agrees that neither the Operating Lender nor its officers, directors, employees or agents will assume liability for, or be responsible for, and the Borrower hereby indemnifies and holds harmless any such Person from any losses or claims resulting from, the following: (i) the use which may be made of any Letter of Credit; (ii) any acts or omissions of the beneficiary of any Letter of Credit including the application of any payment made to such beneficiary; (iii) the form, validity, sufficiency, correctness, genuineness or legal effect of any document or instrument relating to any Letter of Credit which on its face complies with requirements of the Letter of Credit, even if such document or instrument should in fact prove to be in any respect invalid, insufficient, inaccurate, fraudulent or forged; (iv) the failure of any document or instrument to bear any reference or adequate reference to any Letter of Credit; (v) any failure to note the amount of any draft on any Letter of Credit or on any related document or instrument; (vi) any failure of the beneficiary of any Letter of Credit to meet the obligations of such beneficiary to the Borrower or any other Person other than the Operating Lender; (vii) any errors, inaccuracies, omissions, interruptions or delays in transmission or delivery of any messages, directions or correspondence by mail, facsimile or otherwise, whether or not they are in cipher; any inaccuracies in the translation of any messages, directions or correspondence or for errors in the interpretation of any technical terms; (viii) any draft, demand, certificate or other document presented under any Letter of Credit proving to be forged, fraudulent or invalid in any respect or any statement therein being untrue or inaccurate in any respect; (ix) acting in reliance upon any notice, consent, certificate, statement or other writing (which may be a bank wire, telex, facsimile or similar writing) appearing on its face to be in compliance with the terms and conditions of the Letter of Credit; or (x) any failure by the Operating Lender to make payment under any Letter of Credit as a result of any Law, control or restriction rightfully or wrongfully exercised or imposed by any domestic or foreign court or Administrative Body or as a result of any other cause beyond the control of the Operating Lender or its officers, directors or employees or agents. This Section 10.1(g)(iii) will survive the termination of this Agreement; provided that nothing in this Agreement shall exonerate the Operating Lender for its gross negligence or wilful misconduct (as determined by a final, non-appealable judgement of a court of competent jurisdiction).

(h) General.

(i) The Operating Lender may accept as complying with the terms of any Letter of Credit any document or instrument required by such Letter of Credit to be completed, signed, presented or delivered by or on behalf of any beneficiary thereunder which has been completed, signed, presented or delivered by a receiver, trustee in bankruptcy, assignee for the benefit of creditors, secured party or other like Person believed in good faith by the Operating Lender to be lawfully entitled to the property of such beneficiary, and the Operating Lender may make payments under such Letter of Credit to such Person. The provisions of this Article 10 are for the sole benefit of the Operating Lender and the Persons indemnified under Section 10.1(f) and may not be relied on by any other Person.

(ii) Each Letter of Credit, except as specifically provided therein, and subject to any provision hereof to the contrary, will be subject to the Uniform Customs current at the time of issuance of such Letter of Credit.

(iii) For the purpose of calculating the Aggregate Principal Amount in respect of a Letter of Credit and for any other relevant provision of this Agreement, the amount of Accommodation constituted by any Letter of Credit at any time will be the maximum amount which the Operating Lender may in all circumstances be required to pay pursuant to the terms thereof at such time.

(iv) The Operating Lender shall maintain records showing the undrawn and unexpired amount of each Letter of Credit outstanding hereunder and showing for each Letter of Credit issued hereunder:

(A) the dates issuance and expiration thereof;

(B) the amount thereof; and

(C) the date and amount of all payments made thereunder.

The Operating Lender shall make copies of such records available to the Borrower upon its request.

ARTICLE 11
INCREASED COSTS

11.1 Changes in Law.

(a) If, after the Amendment and Restatement Date, due to either:

(i) the introduction of, or any change in, or in the interpretation of any Law, whether having the force of law or not, resulting in the imposition or increase of reserves, deposits or similar requirements by any central bank or Administrative Body charged with the administration thereof;

(ii) imposition on any Lender to maintain any capital adequacy or additional capital requirements in respect of any Advances or commitments hereunder, or any other condition with respect to this Agreement; or

(iii) the compliance with any guideline or request from any central bank or other Administrative Body which a Lender, acting reasonably, determines that it is required to comply with,

there will be any increase in the cost to such Lender of agreeing to make or making, funding or maintaining an Accommodation, or there will be any reduction in the effective return to such Lender thereunder, then, subject to Section 11.1(b), the Borrower will, within 5 Banking Days after being notified by such Lender of such event, pay to such Lender, quarterly in arrears, that amount (the "**Additional Compensation**") which such Lender, acting reasonably, determines will compensate it, after taking into account all applicable Taxes, and all interest and other amounts received, for any such increased costs or reduced returns incurred or suffered by such Lender.

(b) If Additional Compensation is payable pursuant to Section 11.1(a), the Borrower will have the option to convert the Accommodation to another type of Accommodation in accordance with the terms of this Agreement, in respect of which no further Additional Compensation will be payable or prepay any amount of the applicable Credit Facility owed to the Lender entitled to receive the Additional Compensation, subject always to Section 9.5 without obligation to make a corresponding prepayment to any other Lender. If the Additional Compensation relates to outstanding Bankers' Acceptances under the Syndicated Revolving Facility, such Lender may require the Borrower to deposit in an interest bearing Cash Collateral Account with such Lender such amount as may be necessary to fully satisfy the contingent obligations of such Lender for all outstanding Bankers' Acceptances in accordance with the arrangements similar to those set out in Section 9.5.

(c) Notwithstanding anything contained in this Section 11.1, the *Dodd-Frank Wall Street Reform and Consumer Protection Act* and all requests, rules, regulations, guidelines and directives thereunder or issued in connection therewith and all requests, rules, regulations, guidelines and directives concerning capital adequacy promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority or any United States, Canadian or foreign regulatory authority) (collectively, the "**New Rules**") shall, in each case, be deemed a "change in Law" under

Section 11.1(a)(i) regardless of the date enacted, adopted or issued but only to the extent (i) applicable to a Lender claiming Additional Compensation, (ii) materially different from that in effect on the Amendment and Restatement Date, and (iii) such New Rules have general application to substantially all banks and their affiliates within the jurisdiction in which such Lender operates.

11.2 Changes in Circumstances.

Notwithstanding anything to the contrary herein or in any of the other Loan Documents contained, if on any date a Lender determines in good faith, which determination will be conclusive and binding on the Parties, and provided notice is given to the Agent and the other Lenders and to the Borrower that its ability to maintain, or continue to offer any Accommodation has become unlawful or impossible due to:

(a) any change in applicable Law, or in the interpretation or administration thereof by authorities having jurisdiction in the matter; or

(b) the imposition of any condition, restriction or limitation upon such Lender which is outside of its control,

then in any such case, the Borrower will forthwith repay to such Lender all principal amounts affected thereby, together with all unpaid interest accrued thereon to the date of repayment and all other expenses incurred in connection with the termination of any such Accommodation, including any expense resulting from the early termination of any Interest Period relating thereto in accordance with Section 8.2, without any obligation to make a corresponding prepayment to any other Lender. The Borrower may utilize other forms of Accommodations not so affected in order to make any required repayment and after any such repayment, the Borrower may elect to re borrow the amount repaid by way of some other Accommodation upon complying with applicable requirements thereof.

11.3 Application of Sections 11.1 and 11.2.

If a Lender exercises its discretion under either Section 11.1 or 11.2, then concurrently with a notice from such Lender to the Lenders and the Borrower requiring compliance with the applicable Section, such Lender will provide the Borrower (with a copy to the Agent and the other Lenders) with a certificate in reasonable detail outlining the particulars giving rise to such notice, confirming that its actions are consistent with actions concurrently taken by such Lender with respect to similar type provisions affecting other borrowers of such Lender in comparable circumstances and certifying (with reasonable supporting detail) the increased costs, if any, payable by the Borrower thereunder, which will be *prima facie* evidence thereof and binding on the Parties.

11.4 Limitations on Additional Compensation.

Sections 11.1 and 11.2 will not apply to a Lender with respect to any event, circumstance or change of the nature and kind of which such Lender had actual knowledge on the Amendment and Restatement Date. A Lender will not be entitled to Additional Compensation to the extent such increase in costs or reduction in return is reflected in or recovered by an increase in the interest or other amounts payable hereunder (other than pursuant to Section 11.1) or relates to any period which is more than 90 days prior to such Lender becoming aware such Additional Compensation was owing or if such Lender is not generally collecting amounts which are the equivalent to Additional Compensation from other borrowers in similar circumstances to the Borrower where such Lender is contractually entitled to do so.

11.5 Taxes.

All payments to be made by any Loan Party pursuant to the Loan Documents are to be made without set-off, deduction, compensation or counterclaim and free and clear of and without deduction for or on account of any Tax (which for greater certainty does not include Taxes on the overall income of a Lender). If any such Tax is deducted or withheld from any payments under the Loan Documents, the applicable Loan Party shall promptly remit to the Agent for the Lenders benefit in the currency in which such payment was made, the equivalent of the amount of Tax so deducted or withheld together with the relevant receipt addressed to the Agent. If the applicable Loan Party is prevented by operation of Law or otherwise from paying, causing to be paid or remitting such Tax, the interest or other amount payable under the Loan Documents will be increased to such rates as are necessary to yield and remit to the Lenders the principal sum advanced or made available together with interest at the rates specified in the Loan Documents after provision for payment of such Tax. The Borrower agrees to indemnify the Agent and each Lender for (a) the full amount of Taxes of any relevant taxing jurisdiction on amounts payable under this Section 11.5 paid by the Agent and such Lender, and (b) any reasonable expenses arising therefrom or with respect thereto, in each case whether or not such Taxes were correctly or legally imposed or asserted by the relevant taxing jurisdiction; provided the Agent or a Lender, as the case may be, provides the Borrower with a written statement thereof setting forth in reasonable detail the basis and calculation of such amounts. Payment under this Section 11.5 shall be made within thirty (30) days after the date such Lender or the Agent makes a written demand therefor. Notwithstanding anything herein to the contrary, the Borrower shall not be required pursuant to this Section 11.5 to pay any additional amount to, or to indemnify, any Lender or the Agent, as the case may be, to the extent that such Lender or the Agent becomes subject to Taxes subsequent to the Amendment and Restatement Date (or, if later, the date such Lender or the Agent becomes a Party) as a result of a change in the place of organization or residence of such Lender or the Agent, a change in the lending office of such Lender, or a change in the principal office of such Lender or the Agent, in each case to a place outside of Canada and the United States, except to the extent that such Lender or the Agent was entitled, at the time of the change in place of organization, residence or the change in its lending office, to receive additional amounts from the Borrower pursuant to this Section 11.5 (and provided, that nothing in this Section 11.5 shall be construed as relieving the Borrower from any obligation to make such payments or indemnification in the event of a change in applicable Law).

11.6 Illegality

Notwithstanding anything to the contrary herein contained, if on any date a Lender determines in good faith, which determination shall be conclusive and binding on the Parties, that its ability to maintain or continue to offer any type(s) of Advances has become unlawful or impossible because:

(a) of any change in applicable Laws, or in the interpretation or administration thereof by any Administrative Body having jurisdiction in the matter;

(b) the imposition of any condition, restriction or limitation upon such Lender which is outside of its control; or

(c) any change in the jurisdictions in which the Loan Parties (or any of them) carry on business or hold assets to a jurisdiction outside of Canada, or the addition of any Security in respect of collateral located outside of Canada, in any case, after the Amendment and Restatement Date,

then such Lender shall give prompt written notice thereof to the Borrower and the Agent, and the Borrower shall forthwith (or at the end of such period as is permitted under applicable Law) repay to such Lender all principal amounts affected thereby, together with all unpaid interest accrued thereon to the date of repayment and all other reasonable expenses incurred in connection with the termination of any such Advance and no further unlawful or impossible Advance shall be available from such Lender. If the principal amount affected thereby relates to outstanding Bankers' Acceptances or Letters of Credit, such Lender may require the Borrower to deposit in an interest bearing account with such Lender (with interest to accrue for the benefit of the Borrower) such amount as may be necessary to fully satisfy the contingent obligations of such Lender for all outstanding Bankers' Acceptances and Letters of Credit in accordance with the arrangements set out in Section 9.5. The Borrower may utilize other forms of Advances not so affected in order to make any required repayment and, after any such repayment, the Borrower may elect to re-borrow the amount repaid by way of some other type of Advance upon complying with any other applicable requirements in this Agreement.

ARTICLE 12
REPRESENTATIONS AND WARRANTIES OF THE BORROWER

12.1 Representations and Warranties.

The Borrower hereby represents and warrants to the Lenders as of the Amendment and Restatement Date that:

(a) Incorporation, Organization and Power. Each Loan Party has been duly incorporated, amalgamated or formed, as applicable, and is validly existing under the Law of its jurisdiction of incorporation, amalgamation or formation as applicable, and is duly registered to carry on business in each jurisdiction in which the nature of any material business carried on by it or the character of any material property owned or leased by it makes such registration necessary, except for jurisdictions where the failure to be so registered would not reasonably be expected to have a Material Adverse Effect, and each Loan Party has full corporate or partnership power and capacity, as applicable, to enter into and perform its obligations under the Loan Documents to which it is a party, and to carry on its business as currently conducted. As of the Amendment and Restatement Date, the Borrower is a corporation duly incorporated under the Laws of the Province of Alberta.

(b) Authorization and Status of Agreements. Each Loan Document to which the Borrower and any other Loan Party is a party delivered pursuant hereto has been duly authorized, executed and delivered by it and does not conflict with or contravene or constitute a default or create a Lien, other than a Lien which is a Permitted Encumbrance and other than a conflict, contravention, default or a Lien which in the case of clauses (ii) or (iii) below would not be reasonably be expected to have a Material Adverse Effect, under:

(i) its constating documents or bylaws or any resolution of its board of directors;

(ii) any agreement or document to which it is a party or by which any of its property is bound; or

(iii) any applicable Law.

(c) Enforceability. Each of the Loan Documents to which any Loan Party is a party constitutes a valid and binding obligation of any Loan Party, as applicable, and is enforceable against it in accordance with its terms, except to the extent that enforceability may be limited by applicable bankruptcy, insolvency, reorganization, or similar statutes affecting the enforcement of creditors' rights generally and by general principles of equity.

(d) Security. The Security constitutes a valid first priority security interest and first priority floating charge on the assets of the Loan Parties, subject only to Permitted Encumbrances which under applicable Law rank in priority thereto.

(e) Judgments. No Loan Party is subject to any judgment, order, writ, injunction, decree or award, or to any restriction, rule or regulation (other than customary or ordinary course restrictions, rules and regulations consistent or similar with those imposed on other Persons engaged in similar businesses) which has not been stayed, or of which enforcement has not been suspended, which would reasonably be expected to have a Material Adverse Effect.

(f) Litigation. There are no actions, suits or proceedings at Law or before or by any Administrative Body existing or pending, or to the Borrower's knowledge threatened, to which any Loan Party is, or to the Borrower's knowledge is threatened to be made, a party and the result of which would, if successful against it, reasonably be expected to have a Material Adverse Effect.

(g) Environmental Law. Each Loan Party has (i) obtained and maintains all material permits, licenses and other authorizations which are required under Environmental Law; and (ii) is in compliance in all material respects with Environmental Law and with the terms and conditions of all such permits, licenses and authorizations.

(h) Environmental Condition of Property. The property or any part thereof owned, operated or controlled by any Loan Party:

(i) is not, to the knowledge of the Borrower, the subject of any outstanding claim, charge or order from an Administrative Body alleging violation of Environmental Law or, if subject to any such claim, charge or order, a Loan Party, is taking all such remedial, corrective or other action required under the claim, charge or order or is diligently and in good faith contesting the validity thereof, except to the extent that any such claim, charge, order or non-compliance would not reasonably be expected to have a Material Adverse Effect; and

(ii) complies, with respect to each of its use and operation, in all material respects with Environmental Law and with the terms and conditions of all permits, licenses and other authorizations which are required to be obtained under applicable Environmental Law.

(i) Title to Properties. Each Loan Party has good and valid title to its Borrowing Base Properties, subject only to Permitted Encumbrances and to minor defects of title which in the aggregate do not materially affect its rights of ownership therein or the value thereof or to which the Lenders have consented to in writing. Each Loan Party is entitled to grant a Lien over its interests in the Borrowing Base Properties in favour of the Agent and the Lenders as provided in the Loan Documents without the need to obtain any consent of or release from any other Person which has not been obtained and such Borrowing Base Properties are not held in trust by any such Loan Party for any other Person.

(j) Operation of Properties. To the best of the Borrower's knowledge, information and belief, after due enquiry, all of the oil, gas and other wells of each Loan Party have been drilled, completed, shut-in and abandoned, as applicable, (and they have abandoned such wells if they were required by applicable Law to have been abandoned), in accordance with applicable Law, the oil and gas properties of each Loan Party have been operated in accordance with applicable Law and the facilities, plants and equipment in respect of all of the Borrower and each other Loan Parties' properties have been and will continue to be operated and maintained, as the case may be, in a good and workmanlike manner in accordance with sound industry practice and in accordance with all applicable Law, except, in each case, to the extent that the failure to do any of the foregoing would not be reasonably expected to have a Material Adverse Effect.

(k) Financial Condition. The most recent consolidated financial statements of the Borrower heretofore or contemporaneously delivered to the Agent and the Lenders hereunder were prepared in accordance with IFRS and such consolidated financial statements present fairly in all material respects the Borrower's consolidated financial position as at the date thereof. Since the date of such financial statements, there has been no occurrence of any event or circumstance which would reasonably be expected to have a Material Adverse Effect.

(l) Information. All factual information (excluding for certainty any projections included therein) heretofore or contemporaneously furnished by or on behalf of any Loan Party to the Agent or the Lenders in connection with the Loan Parties, the Borrowing Base Properties and the Credit Facilities (and in the case of information prepared by third parties, to the knowledge of the Borrower) is true and accurate in all material respects as at the respective dates of such information and the Borrower is not aware of any omission of any material fact which renders such factual information incomplete or misleading in any material way and any projections heretofore or contemporaneously furnished by or on behalf of any Loan Party to the Agent or the Lenders in connection therewith were made in good faith based on reasonable assumptions at the time made.

(m) No Breach of Orders, Licences or Statutes. No Loan Party is in breach of:

(i) any order, approval or mandatory requirement or directive of any Administrative Body;

(ii) any governmental licence or permit; or

(iii) any applicable Law,

the breach of which would reasonably be expected to have a Material Adverse Effect.

(n) Pension. No Loan Party is party to or bound by any Pension Plan.

(o) No Default. No Default or Event of Default has occurred and is continuing.

(p) Insurance. Each Loan Party has in full force and effect such policies of insurance in such amounts issued by such insurers of recognized standing covering the property of each Loan Party in accordance with prudent industry standards as required by Section 13.1(g).

(q) Approvals. All regulatory approvals, consents, permits and licenses necessary for any Loan Party to carry on its business, as currently carried on, and all approvals and consents necessary for it to enter into the Loan Documents to which it is a party and perform its obligations thereunder have, in each case, been obtained and are in good standing except to the extent that failure to so obtain would not be reasonably expected to have a Material Adverse Effect.

(r) Payment of Taxes and Priority Claims. Each Loan Party has filed all tax returns which are required to be filed and has paid all Taxes (including interest and penalties), other governmental charges levied or assessed against any of them or their property, and any other Priority Claims which are due and payable, unless such payment is in good faith disputed, and has made all appropriate provision in respect thereof in accordance with GAAP, except, in either case, to the extent that a failure to do so would not reasonably be expected to have a Material Adverse Effect.

(s) Remittances. All of the remittances required to be made by each Loan Party to the applicable federal, provincial, municipal or state governments have been made, are currently up to date and there are no outstanding arrears, except to the extent that a failure to do so would not reasonably be expected to have a Material Adverse Effect.

(t) Loan Party Information. As at the Amendment and Restatement Date, the Borrower has no Subsidiaries other than as set out in Schedule H and the jurisdictions of formation, the location of the respective businesses and assets of each Loan Party and the trade names of each, if any, used in such locations is as set forth in Schedule H. As at the Amendment and Restatement Date, each legal and beneficial owner of any of the issued and outstanding Voting Securities of each Loan Party (other than the Borrower).

(u) Wholly Owned Status. Each of the Subsidiaries of the Borrower are direct or indirect wholly owned Subsidiaries of the Borrower.

(v) Indebtedness and Liens. No Loan Party has any Indebtedness, other than Permitted Indebtedness, or Liens on its property, other than Permitted Encumbrances. Any such Permitted Indebtedness has not been subject to any Lien, except for Permitted Encumbrances.

(w) Solvency. As of the Amendment and Restatement Date and immediately following the making of each Advance and after giving effect to the application of the proceeds of each Advance, no Loan Party is an "**insolvent person**" under and as defined in, the *Bankruptcy and Insolvency Act* (Canada).

(x) Hedging Agreements. No Loan Party is in default under, and no event of default has occurred pursuant to, any Hedging Agreement or is party to, or otherwise subject to, any Hedging Agreement which is not permitted hereunder.

(y) Fiscal Year. The Fiscal Year end of each Loan Party is December 31.

(z) Material Contracts. As at the Amendment and Restatement Date, the Borrower has no Material Contracts other than as set out on Schedule K.

(aa) Convertible Debentures. No Loan Party is in default under, and no event of default has occurred pursuant to, any Convertible Debenture Documents.

(bb) Permitted Second Lien Debt. No Loan Party is in default under, and no event of default has occurred pursuant to, any Permitted Second Lien Debt Documents.

(cc) NRCan Indebtedness. No Loan Party is in default under, and no event of default has occurred pursuant to, any NRCan Agreement.

(dd) Anti-Corruption Laws and Sanctions.

(i) Neither the Borrower nor any of its Subsidiaries is in violation of any Sanctions or Anti-Corruption Laws.

(ii) The Borrower has implemented and maintains in effect policies or codes of conduct intended to ensure compliance in all material respects by its and the other Loan Parties' directors, officers and employees with, in each case, Anti-Corruption Laws and Sanctions applicable to such Persons.

(iii) None of the Loan Parties or any of their Subsidiaries, and, to the knowledge of the Borrower, none of their respective directors, officers, employees or Material Shareholders is a Sanctioned Person.

(iv) No part of the proceeds of the Advances will be used intentionally by any Loan Party (A) in furtherance of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any Person in violation in any material respect of any Anti-Corruption Laws, (B) for the purpose of funding (including payments made to) or financing any activities, investments, business or transaction of or with any Person known to any Loan Party to be a Sanctioned Person, or in any country known to any Loan Party to be a Sanctioned Country where such Sanctions relate to the business activities of the Lenders, or (C) in any manner that would result in the violation in any material respect of any Sanctions applicable to the Lenders.

(ee) LMR Representations.

(i) No Loan Party is in default of a material nature of any Environmental Laws or any Abandonment / Reclamation Order that it has received from any applicable Energy Regulator.

(ii) As of the Amendment and Restatement Date, the LMR of each Loan Party that has an LMR, in each Material LMR Jurisdiction in which such Loan Party has an LMR, is above 2.00.

12.2 Acknowledgement.

The Borrower acknowledges that the Agent and the Lenders are relying upon the representations and warranties in this Article 12 in making the Credit Facilities available to the Borrower and that the representations and warranties contained in Sections 12.1, except for the representation and warranty contained in Section 12.1(t), will be deemed to be restated in every respect effective on the date each and every Advance (except if a representation or warranty is made as of a specific date only) is made except for Advances which are Rollovers or Conversions in which case only Section 12.1(o) will be deemed to be restated; and effective on the date of any Lender Swap the representation and warranty contained in Section 12.1(o) will be deemed to be restated.

12.3 Survival and Inclusion.

The representations and warranties in this Article 12 shall survive until this Agreement has been terminated. All statements, representations and warranties contained in any Compliance Certificate, Environmental Certificates, Closing Certificates, the other Loan Documents or in any instruments delivered by or on behalf of the Borrower pursuant to this Agreement or the other Loan Documents shall constitute statements, representations and warranties made by the Borrower to the Agent and the Lenders under this Agreement.

ARTICLE 13
COVENANTS OF THE BORROWER

13.1 Affirmative Covenants.

While any Obligations under any Credit Facility are outstanding or any Accommodation under any Credit Facility remains available:

(a) Punctual Payment. The Borrower will pay or cause to be paid all Obligations and other amounts payable under the Loan Documents punctually when due.

(b) Legal Existence. Subject to Section 13.4(h), the Borrower will do or will cause to be done all things necessary to preserve and keep in full force and effect each Loan Party's existence in good standing as a corporation or partnership, as applicable, under the Law of its jurisdiction of formation. Notwithstanding any other provisions of this Agreement, the Borrower shall ensure that it is, at all times, amalgamated or continued under the laws of a province of Canada (other than Quebec) or the federal laws of Canada.

(c) Use of Proceeds. The Borrower will use the proceeds of the Credit Facilities only in accordance with Section 3.7.

(d) Material Adverse Claims. The Borrower will, and will cause each other Loan Party to, except for Permitted Encumbrances, do all things necessary to defend, protect and maintain its property from all material adverse claims where the failure to do so in the opinion of the Lenders, acting reasonably, threatens the intended priority or validity of the Security as herein provided, or would reasonably be expected to have a Material Adverse Effect.

(e) Operation of Properties. The Borrower will, and will cause each other Loan Party to, operate its respective property, or, if it is not the operator, use reasonable efforts to ensure that such property is operated, in accordance with sound industry practice and in accordance in all respects with applicable Law, except to the extent failure to do so would not reasonably be expected to have a Material Adverse Effect.

(f) Performance of Agreements. The Borrower will, and will cause each other Loan Party to, perform its obligations under the Loan Documents to which it is a party and all other all agreements relating to the Borrowing Base Properties, including payment of rentals, royalties, Taxes or other charges in respect thereof which are necessary to maintain all such agreements in good standing in all respects, except to the extent failure to so perform would not reasonably be expected to have a Material Adverse Effect, provided that this covenant will not restrict their right to surrender leases or terminate agreements which are uneconomic to maintain.

(g) Insurance. The Borrower will, and will cause each other Loan Party to, maintain adequate insurance in respect of its material property, including all wellhead equipment and other plant and equipment according to prudent industry standards, including protection against public liability, blow-outs, and "all-risk" perils, and will provide the Agent with copies of all insurance policies relating thereto if so requested. At the Agent's request, all such property insurance policies will contain a loss payable clause and mortgage clause in favour of the Agent.

(h) Protection of Security. The Borrower will and will cause each other Loan Party do all things as may be reasonably requested by the Agent to protect and maintain the Security and the priority thereof in relation to other Persons.

(i) Environmental Audit. If the Agent, acting reasonably, determines that any Loan Party's obligations or other liabilities in respect of matters dealing with the protection or contamination of the Environment or the maintenance of health and safety standards, whether contingent or actual, would reasonably be expected to have a Material Adverse Effect then, at the request of the Agent, the Borrower will, and will cause each of its Subsidiaries to, assist the Agent in conducting an environmental audit of the property which is the subject matter of such contingent or actual obligations or liabilities, by an independent consultant selected by the Agent. The reasonable costs of such audit will be for the account of the Borrower, provided that the Agent will carry out such audit in consultation with the Borrower to expedite its completion in a cost-effective manner. Should the result of such audit indicate that any Loan Party is in breach, or with the passage of time will be in breach, of any Environmental Law and such breach or potential breach has or would reasonably be expected to have, in the opinion of the Lenders, acting reasonably, a Material Adverse Effect, and without in any way prejudicing or suspending any of the rights and remedies of the Agent and the Lenders under the Loan Documents, the Borrower will, and will cause its Subsidiaries to, forthwith commence and diligently proceed to rectify or cause to be rectified such breach or potential breach, as the case may be, and will keep the Lenders fully advised of the actions it intends to take and has taken to rectify such breach or potential breach and the progress it is making in rectifying same. The Agent will be permitted to retain, for the account of the Borrower (to the extent such account is reasonable), the services of a consultant to monitor any Loan Party's compliance with this Section 13.1(i).

(j) Payment of Taxes and Priority Claims. The Borrower will, and will cause each other Loan Party to, duly file on a timely basis all Tax returns required to be filed by any of them, and duly and punctually pay all Taxes, other governmental charges levied or assessed against any of them or their property, and any other Priority Claims, except, in either case, to the extent that failure to do so would not reasonably be expected to have a Material Adverse Effect or where the Borrower or applicable Loan Party is diligently and in good faith contesting such levies or assessments and has provided a reserve in respect thereof in accordance with GAAP.

(k) Remittances. The Borrower will, and will cause each other Loan Party to, make all of the remittances required to be made by any Loan Party to the applicable federal, provincial or municipal governments and keep such remittances up to date, except to the extent that a failure to do so would not reasonably be expected to have a Material Adverse Effect.

(l) Inspection of Property; Books and Records; Discussions. The Borrower will, and will cause each other Loan Party to, maintain books and records of account in accordance with IFRS and all applicable Laws; and permit representatives of the Agent no more than once a year while no Default, Event of Default or Borrowing Base Shortfall exists and at any time while a Material Adverse Effect, Default, Event of Default or Borrowing Base Shortfall exists (in each case at the Borrower's expense and at any other time at the Lenders' expense) to visit and inspect any property of each Loan Party and to examine and make abstracts from any of the books and records of each Loan Party at any reasonable time during normal business hours and upon reasonable request and notice, and subject to the health and safety requirements of each Loan Party, and to discuss the business, property, condition (financial or otherwise) and prospects of each Loan Party with their senior officers and (in the presence of such representatives, if any, as it may designate) with its independent chartered accountants.

(m) Comply with Law and Maintain Permits. The Borrower will, and will cause each other Loan Party to, comply with applicable Laws, including all Sanctions, and obtain and maintain all permits, licenses, consents and approvals necessary to the ownership of its property and to the conduct of its business in each jurisdiction where it carries on business or owns property, including those issued or granted by Administrative Bodies, except to the extent failure to do so would not reasonably be expected to have a Material Adverse Effect.

(n) Subsidiary Security. The Borrower will cause each Subsidiary to provide the Agent with a guarantee and the other Security listed in Section 4.1 in form and substance satisfactory to the Agent promptly and in any event within two (2) Banking Days after its acquisition or formation, together with such supporting documentation and legal opinions as the Agent may reasonably require.

(o) Sanctions. The Borrower shall maintain in effect and enforce policies or codes of conduct intended to ensure compliance in all material respects by the Loan Parties and their respective directors, officers and employees with Anti-Corruption Laws, AML Legislation and Sanctions applicable to such Persons.

(p) Bank Accounts. The Borrower shall, and shall cause each other Loan Party to, maintain and keep all cash and cash equivalents (including, for certainty, any operating accounts, deposit accounts or other bank accounts or any securities accounts, each, an "**Account**") held by or on behalf of the Loan Parties in Accounts held with the Agent.

(q) Decommissioning Spending. The Borrower will, and will cause the other Loan Parties, as required, to spend, in aggregate, during each Fiscal Year not less than the greater of:

(i) $[Redacted: Amount]; and

(ii) the equivalent of [Redacted: Percentage]% of the total undiscounted inactive liability for the Loan Parties, as established by the applicable Energy Regulators (as set forth in financial statements most recently delivered pursuant to Section 13.3(a), as adjusted for acquisitions and dispositions in a manner satisfactory to the Agent and the Borrower, each acting reasonably),

on decommissioning and abandonment activities (collectively, the "**Decommissioning Spending**"), and will provide detail satisfactory to the Agent, acting reasonably, of all such Decommissioning Spending in its LMR and Decommissioning Expense Worksheet delivered pursuant to Section 13.3(k)(ii), provided that, for certainty, any amounts received, directly or indirectly, by the Borrower from any provincial, federal or related or unrelated Energy Regulator sponsored grant program and spent in furtherance of the Borrower's Annual Abandonment Budget and Schedule will be fully creditable against the required Decommissioning Spending for the purposes hereof.

(r) Excess Cash Balances. On any day that the Loan Parties have Excess Cash then, within five (5) Banking Days, the Borrower will repay or cause to be repaid a portion of the Aggregate Principal Amount under the Credit Facilities in an amount equal to the lesser of (i) such Excess Cash on the date of such repayment and (ii) the Aggregate Principal Amount under the Credit Facilities (excluding therefrom (A) any Bankers' Acceptances or BA Equivalent Loans which are not prepayable without payment of breakage costs or cash collateralization until their respective Maturity Dates and (B) Letters of Credit, other than Letters of Credit that have been drawn and not reimbursed in accordance with Section 10.1(d)) on the date of such repayment, in each case applied (I) first, as a non-permanent repayment of the Aggregate Principal Amount outstanding under the Operating Facility, until the Aggregate Principal Amount thereunder is zero (after taking into account the exclusions set forth in (ii) above), (II) then, as a non-permanent repayment of the Aggregate Principal Amount of the Syndicated Revolving Facility, until the Aggregate Principal Amount thereunder is zero (after taking into account the exclusions set forth in (ii) above) and (III) finally, as a permanent repayment of the Aggregate Principal Amount of the Term Facility, until the Aggregate Principal Amount thereunder is zero (after taking into account the exclusions set forth in (ii) above). For certainty, if on the date of any Conversion or Rollover of Bankers' Acceptances or BA Equivalent Loans, there is any Excess Cash, the Borrower shall be required to make the aforementioned repayment without regard to the exclusion set forth above.

(s) Mandatory Hedging. For the period beginning on the Amendment and Restatement Date and ending on the later of the date on which each of the Permitted Second Lien Incremental Debt and the Term Facility is repaid in full and cancelled, the Borrower will ensure that as of the first day of each month, not less than [Redacted: Percentage]% of the Forecasted Oil and Gas Production of the Loan Parties is hedged and subject to Commodity Swap Contracts for the immediately following rolling twelve-month period.

(t) Maintenance of LMR. The Borrower will ensure that, as at the end of each Fiscal Quarter, the LMR of each Loan Party in each Material LMR Jurisdiction of such Loan Party is not less than the 2.0.

(u) Further Assurances. The Borrower will, and will cause each other Loan Party to, do all such further acts and things and execute and deliver all such further documents as shall be reasonably required by the Agent in order to ensure the teams and provisions of the Loan Documents are fully performed and carried out.

13.2 Financial Covenants.

While any Obligations under any Credit Facility are outstanding or any Accommodation under any Credit Facility remains available:

(a) Permitted Second Lien Debt Ratios. For so long as the following financial covenants apply to the Permitted Second Lien Debt, the Borrower shall also maintain such ratios under this Agreement:

(i) Total Debt to EBITDA Ratio: calculated quarterly effective as of the last day of each Fiscal Quarter of the Borrower, the Borrower shall maintain a Total Debt to EBITDA Ratio of not more than 2.50:1.00.

(ii) Minimum Asset Coverage Ratio: the Borrower shall maintain an Asset Coverage Ratio of not less than 1.50:1.00, to be calculated as of December 31 of each Fiscal Year commencing with the Fiscal Year ending December 31, 2022, based on the reserve evaluation report most recently delivered to the Agent pursuant to Section 13.3(d), to be reported no later than May 1 of the following Fiscal Year.

For the purposes of this Section 13.2(a), the terms "Total Debt to EBITDA Ratio", "Asset Coverage Ratio" and "Reserve Report" shall have the meanings ascribed to them in (and shall be calculated in accordance with) the Permitted Second Lien Credit Agreement as of the date hereof (and each of the corresponding definitions used therein shall also have the meanings ascribed to them in the Permitted Second Lien Credit Agreement as of the date hereof).

13.3 Reporting Covenants.

While any Obligations under any Credit Facility are outstanding or any Accommodation under any Credit Facility remains available:

(a) Financial Statements. Within 60 days after the end of each of the first three Fiscal Quarters during each Fiscal Year and within 120 days after the end of each Fiscal Year, the Borrower will furnish to the Agent (in sufficient copies for each of the Lenders) a copy of its quarterly unaudited consolidated financial statements and with respect to its Fiscal Year end, its annual audited consolidated financial statements.

(b) Compliance Certificate and Environmental Certificate. Within (i) 60 days after the end of each of the first three Fiscal Quarters of each Fiscal Year, and (ii) 120 days after the end of each Fiscal Year, the Borrower will furnish to the Agent (in sufficient copies for each of the Lenders) a Compliance Certificate. At the time the Borrower delivers the Compliance Certificate in accordance with item (ii) above, it will also deliver to the Agent (A) an Environmental Certificate and (B) a report setting out the terms of all Lender Swaps to which it is a party, in detail satisfactory to the Agent, acting reasonably.

(c) Forecasts. Within 120 days after the end of each Fiscal Year, the Borrower will furnish to the Agent (in sufficient copies for each of the Lenders):

(i) consolidated financial forecasts of the Loan Parties, set forth on a quarterly basis; and

(ii) an annual production forecast approved by the board of directors of the Borrower.

(d) Engineering Information. The Borrower will provide the following:

(i) within 120 days after the end of each Fiscal Year, an independent economic and reserve evaluation report covering the then applicable Borrowing Base Properties prepared by an engineering firm acceptable to the Majority Lenders, acting reasonably, with an effective date no earlier than December 31 of the immediately preceding calendar year, together with an internally prepared economic and reserve evaluation report for the remaining then applicable Borrowing Base Properties covering the same period in form satisfactory to the Lenders, acting reasonably; provided that the Majority Lenders will have the right, in conjunction with the exercise of their rights under Section 3.10(b), to request that an independent economic reserve and evaluation report covering the Borrowing Base Properties (in addition to the reports required above) be provided by the Borrower at the Borrower's expense and the Borrower will provide the same within a reasonable time;

(ii) prior to October 31 of each year, such lease operating statements, internally prepared reserve information and other information as the Agent may require, with an effective date no earlier than June 30, in form and substance satisfactory to the Agent, acting reasonably;

(iii) within 60 days after the end of each Fiscal Quarter, if not already delivered, the most recent lease operating statements for the immediately preceding Fiscal Quarter covering the Proved Producing Reserves; and

(iv) additional engineering information in accordance with customary practice upon request by the Agent or Lenders.

(e) Notice of Environmental Damage. The Borrower will, forthwith upon acquiring knowledge thereof, notify the Agent of the discovery of any Contaminant or of any Release of a Contaminant into the Environment from or upon the land or property owned (either individually or jointly), operated or controlled by any Loan Parties which would reasonably be expected to have a Material Adverse Effect.

(f) Additional Environmental Information. The Borrower will upon the request of the Agent make available for discussion with the Agent or its nominee at all reasonable times the individuals who were involved in the preparation of any Environmental Certificate.

(g) Notice of Change of Control. The Borrower will, forthwith upon becoming aware thereof, notify the Agent of any Change of Control.

(h) Notice of Legal Proceedings. The Borrower will, forthwith upon becoming aware thereof, notify the Agent of the commencement of any legal or administrative proceedings against any Loan Party which, if adversely determined against any Loan Party would (i) require it to pay more than the Threshold Amount, or (ii) otherwise reasonably be expected to have a Material Adverse Effect.

(i) Notices and Filings. The Borrower will, on a timely basis, furnish to the Agent (in sufficient copies for each of the Lenders) all prospectuses, material change reports (except those filed on a confidential basis, but only for so long as such confidentiality remains in effect) and press releases filed by any Loan Party with securities commissions having jurisdiction and other documents distributed by the Borrower to its shareholders, provided that the requirement to deliver the foregoing periodic reports and filings may be satisfied by posting such information on www.sedar.com or on another website, as applicable, and forthwith advising the Agent that such periodic reports and filings have been so posted and the details of any website on which the same have been posted.

(j) Notice of Default, Event of Default or Material Adverse Effect. The Borrower will notify the Agent of the occurrence of any Default or Event of Default or any other event which would reasonably be expected to result in a Material Adverse Effect forthwith upon becoming aware thereof and specify in such notice the nature of the event and the steps taken or proposed to be taken to remedy the same.

(k) LMR Reporting. The Borrower will furnish to the Agent:

(i) within 120 days after the end of each Fiscal Year:

(A) a copy of a consolidated annual budget of the Loan Parties, including an estimate of the present and future, direct and indirect, absolute and contingent costs, liabilities, expenditures and obligations of the Loan Parties for the abandonment, restoration, reclamation or other remediation of the wells, facilities, pipelines, storage sites and other assets and the properties on which the Loan Parties have carried on business, in form and substance satisfactory to the Agent, acting reasonably; and

(B) a decommissioning schedule for the current Fiscal Year disclosing the forecasted decommissioning and abandonment activities for all of the Loan Parties' wells, pipelines, storage sites and other assets and the properties on which the Loan Parties' have carried on business, in form and substance satisfactory to the Agent, acting reasonably,

(collectively, the "**Annual Abandonment Budget and Schedule**");

(ii) within 60 days after the end of each of the first three Fiscal Quarters of each Fiscal Year, a completed LMR and Decommissioning Expense Worksheet setting out: (A) any updates to the most recently provided Annual Abandonment Budget and Schedule, (B) the amount the Loan Parties have expended on decommissioning expenses during the applicable Fiscal Year and (C) how the Loan Parties have performed against the budgeted amount in the Annual Abandonment Budget and Schedule delivered pursuant to Section 13.3(k)(i), together with management commentary, including an explanation in respect of any material variations from the Annual Abandonment Budget and Schedule and any other matters related to any changes in the Borrower's abandonment and reclamation policies;

(iii) promptly upon receipt thereof, any Abandonment / Reclamation Orders or other notices or communications related to any directives, rules, regulations or other orders issued by any applicable Energy Regulator to any Loan Party or otherwise affecting any of the Loan Party Assets, in each case, that are material;

(iv) if any Loan Party has engaged a consultant or other expert to evaluate, analyze or otherwise assist with the determination or impact of the Loan Parties' abandonment and reclamation obligations in any Material LMR Jurisdiction, the Borrower will, subject to any confidentiality requirement of such consultant or expert, provide a copy of any material findings or recommendations of such consultant or expert promptly following receipt thereof by the applicable Loan Party; and

(v) promptly upon availability thereof, any estimates required pursuant to Section 3.10(c).

(l) Material Contract Notices. The Borrower will promptly provide the Agent with copies of all material notices received or delivered in connection with any Material Contract.

(m) Permitted Second Lien Debt. The Borrower will, forthwith upon becoming aware thereof:

(i) furnish the Agent with copies of all material notices delivered to, or received from, the holders of Permitted Second Lien Debt (including any agent on their behalf); and

(ii) notify the Agent of the occurrence of any default or event of default under any Permitted Second Lien Debt and specify in such notice the nature of the event and the steps taken or proposed to be taken to remedy the same.

(n) Other Permitted Debt. The Borrower will, and will cause each other Loan Party to, on a timely basis, furnish to the Agent copies of all material notices delivered or received under (A) any Convertible Debenture Documents and (B) the NRCan Agreements or any other agreements, instruments or other documents evidencing or governing the NRCan Indebtedness or otherwise relating thereto.

(o) Amendments. The Borrower will forthwith provide a written copy of any amendment, modification or supplement to, or restatement of, any Permitted Second Lien Debt Documents, the Convertible Debenture Documents or the NRCan Agreements or any other agreements, instruments or other documents evidencing or governing the NRCan Indebtedness or otherwise relating thereto (or, in each case, any material waiver or consent to like effect).

(p) Rental Agreement Notices. The Borrower will promptly provide the Agent with copies of all material notices received or delivered in connection with the Edison Rental Agreement or the Valhalla Rental Agreement.

(q) Subsidiary. The Borrower will promptly provide the Agent with notice of the formation or acquisition of any direct or indirect Subsidiary.

(r) Other Information. The Borrower will provide to the Agent such other documentation and information concerning the Loan Parties or their respective properties as may be requested by any Lender, acting reasonably.

13.4 Negative Covenants.

While any Obligations under any Credit Facility are outstanding, or any Accommodation under any Credit Facility remains available:

(a) Limitation on Indebtedness and Liens. The Borrower will not, and will not permit the other Loan Parties to:

(i) incur Indebtedness, except for Permitted Indebtedness; or

(ii) provide or permit a Lien over any of its property, except for Permitted Encumbrances.

(b) Limitation on Distributions. The Borrower will not, and will not permit the other Loan Parties to, make any Distribution, other than Permitted Distributions.

(c) Limitation on Exchange Rate Swap Contracts. The Borrower will not, and will not permit any other Loan Party to, enter into any contract for the sale, purchase, exchange or future delivery of foreign currency (whether or not the subject currency is to be delivered or exchanged) or any hedging contract, forward contract, swap agreement, futures contract, or other foreign exchange protection agreement or option with respect to any such transaction, in each case designed to hedge against fluctuations in foreign exchange rates (collectively, the "**Exchange Rate Swap Contracts**") if the term of any such Exchange Rate Swap Contract exceeds three years or if the aggregate amounts hedged under all Exchange Rate Swap Contracts at the time such Exchange Rate Swap Contract is entered into and after giving effect thereto exceeds [Redacted: Percentage]% of the Loan Parties' forecasted aggregate annual U.S. Dollar revenues as adjusted for acquisitions and divestitures in a manner satisfactory to the Agent, acting reasonably.

(d) Limitation on Interest Rate Swap Contracts. The Borrower will not, and will not permit any other Loan Party to, enter into any contract for a rate swap, rate cap, rate floor, rate collar, forward rate agreement, futures or other rate protection agreement or option with respect to any such transaction, designed to hedge against fluctuations in interest rates (collectively, the "**Interest Rate Swap Contracts**") if the term of any such Interest Rate Swap Contract exceeds three years or if the aggregate amounts hedged under all Interest Rate Swap Contracts at the time such Interest Rate Swap Contract is entered into and after giving effect thereto exceeds [Redacted: Percentage]% of the Canadian Dollar Exchange Equivalent of the then current Borrowing Base; provided that the foregoing [Redacted: Percentage]% limit shall not restrict any such Interest Rate Swap Contract entered into by a Loan Party with respect to the Permitted Second Lien Debt if: (i) the term of such Interest Rate Swap Contract does not exceed the term of the Permitted Second Lien Debt; and (ii) the Borrower shall, concurrent with any reduction in the principal amount of the Permitted Second Lien Debt, reduce the notional amount under any such Interest Rate Swap Contracts by a proportionate amount.

(e) Limitation on Commodity Swap Contracts. The Borrower will not, and will not permit any other Loan Party to, enter into any contract for a commodity swap or other protection agreement or option designed to protect against fluctuations in commodity prices (which, for greater certainty, includes both physically and financially settled hedges) (collectively, the "**Commodity Swap Contracts**") if the term of any such Commodity Swap Contract exceeds three years or if the aggregate amounts hedged under all Commodity Swap Contracts on the date such Commodity Swap Contract is entered into and after giving effect thereto exceed [Redacted: Percentage]% of the Forecasted Production (determined on a commodity by commodity basis) in any year after the date such Commodity Swap Contract is entered into. For certainty, any Commodity Swap Contracts required to be entered into under Section 13.1(s) will be deemed to be in compliance with this Section 13.4(e).

(f) Limitation on Hedging Agreements. The Borrower will not, and will not permit any Subsidiary to, enter into or maintain any Exchange Rate Swap Contract, Interest Rate Swap Contract, Commodity Swap Contract and any other derivative agreement or other similar agreement or arrangements (collectively, the "**Hedging Agreements**"), unless such Hedging Agreement is entered into by the Loan Parties for risk management purposes only in the ordinary course of business and not for speculative purposes.

(g) Change in Constating Loan Documents. The Borrower will not, and will not permit any other Loan Party to, amend any of its constating documents, by-laws or other equivalent organizational documents, as applicable, in a manner that would materially prejudice the rights and interests of the Agent and the Lenders under the Loan Documents.

(h) Mergers, Amalgamation and Consolidations. The Borrower will not, and will not permit any other Loan Party to, merge, amalgamate, consolidate, wind-up or dissolve with or into another Person, except for any such transaction between the Loan Parties and provided that the Borrower notifies the Agent forthwith following such merger, amalgamation or consolidation.

(i) Change in Business, Name, Location or Fiscal Year. The Borrower will not, and will not permit any other Loan Party to, (i) change in any material respect the nature of their business or operations from the exploration for, and development, production, transportation and marketing of, petroleum, natural gas and related products, or (ii) change its name, trade name or locations of business from those set forth in Schedule H without giving the Agent at least 15 days prior written notice thereof. The Borrower will notify the Agent of the creation of any Subsidiary and the ownership thereof or any change of its Fiscal Year end within 10 Banking Days after any such creation or change.

(j) Asset Dispositions. Other than for Permitted Dispositions, the Borrower will not, and will not permit any other Loan Party to, directly or indirectly, make any sale (including sale and lease-back transactions), exchange, lease, transfer or other disposition of any of its Borrowing Base Properties to any Person, or complete any Hedge Monetization, without the prior written consent of the Lenders.

(k) Financial Assistance or Capital Contributions. Except as permitted below in this Section 13.4(k), the Borrower will not, and will not permit any other Loan Party to, (i) provide any guarantee, loans or other financial assistance to any Person, other than to another Loan Party, or (ii) make any contribution of capital or any other forms of equity investment in any Person, other than to a wholly-owned Subsidiary of the Borrower that is a Loan Party. Notwithstanding the foregoing, a Loan Party may provide guarantees, loans or other financial assistance to a Person, or make a contribution of capital or equity investment in a Person, in each case if (x) the aggregate amount of such guarantees, loans, financial assistance, capital contribution or equity investment does not, in any 12 calendar month period, exceed the Threshold Amount and (y) no Default, Event of Default, Material Adverse Effect or Borrowing Base Shortfall exists at such time or would reasonably be expected to result therefrom.

(l) Material Investments. The Borrower will not, and will not permit any Loan Party to, make any material investment or enter into joint ventures of a material nature which are outside the scope of their normal business.

(m) Transactions with Affiliates. The Borrower will not, and will not permit any other Loan Party to, except as specifically permitted hereunder or otherwise permitted by the Lenders, enter into any transaction, including the purchase, sale or exchange of any property or the rendering of any services, with any of its shareholders that own more than 10% of the outstanding shares of the Borrower or with any Affiliate, or with any of its or their directors or officers, or enter into, assume or suffer to exist any employment, consulting or analogous agreement or arrangement with any such shareholder or Affiliate or with any of its directors or officers, except a transaction or agreement or arrangement between Loan Parties or which is in the ordinary course of business of such Loan Party and which is upon fair and reasonable terms not materially less favourable to such Loan Party than it would obtain in comparable arms-length transaction.

(n) Anti-Hoarding Provision. No Loan Party shall (i) accumulate or (ii) maintain, in either case, in one or more depository or investment accounts maintained by or on behalf of the Loan Parties (or otherwise accumulate and maintain the same in some other manner) any Excess Cash, but excluding therefrom cash or cash equivalents previously accumulated or maintained therein for a specified and legitimate business purpose (other than simply accumulating a cash reserve) to the extent used by the Loan Parties for such purposes within five (5) Banking Days of such accumulation.

(o) Acquisitions. Except for:

(i) the acquisition of the Edison Rental Facility or the Valhalla Rental Facility pursuant to any put option available under the Edison Rental Agreement or the Valhalla Rental Agreement, as applicable, to the counterparty thereunder; and

(ii) the Enerplus Acquisition,

the Borrower will not, and will not permit the other Loan Parties to, purchase or exchange, or otherwise enter into any transaction or series of related transactions which would result in the acquisition of any Voting Securities or other ownership interests in any Person or any other real and personal property, assets, undertakings, title, interests, rights or benefits, unless:

(iii) at such time, and on a *pro forma* basis, after giving effect to such acquisition:

(A) no Default, Event of Default or Borrowing Base Shortfall has occurred and is continuing;

(B) the LMR is greater than 2.00; and

(C) the Aggregate Principal Amount outstanding under the Revolving Facilities does not exceed [Redacted: Percentage]% of the Revolving Facilities Commitment Amount after giving *pro forma* effect thereto; and

(iv) any oil and gas properties acquired in connection with such acquisition have, in the aggregate, associated net undiscounted abandonment and reclamation liabilities not exceeding $[Redacted: Amount].

(p) Sanctions. The Borrower will not, directly or indirectly, use any Credit Facility or proceeds of any Credit Facility, or lend, contribute or otherwise make available such proceeds to any Subsidiary, joint venture partner or other Person, (i) to fund any activities or business of or with any Person, or in any country or territory, that, at the time of such funding, is, or whose government is, the subject of Sanctions or (ii) or in any other manner that would result in a violation of Sanctions by any Person (including any Person participating in the Credit Facilities).

(q) Material Contracts. The Borrower will not modify, alter, amend, extend, renew, replace, knowingly waive strict and timely performance of any compliance with (including waiving any default under), terminate, cancel, suspend or assign any existing Material Contract or enter into any new Material Contract to the extent it would reasonably be expected to have a Material Adverse Effect.

(r) Payments on Permitted Second Lien Debt. The Borrower will not, and will not permit any other Loan Party to:

(i) make any prepayments or non-scheduled repayments of principal under the Permitted Second Lien Debt (which, for certainty, shall not include the Permitted Second Lien Amortization Payments) other than the Permitted Second Lien Incremental Debt Prepayment; or

(ii) make any payments of principal or interest (whether prepayments, non-scheduled repayments of principal, Permitted Second Lien Amortization Payments, regularly scheduled payments of interest or a Permitted Second Lien Incremental Debt Prepayment) in respect of the Permitted Second Lien Debt if a Borrowing Base Shortfall, Default or Event of Default exists at such time or would reasonably be expected to result therefrom.

(s) Permitted Second Lien Debt Documents. The Borrower will not, and will not permit any other Loan Party to, amend the terms of the Permitted Second Lien Debt Documents except to the extent permitted in the Intercreditor Agreement.

(t) New Purchase Money Liens/Capital Leases. The Borrower will not and will not permit any other Loan Party, as applicable, to permit the Indebtedness arising under New Purchase Money Liens and New Capital Leases to exceed $[Redacted: Amount] in the aggregate, provided that, for certainty, any Capital Leases and Purchase Money Liens existing on May 3, 2022 shall be permitted hereunder provided that no such Lien is with respect to all, or substantially all, of the property of any Loan Party.

(u) Hostile Acquisitions. The Borrower will not, and will not permit any Loan Party or any other Affiliate of the Borrower to, utilize, whether directly or indirectly, Drawdowns to facilitate, assist or participate in a Hostile Acquisition.

(v) Rental Agreement. The Borrower will not modify, alter, amend, extend, renew, replace, knowingly waive strict and timely performance of any compliance with (including waiving any default under), terminate, cancel, suspend or assign any of the Edison Rental Agreement or the Valhalla Rental Agreement to the extent it could reasonably be expected to have a Material Adverse Effect or any term, agreement, provision, item, obligation or covenant contained in either such agreement that increases the amount of the Facilities Rental (as such term is defined in such of the Edison Rental Agreement and the Valhalla Rental Agreement, as applicable) under either such agreement.

(w) Rental Agreement Options. The Borrower will not (i) exercise the “Surge ROFR”, the “Surge Option” or the “Decommissioning Option”, each as defined in each of the Edison Rental Agreement and the Valhalla Rental Agreement, as applicable, (ii) purchase the “Participating Interest” of SAFV LP pursuant to Section 7.3 of the Valhalla Rental Agreement, (iii) purchase the Participating Interest of Stream Asset Financial Edison LP pursuant to Section 7.3 of the Edison Rental Agreement, or (iv) exercise the purchase option described in Section 9.4 of any of the Edison Rental Agreement or the Valhalla Rental Agreement, unless, in each case, no Default or Event of Default exists or would result therefrom.

(x) Repayment of Debentures. The Borrower will not, and will not permit any other Loan Party to, make any payments of principal, interest, fees or otherwise in respect of the Convertible

Debenture Obligations other than the payment of regularly scheduled interest provided that, at the time of such regularly scheduled payment of interest:

(i) the Term Conversion Date has not yet occurred for any Lender; and

(ii) no Default, Event of Default or Borrowing Base Shortfall has occurred and is continuing or would result, or reasonably be expected to result, therefrom.

Without limiting the foregoing, without the prior consent of the Lenders, the Borrower shall not, and will not permit any other Loan Party to, make any prepayments or repayments of principal under the Convertible Debentures, provided that the Borrower shall not at any time be restricted from converting the Convertible Debentures to equity.

(y) Prepayment of NRCan Indebtedness. The Borrower will not, and will not permit any other Loan Party to, make any prepayments of principal in respect of the NRCan Indebtedness other than Permitted NRCan Indebtedness Prepayments.

13.5 Most Favoured Lender.

(a) If any of the Permitted Second Lien Debt Documents, shall be amended, modified or supplemented (each, a "**Second Lien Amendment**"), whether directly or indirectly, and the effect of such amendment, modification or supplement shall be to impose on any Loan Party any one or more conditions, covenants, events of default or other terms that are not contained in the Loan Documents, or that would, if incorporated into the Loan Documents, be more favourable to the Lenders than the conditions, covenants, events of default or other terms contained in the Loan Documents (any such condition, covenant, event of default or other term being referred to herein as a "**More Favourable Provision**"), then, subject to Section 13.5(b) below, such More Favourable Provision shall be automatically incorporated in the Loan Documents as if set forth fully therein, *mutatis mutandis*, and shall be effective as of the date such More Favourable Provision becomes effective in the Permitted Second Lien Debt Document, as the case may be. Any such More Favourable Provision incorporated herein shall automatically cease to be incorporated in this Agreement (to the extent previously incorporated herein pursuant to the foregoing) simultaneously with the termination (in accordance with its terms) of the Permitted Second Lien Credit Agreement upon notice by the Borrower to the Agent of such termination and any such More Favourable Provision incorporated herein shall automatically be further modified (but only to the extent previously incorporated herein pursuant to the foregoing) if such More Favourable Provision becomes less restrictive by way of a permanent written amendment to or modification of such agreement (and not by temporary waiver of rights thereunder), simultaneously with such amendment or modification, upon notice by the Borrower to the Agent of such amendment or modification, providing with such notice a copy of the applicable agreements. The Borrower will provide the Agent with copies of all Second Lien Amendments prior to or forthwith after the effective date thereof.

(b) If the Agent, on behalf of the Majority Lenders, gives written notice to the Borrower, within 20 days after receipt of notice from the Borrower of any Second Lien Amendment, objecting to the inclusion of such More Favourable Provision in any Loan Document, such More Favourable Provision shall not be incorporated in such Loan Document.

(c) Upon the written request of the Borrower or the Majority Lenders, the Borrower or other Loan Parties, as applicable, and the Lenders or the Majority Lenders, as applicable, shall enter into an amendment of the applicable Loan Document to reflect the inclusion of the More Favourable Provision. All costs of the Agent and the Lenders incurred in connection with any such amendment (including, without limitation, the reasonable fees and expenses of a counsel to the Agent and Lenders) shall be paid by the Borrower promptly after its receipt of an invoice in respect thereof.

(d) For the avoidance of doubt, all of the provisions of any applicable Loan Document shall otherwise remain in effect notwithstanding the incorporation therein of one or more More Favourable Provisions.

ARTICLE 14
EVENTS OF DEFAULT

14.1 Events of Default.

Each of the following events shall constitute an "Event of Default":

(a) Failure to Pay. If (i) the Borrower makes default in the due and punctual payment of any principal amount owing under the Loan Documents, as and when the same becomes due and payable, whether at maturity, or otherwise; or (ii) the Borrower makes default in the due and punctual payment of interest, fees or other amounts not constituting principal owing under the Loan Documents, as and when the same become due and payable, whether at maturity or otherwise, and such default continues for a period of 3 Banking Days.

(b) Incorrect Representations. If any representation or warranty made by any Loan Party in any Loan Document proves to have been incorrect when so made or deemed to have been repeated as herein provided and, to the extent the circumstances resulting in such breach of representation or warranty are capable of being cured, such representation or warranty continues to be incorrect for a period of 30 days after notice thereof is given to the Borrower by the Agent.

(c) Negative Covenants. If a Loan Party defaults in the performance or observance, or is otherwise in breach of, its covenants and obligations under Section 13.4 and, in the case of any such negative covenant which is capable of being cured, such default or breach continues for a period of 10 days after notice thereof is given to the Borrower by the Agent.

(d) Notice of Event of Default. If a Loan Party defaults in the performance or observance, or is otherwise in breach of, its covenants and obligations under Section 13.3(j) and such default or breach continues for a period of 5 Banking Days.

(e) Breach of Other Covenants. Except for an Event of Default set out elsewhere in this Section 14.1, if any Loan Party defaults in the performance or observance of any covenant, obligation or condition to be observed or performed by it pursuant to any of the Loan Documents, and such default continues for a period of 30 days after notice thereof is given to the Borrower by the Agent.

(f) Insolvency. If a judgment, decree or order of a court of competent jurisdiction is entered against any Loan Party, (i) adjudging any Loan Party bankrupt or insolvent, or approving a petition seeking its reorganization or winding up under the *Bankruptcy and Insolvency Act* (Canada), the *Companies' Creditors Arrangement Act* (Canada) or any other bankruptcy, insolvency or analogous Law, or (ii) appointing a receiver, trustee, liquidator, or other Person with like powers, over all, or substantially all, of the property of any Loan Party or (iii) ordering the involuntary winding up or liquidation of the affairs of any Loan Party or (iv) appointing any receiver or other Person with like powers over all, or substantially all, of the property of any Loan Party, unless, in any such case, such judgment, petition, order or appointment is stayed and of no effect against the rights of the Lenders within 30 days of its entry.

(g) Winding-Up. If, (i) except as permitted by Section 13.4(h), an order or a resolution is passed for the dissolution, winding-up, reorganization or liquidation of any Loan Party, pursuant to applicable Law, including the *Business Corporations Act* (Alberta), or (ii) if any Loan Party institutes proceedings to be adjudicated bankrupt or insolvent, or consents to the institution of bankruptcy or insolvency proceedings against it under the Bankruptcy and *Insolvency Act* (Canada), the *Companies' Creditors Arrangement Act* (Canada) or any other bankruptcy, insolvency or analogous Law, or (iii) any Loan Party consents to the filing of any petition under any such Law or to the appointment of a receiver, or other Person with like powers, over all, or substantially all, of any Loan Party's property, or (iv) any Loan Party makes a general assignment for the benefit of creditors, or becomes unable to pay its debts generally as they become due, or (v) any Loan Party takes or consents to any action in furtherance of any of the aforesaid purposes.

(h) Permitted Second Lien Debt. The occurrence of an "event of default" under the Permitted Second Lien Debt or any Permitted Second Lien Debt Document or any notice of enforcement or default is issued by the holders of the Permitted Second Lien Debt under the Intercreditor Agreement.

(i) Lender Swaps. The termination of any Lender Swap as a result of the occurrence of any event of default or early termination event thereunder caused by a Loan Party, except due to the applicable Swap Lender or its Affiliate no longer being a Lender under this Agreement.

(j) Rental Agreements. The Borrower defaults in the performance of any material obligation under the Edison Rental Agreement or the Valhalla Rental Agreement and such breach or default is not remedied within the applicable cure period, if any, in the relevant agreement.

(k) NRCan Agreements. The Borrower defaults in the performance of any material obligation under either NRCan Agreement and such breach or default is not remedied within the applicable cure period, if any, in the relevant agreement.

(l) Other Debt. Other than in respect of Permitted Second Lien Debt, NRCan Indebtedness, and Lender Swaps, any Loan Party fails to make any payment of principal, interest or other amount in regard to any Indebtedness (which for the purpose of this definition includes Indebtedness, obligations and liabilities under (i) each Hedging Agreement that is not a Lender Swap, (ii) the NRCan Indebtedness and (iii) Convertible Debentures or any other Convertible Debenture Document) whatsoever owed by it to any Person after the expiry of any applicable grace period in respect thereof, where the outstanding principal amount of such Indebtedness is more than the Threshold Amount.

(m) Other Defaults. Any Loan Party defaults in the observance or performance of (i) any non-monetary obligation, covenant or condition to be observed or performed by it pursuant to any agreement to which it is a party or by which any of its property is bound (other than a Material Contract), where such default would reasonably be expected to have a Material

Adverse Effect and such default continues for a period of 30 days after notice is given to the Borrower by the Agent (provided that such default shall be deemed to be continuing, without limitation, as long as such Material Adverse Effect would reasonably be expected to occur), or (ii) any material obligation under any Material Contract where such default is not remedied within the applicable grace period, if any, in the relevant Material Contract; unless, in either case, such agreement is suitably amended, replaced or settled to the reasonable satisfaction of the Majority Lenders within such grace period.

(n) Adverse Proceedings. The occurrence of any action, suit or proceeding against or affecting any Loan Party before any court or before any Administrative Body which, if successful, would reasonably be expected to have a Material Adverse Effect, unless the action, suit, or proceedings is contested diligently and in good faith and, in circumstances where a lower court or tribunal has rendered a decision adverse to it, any Loan Party, as applicable, is appealing such decision, and has provided or established a reserve in respect thereof in accordance with GAAP.

(o) Material Lien. The property of any Loan Party having a fair market value in excess of the Threshold Amount in the aggregate, shall be seized (including by way of execution, attachment, garnishment or distraint) or any Lien thereon shall be enforced, or such property shall become subject to any charging order or equitable execution of a court, or any writ of enforcement, writ of execution or distress warrant with respect to obligations in excess of the Threshold Amount in the aggregate, shall exist in respect of any Loan Party or such property, or any sheriff, civil enforcement agent or other Person shall become lawfully entitled to seize or distrain upon any such property under the *Civil Enforcement Act* (Alberta), the *Workers' Compensation Act* (Alberta), the *Personal Property Security Act* (Alberta) or any other applicable Laws whereunder similar remedies are provided, and in any case such seizure, execution, attachment, garnishment, distraint, charging order or equitable execution, or other seizure or right, shall continue in effect and not be released or discharged for more than 30 days.

(p) Judgment. A judgment is obtained against any Loan Party for an amount in excess of the Threshold Amount in the aggregate, in respect of which enforcement proceedings have commenced or which otherwise remains unsatisfied and undischarged for a period of 30 days during which such judgment shall not be on appeal or execution thereof shall not be effectively stayed.

(q) Cessation of Business. Except as permitted by Section 13.4(h), any Loan Party ceases or proposes to cease carrying on business, or a substantial part thereof, or makes or threatens to make a bulk sale of its property.

(r) Enforceability of Loan Documents. If any material provision of any Loan Document shall at any time cease to be in full force and effect, be declared to be void or voidable or shall be repudiated, or the validity or enforceability thereof shall at any time be contested by any Loan Party or if any Lien constituted pursuant to the Security ceases to have the priority contemplated in the Loan Documents and in each case (other than any contest by any Loan Party) the same is not effectively rectified or replaced by the Borrower within 10 days after notice thereof is given to the Borrower by the Agent.

(s) Qualified Auditor Report. If the audited financial statements that are required to be delivered to the Agent pursuant to Section 13.3(a) contain a qualification or going concern note that is not rectified or otherwise dealt with to the satisfaction of the Majority Lenders within a period of 30 days after the delivery of such financial statements, provided that a "going concern" note resulting from the impending maturity of any Indebtedness within the four full fiscal quarter period following the relevant date of such financial statements shall not trigger an Event of Default under this Section 14.1(s).

(t) Change of Control. If a Change of Control occurs and is not consented to by the Majority Lenders.

(u) Borrowing Base Shortfall. If at any time there exists a Borrowing Base Shortfall that has not been eliminated in accordance with Section 3.5(d).

(v) Material Adverse Effect. If a Material Adverse Effect occurs and it has not been cured to the satisfaction of all of the Lenders within 30 days after written notice thereof has been given to the Borrower by the Agent.

14.2 Remedies.

Upon the occurrence of an Event of Default which has not been waived, the Agent (on the direction of the Majority Lenders or, in the case of an Event of Default under Sections 14.1(f) or 14.1(g), automatically) shall forthwith terminate any further obligation to make Advances and declare all Obligations owing under the Credit Facilities together with unpaid accrued interest thereon and any other amounts owing under the Loan Documents, contingent or otherwise, to be immediately due and payable, whereupon the Borrower will be obligated without any further grace period to forthwith pay such amounts and the Agent and the Lenders may exercise any and all rights, remedies, powers and privileges afforded by applicable Law or under any and all other instruments, documents and agreements made to assure payment and performance of the obligations of the Loan Parties under the Loan Documents.

14.3 Application of Proceeds.

Except as otherwise agreed to by all of the Lenders in their sole discretion or as otherwise expressly provided for herein, all (i) payments made by or on behalf of the Loan Parties under the Loan Documents after acceleration pursuant to Section 14.2, and (ii) proceeds resulting from any realization or enforcement of the Security, including by way of foreclosure, will be applied and distributed by the Agent or any nominee thereof in the following manner:

(a) firstly, in full and final payment of any amounts due and payable by way of recoverable expenses, including all out-of-pocket realization and enforcement costs and all legal costs and disbursements (on a solicitor and his own client full indemnity basis);

(b) secondly, in full and final payment of all accrued and unpaid interest, BA Stamping Fees, Letter of Credit Fees and standby fees in connection with the Credit Facilities, on a *pro rata* basis;

(c) thirdly, in full and final payment of the Aggregate Principal Amount under the Credit Facilities, the Cash Management Obligations and the Permitted Swap Indebtedness, on a *pro rata* basis;

(d) fourthly, in full and final payment of all other Obligations (other than Swap Indebtedness in excess of Permitted Swap Indebtedness) owing under the Loan Documents;

(e) fifthly, in full and final payment of all Swap Indebtedness in excess of Permitted Swap Indebtedness; and

(f) finally, if there are any amounts remaining and subject to applicable Law, to the Borrower (or any other Loan Party) as applicable.

14.4 Set Off.

The Borrower agrees that, upon the occurrence and during the continuance of a Default or Event of Default, in addition to (and without limitation of) any right of set off, bankers' lien, counterclaim or other right or remedy that any Lender may otherwise have, each Lender will be entitled, at its option, to offset any and all balances and deposits held by it for the account of any Loan Party at any of its offices or branches, in any currency, against any and all amounts owed by any Loan Party to such Lender hereunder (regardless of whether any such balances are then due or payable to any Loan Party) or to a Swap Lender in connection with any Swap Indebtedness, in which case such Lender will promptly notify the Borrower and the Agent thereof; provided that such Lender's failure to give any such notice will not affect the validity thereof. Any Person purchasing an interest in the obligations of the Borrower as contemplated herein may exercise all rights of set-off, bankers' lien, counterclaim or similar rights with respect to such interest as fully as if such obligations had been originally incurred to such Person and such Person were the holder thereof. The rights of the Lenders under this Section 14.4 are in addition to the other rights and remedies which the Lenders may have. Nothing contained in the Loan Documents will require any Lender to exercise any right, or will affect the right of any Lender to exercise and retain the benefits of exercising any right, with respect to any indebtedness or obligation of the Borrower existing otherwise than pursuant to the Loan Documents.

14.5 Attorney in Fact.

The Borrower hereby irrevocably constitutes and appoints the Agent and any officer or agent thereof, with full power of substitution, as its true and lawful attorney-in-fact with full irrevocable power and authority in the place and stead of the Borrower and in the name of the Borrower or in its own name, from time to time in the Agent's discretion, for the purpose of carrying out the terms of the Loan Documents, to take any and all appropriate action and to execute any and all documents and instruments which may be necessary or desirable to accomplish the purposes of the Loan Documents and which the Borrower being required to take or execute has failed to take or execute; provided that this power of attorney will not be effective until the occurrence and during the continuance of any Event of Default and only if the Borrower fails to do something it is required to do on a timely basis. The Borrower hereby ratifies all that said attorneys will lawfully do or cause to be done by virtue hereof, provided that such actions are in compliance with the terms and conditions of the Loan Documents. This power of attorney is a power coupled with an interest and will be irrevocable until all of the Obligations have been unconditionally and irrevocably paid and performed in full. The Borrower also authorizes the Agent, at any time and from time to time, to execute any endorsements, assignments or other instruments of conveyance or transfer pursuant to the Security after an Event of Default and only if the Borrower fails to do so on a timely basis. If requested by the Agent, the Borrower will cause each other Loan Party to constitute and appoint the Agent and any officer or agent thereof, with full power of substitution, as its true and lawful attorney-in-fact in accordance with the foregoing provisions of this Section 14.5.

14.6 Adjustments.

Except as otherwise unanimously agreed to by all of the Lenders, after all obligations under the Credit Facilities are declared by the Agent to be due and payable pursuant to Section 14.2, (i) each Lender agrees that it will at any time or from time to time thereafter at the request of the Agent as required by any

Lender, purchase at par on a non-recourse basis a participation in the Aggregate Principal Amount owing to each of the other Lenders and make any other adjustments as are reasonably necessary or appropriate (including indemnities for any then outstanding Letters of Credit, Bankers' Acceptances and SOFR Loans), in order that the Aggregate Principal Amounts owing to each of the Lenders, as adjusted pursuant to this Section 14.6, will be in the same proportion as each Lender's Individual Commitment Amount was to the Commitment Amount immediately prior to the Event of Default resulting in such declaration, and (ii) the amount of any repayment made by or on behalf of the Loan Parties under the Loan Documents or any proceeds received by the Agent or the Lenders pursuant to Section 14.3 will be applied by the Agent in a manner such that to the extent possible the amount of the Aggregate Principal Amount owing to each Lender after giving effect to such application will be in the same proportion as each Lender's Individual Commitment Amount was to the Commitment Amount immediately prior to the Event of Default resulting in such declaration.

ARTICLE 15
CONFIDENTIALITY

15.1 Non-Disclosure.

All information, other than information that is required by Law to be disclosed by the Party receiving the information to any Administrative Body of competent jurisdiction, including any central bank or other banking regulatory authority and any official bank examiners or regulators, will be held by the Parties in the strictest confidence and will not be disclosed to any Person, except as provided in Sections 15.2 and 15.3, provided that the confidential nature of the information is made known or ought to have been known by the disclosing Party.

15.2 Exceptions.

Section 15.1 does not apply to information:

(a) of a Party where that Party consents in writing to its disclosure;

(b) which becomes part of the public domain without breach of Section 15.1;

(c) received from a third party without restriction on further disclosure and without breach of Section 15.1;

(d) in connection with the exercise of any remedies hereunder or under the other Loan Documents or any suit, action or proceeding relating to the enforcement of its rights hereunder or thereunder;

(e) developed independently without breach of Section 15.1; or

(f) to the extent required to be disclosed by order or direction of a court or Administrative Body of competent jurisdiction.

15.3 Permitted Disclosures by the Agent or the Lenders.

Confidential information received by the Agent or a Lender may be disclosed to their respective Affiliates (including Swap Lenders), the Agent or any other Lender, including any financial institution which desires to become a Lender hereunder or any actual or prospective counterparty to any securitization, swap or derivative transaction relating to any Loan Party (provided that in the case of any Participant, prospective lender or actual or prospective counterparty any such Person has entered into confidentiality covenants with the Agent and the Borrower substantially the same as those contained in this Article 15) and to their respective employees, auditors, accountants, legal counsel, geologists, engineers and other consultants and financial advisors retained such Parties on a need to know basis and subject to the obligation to maintain confidentiality.

ARTICLE 16
ASSIGNMENT

16.1 Assignment of Interests.

Except as expressly permitted under this Article 16, this Agreement and the rights and obligations hereunder will not be assignable, in whole or in part, by the Borrower without the prior written consent of all of the Lenders.

16.2 Assignment by the Lenders.

Each Lender will have the right to sell or assign in minimum portions of $5,000,000 (with such Lender, where such sale or assignment is not of all of such Lender's Individual Syndicated Revolving Facility Commitment Amount, Operating Facility Commitment Amount or Individual Term Facility Commitment Amount, as applicable, retaining an Individual Syndicated Revolving Facility Commitment Amount, Operating Facility Commitment Amount or Individual Term Facility Commitment Amount, as applicable, of at least $5,000,000) such Lender's Individual Commitment Amount to one or more Persons acceptable to the Borrower and the Agent, acting reasonably, provided that at and after the time of the assignment, the Borrower will not be under any obligation to pay by way of withholding tax or otherwise any greater amount (other than solely as a result of a change in the BA Discount Rate) than it would have been obliged to pay if the Lender had not made an assignment. An assignment fee of $5,000 for each such assignment (other than to an Affiliate of a Lender) will be payable to the Agent by the assigning Lender. In the event of such sale or assignment, the Borrower, the Agent and the other Lenders will execute and deliver all such agreements, documents and instruments as the Agent or Lender may reasonably request to effect and recognize such sale or assignment, including an Assignment Agreement. Notwithstanding the foregoing, no consent of the Borrower will be required if an assignment (i) occurs during a Default or Event of Default which is continuing or (ii) if made to an existing Lender, an Affiliate of an existing Lender, or an Approved Fund.

16.3 Effect of Assignment.

To the extent that any Lender sells or assigns any portion of its Individual Commitment Amount pursuant to Section 16.2 and such new Lender or new Lenders, as the case may be, has executed and delivered to the Borrower and the Agent an Assignment Agreement, such Lender will be relieved and forever discharged of any and all of its covenants and obligations under the Loan Documents in respect of that portion of its Individual Commitment Amount so sold or assigned from and after the date of such Assignment Agreement and the Borrower's recourse under the Loan Documents in respect of such portion so sold or assigned from and after the date of the Assignment Agreement for matters arising thereunder from and after the date of the Assignment Agreement will be to such new Lender or new Lenders only, as the case may be, and their successors and permitted assigns.

16.4 Participations.

Any Lender may at any time sell to one or more financial institutions or other Persons (each of such financial institutions and other Persons being herein called a "**Participant**") without the consent of, but upon prior notice to, the Borrower, participating interests in any of the Advances, commitments, or other interests of such Lender hereunder, provided, however, that:

(a) no participation contemplated in this Section 16.4 will relieve such Lender from its commitments or its other obligations hereunder or under any other Loan Document;

(b) such Lender will remain solely responsible for the performance of its commitments and such other obligations as if such participation had not taken place;

(c) the Agent will continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement and each of the other Loan Documents;

(d) no Participant will have any rights (through a right of consent or approval or otherwise) to require such Lender to take or refrain from taking any action hereunder or under any other Loan Document; and

(e) the Borrower will not be required to pay any amount hereunder that is greater than the amount which it would have been required to pay had no participating interest been sold.

ARTICLE 17
ADMINISTRATION OF THE CREDIT FACILITIES

17.1 Authorization and Action.

(a) Authorization and Action. Each Lender hereby irrevocably appoints and authorizes the Agent to be its agent in its name and on its behalf and to exercise such rights or powers granted to the Agent or the Lenders under the Loan Documents to the extent specifically provided therein and on the terms thereof, together with such powers and authority as are reasonably incidental thereto. As to any matters not expressly provided for by the Loan Documents, the Agent will not be required to exercise any discretion or take any action, but will be required to act or to refrain from acting (and will be fully indemnified and protected by the Lenders to the greatest extent permitted by Law in so acting or refraining from acting) upon the instructions of the Majority Lenders, and such instructions will be binding upon all Lenders, provided however that the Agent will not be required to take any action which, in the opinion of the Agent, might expose the Agent to liability in such capacity, which could result in the Agent incurring any costs and expenses, or which is contrary to the spirit and intent of this Agreement.

(b) Lenders' Determination. Where the provisions of this Agreement provide that any waiver of or any amendment to any provision of the Loan Documents may be made or any action, consent or other determination in connection with the Loan Documents may be taken or given, with the consent or agreement of the Lenders or the Majority Lenders (in accordance with Section 17.16), then any such waiver, amendment, action, consent or determination so made, so taken or so given with the consent or agreement of the Lenders or the Majority Lenders, as applicable, will be binding on all of the Lenders and all of the Lenders will cooperate in all ways necessary or desirable to implement and effect such waiver, amendment, action, consent or determination.

(c) Deemed Non-Consent. If the Agent delivers a notice to a Lender requesting advice from such Lender as to whether it consents or objects to any matter in connection with the Loan

Documents, then, except as otherwise expressly provided herein, if such Lender does not deliver to the Agent its written consent or objection to such matter within 10 Banking Days of the delivery of such notice by the Agent to such Lender, such Lender will be deemed not to have consented thereto upon the expiry of such 10 Banking Day period.

(d) Release and Discharge of Security. Each Lender hereby irrevocably authorizes the Agent to execute and deliver such releases and no-interest letters as may be required in connection with any disposition of assets by any Loan Party in respect of which the Agent has received an officer's certificate of the Borrower certifying that such disposition is permitted hereunder, together with any other information from the Borrower reasonably required by the Agent, if any, to satisfy itself that any such disposition is permitted hereunder.

(e) SAF Consent and Acknowledgement Agreement. The Lenders authorize the Agent to enter into and perform its obligations under each SAF Consent and Acknowledgement on terms and conditions satisfactory to it.

(f) Intercreditor Agreement. The Lenders authorize the Agent to enter into and perform its obligations under the Intercreditor Agreement.

17.2 Procedure for Making Advances.

(a) *Pro rata* Advances. Subject to Section 9.4(f), all Advances under a Credit Facility made by the Lenders will be made in accordance with each Participating Lender's Rateable Portion of such Advance. The Agent shall determine all adjustments to the amounts required to be advanced by the Lenders to reflect as nearly as practicable the respective Rateable Portions of the Lenders under the applicable Credit Facility or Credit Facilities.

(b) Instructions from Borrower. Other than with respect to overdraft borrowings under the Operating Facility, the Lenders, through the Agent, will make Advances under a Credit Facility available to the Borrower as required hereunder by debiting the account of the Agent to which each Lender's Rateable Portion in respect of such Credit Facility of such Advances have been credited in accordance with Section 5.6 (or causing such account to be debited) and, in the absence of other arrangements agreed to by the Agent and the Borrower in writing, by transferring (or causing to be transferred) like funds in accordance with the instructions of the Borrower as set forth in the Notice of Borrowing, Notice of Rollover or Notice of Conversion, as the case may be, in respect of each Advance under a Credit Facility, provided that the obligation of the Agent hereunder will be limited to taking such steps as are in keeping with its normal banking practice and which are commercially reasonable in the circumstances to implement such instructions, and the Agent will not be liable for any damages, claims or costs which may be suffered by the Borrower or any of the Lenders and occasioned by the failure of such funds to reach their designated destination, unless such failure is due to the gross negligence or wilful misconduct of the Agent (as determined by a final, non-appealable judgment of a court of competent jurisdiction).

(c) Assumption Respecting Availability. Unless the Agent has been notified by a Lender within 1 Banking Day prior to an anticipated Advance under a Credit Facility that such Lender will not make available to the Agent its Rateable Portion of such Advance, the Agent may assume, without any enquiry required on its part, that such Lender has made or will make such portion of the Advance available to the Agent on the date such Advance is to take place, in accordance with the provisions hereof and the Agent may, in reliance upon such assumption, make available to the Borrower on such date a corresponding amount. If and to the extent such Lender will not have so made its Rateable Portion of an Advance under the applicable Credit Facility available to the Agent, such Lender agrees to pay to the Agent, forthwith on demand, such Lender's Rateable Portion of the Advance and all reasonable costs and expenses incurred by the Agent in connection therewith together with interest thereon (at the rate payable thereunder by the Borrower in respect of such Advance) for each day from the date such amount is made available to the Borrower until the date such amount is paid to the Agent, provided however, that if such Lender fails to so pay, the Borrower covenants and agrees that without prejudice to any rights the Borrower may have against such Lender, it will repay the amount of such Lender's Rateable Portion of the Advance (without duplication) to the Agent for the account of the Agent after receipt of the certificate referred to below and forthwith after demand therefor by the Agent. The amount payable to the Agent pursuant hereto will be as set forth in a certificate delivered by the Agent to such non-paying Lender and the Borrower (which certificate will contain reasonable details of how the amount payable is calculated) and will be conclusive and binding, for all purposes, in the absence of manifest error. If such Lender makes the payment to the Agent as required herein, the amount so paid will constitute such Lender's Rateable Portion of the Advance under the applicable Credit Facility for purposes of this Agreement. The failure of any Lender to make its Rateable Portion of the Advance will not relieve any other Lender of its obligation, if any, hereunder to make its Rateable Portion of the Advance on the date that such Advance is to take place, but no Lender will be responsible for the failure of any other Lender to provide its Rateable Portion of any Advance under the applicable Credit Facility.

17.3 Remittance of Payments.

Forthwith after receipt of any payment by the Borrower hereunder, and subject to Section 14.3, the Agent, if and to the extent a Lender is entitled thereto, will remit to such Lender its Rateable Portion of such payment, provided that, if the Agent, on the assumption that it will receive on any particular date a payment of principal, interest or fees hereunder, remits to a Lender its Rateable Portion of such payment and the Borrower fails to make such payment, each such Lender agrees to repay to the Agent forthwith on demand such Lender's Rateable Portion of any such payment, together with all reasonable costs and expenses incurred by the Agent in connection therewith and interest thereon at the rate and calculated in the manner customarily applicable to interbank payments for each day from the date such amount is remitted to such Lender. The exact amount of the repayment required to be made by a Lender pursuant hereto will be set forth in a certificate delivered by the Agent to such Lender, which certificate will be conclusive and binding for all purposes in the absence of manifest error.

17.4 Redistribution of Payment.

Each Lender agrees that, subject to Section 14.3:

(a) If it exercises any right of counter claim, set off, bankers' lien or similar right with respect to any property of any Loan Party or if under applicable Law it receives a secured claim, the security for which is a debt owed by it to any Loan Party, it will apportion the amount thereof proportionately between:

  (i) amounts outstanding at such time owed by the Loan Party to such Lender under this Agreement, which amounts will be applied in accordance with this Section 17.4; and

(ii) amounts otherwise owed to it by a Loan Party, provided that any cash collateral account held by such Lender as collateral for a letter of credit or bankers' acceptance (including a Bankers' Acceptance) issued or accepted by such Lender on behalf of a Loan Party may be applied by such Lender to such amounts owed by such Loan Party to such Lender pursuant to such letter of credit or in respect of any such bankers' acceptance without apportionment.

(b) If it receives, through the exercise of a right or the receipt of a secured claim described in Section 17.4(a) or otherwise, payment of a proportion of the aggregate amount of principal, interest and fees due to it hereunder which is greater than the proportion received by any other Lender in respect of the aggregate amount of principal, interest and fees due in respect of a Credit Facility (having regard to the respective proportionate amounts advanced as Advances by each of the Lenders under such Credit Facility), the Lender receiving such proportionately greater payment will purchase a participation (which will be deemed to have been done simultaneously with receipt of such payment) in that portion of the applicable Credit Facility of the other Lenders so that their respective receipts will be *pro rata* to their respective Rateable Portions, provided however that, if all or part of such proportionately greater payment received by such Purchasing Lender is otherwise recovered by it, such purchase will be rescinded and the purchase price for such participation will be returned to the extent of such recovery, but without interest. Such Lender will exercise its rights in respect of such secured claim in a manner consistent with the rights of the Lenders entitled under this Section 17.4 to share in the benefits of any recovery on such secured claims.

(c) If it does any act or thing permitted by Sections 17.4(a) or 17.4(b), it will promptly provide full particulars thereof to the Agent.

(d) Except as permitted under Sections 17.4(a) or 17.4(b), no Lender will be entitled to exercise any right of counter-claim, set off, bankers' lien or similar right without the prior written consent of the other Lenders.

(e) Notwithstanding anything else in this Section 17.4, any amounts which are lawfully received by any Swap Lender under a Lender Swap prior to the delivery by the Agent of a declaration of all Obligations becoming due pursuant to Section 14.1 are not required to be shared pursuant to the provisions of this Section 17.4.

17.5 Duties and Obligations.

The Agent or any of its directors, officers, agents or employees (and, for purposes hereof, the Agent will be deemed to be contracting as agent for and on behalf of such Persons) will not be liable to any Lender for any action taken or omitted to be taken by it under or in connection with the Loan Documents, except for its own gross negligence or wilful misconduct (as determined by a final, non-appealable judgment of a court of competent jurisdiction). Without limiting the generality of the foregoing, the Agent:

(a) may assume that there has been no assignment or transfer by the Lenders of their rights under the Loan Documents, unless and until the Agent receives a duly executed Assignment Agreement from such Lender;

(b) may consult with counsel (including counsel for the Borrower), independent public accountants and other experts selected by it and will not be liable for any action taken or omitted to be taken in good faith by it in accordance with or reliance upon the advice of such counsel, accountants or experts;

(c) will incur no liability under or in respect of the Loan Documents by acting upon any notice, consent, certificate or other instrument or writing believed by it to be genuine and signed or sent by the apparently proper Person or by acting upon any representation or warranty of any Loan Party made or deemed to be made hereunder;

(d) may assume that no Default or Event of Default has occurred and is continuing unless it has actual knowledge to the contrary; and

(e) may rely, as to any matter of fact which might reasonably be expected to be within the knowledge of any Person, upon a certificate signed by or on behalf of such Person.

Further, the Agent (i) does not make any warranty or representation to any Lender nor will it be responsible to any Lender for the accuracy or completeness of the data made available to any of the Lenders in connection with a Credit Facility, or for any statements, warranties or representations (whether written or oral) made in connection with a Credit Facility, (ii) will not have any duty to ascertain or to enquire as to the performance or observance of any of the terms, covenants or conditions of the Loan Documents on the part of any Loan Party or to inspect the property (including books and records) of any Loan Party, and (iii) will not be responsible to any Lender for the due execution, legality, validity, enforceability, genuineness, sufficiency or value of the Loan Documents or any other instrument or document furnished pursuant hereto or thereto.

17.6 Prompt Notice to the Lenders.

Notwithstanding any other provision herein, the Agent agrees to provide to the Lenders, with copies where appropriate, all information, notices and reports required to be given to the Agent by the Borrower hereunder, promptly upon receipt of same, excepting therefrom information and notices relating solely to the role of the Agent hereunder. The Agent shall have no duty to disclose any information obtained or received by it or any of its Affiliates relating to the Loan Parties or any of their Subsidiaries to the extent such information was obtained or received in any capacity other than as the Agent hereunder.

17.7 Agent and Agent Authority.

With respect to its Rateable Portion of a Credit Facility and the Advances made by it as a Lender thereunder, as applicable, the Agent will have the same rights and powers under the Loan Documents as any other Lender and may exercise the same as though it were not the Agent. The Agent may accept deposits from, lend money to, and generally engage in any kind of business with the Borrower, its Subsidiaries, their respective shareholders or any Person owned or controlled by any of them and any Person which may do business with any of them, all as if the Agent was not serving as Agent, and without any duty or obligation to account therefor to the Lenders.

17.8 Lenders' Credit Decisions.

It is understood and agreed by each Lender that it has itself been, and will continue to be, solely responsible for making its own independent appraisal of and investigations into the financial condition, creditworthiness, condition, affairs, status and nature of the Loan Parties. Accordingly, each Lender confirms with the Agent that it has not relied, and will not hereafter rely, on the Agent (a) to check or inquire on its behalf into the adequacy, accuracy or completeness of any information provided by the Borrower or any other Person under or in connection with the Credit Facilities (whether or not such information has been or is hereafter distributed to such Lender by the Agent) or (b) to assess or keep under review on its behalf the financial condition, creditworthiness, condition, affairs, status or nature of any Loan Party. Each Lender acknowledges that copies of the Loan Documents have been made available to it for review and each Lender acknowledges that it is satisfied with the form and substance of the Loan Documents. A Lender will not make any independent arrangement with any Loan Party for the satisfaction of any Obligations owing to it under the Loan Documents without the written consent of the other Lenders.

17.9 Indemnification.

The Lenders hereby agree to indemnify the Agent and its directors, officers, agents and employees (to the extent not reimbursed by the Borrower) in accordance with their respective Rateable Portions, from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever which may be imposed on, incurred by, or asserted against the Agent or its directors, officers, agents and employees in any way relating to or arising out of the Loan Documents or any action taken or omitted by the Agent under or in respect of the Loan Documents in its capacity as Agent, provided that no Lender will be liable for any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements resulting from the Agent's gross negligence or wilful misconduct (as determined by a final, non-appealable judgment of a court of competent jurisdiction). Without limiting the generality of the foregoing, each Lender agrees to reimburse the Agent promptly upon demand for its Rateable Portion of any reasonable out of pocket expenses (including legal fees, on a solicitor and his own client full indemnity basis) incurred by the Agent in connection with the preservation of any right of the Agent or the Lenders under, or the enforcement of, or legal advice in respect of rights or responsibilities under, the Loan Documents, to the extent that the Agent is not reimbursed for such expenses by the Borrower. This indemnity will survive the termination of the other provisions of this Agreement as a separate and continuing covenant of the Lenders. Each Lender hereby agrees to promptly reimburse the Agent for any amount distributed by the Agent to such Lender as a payment on account of any Credit Facility if the Agent does not actually receive such payment from the Borrower on the date of said distribution.

17.10 Successor Agent.

The Agent may, as hereinafter provided, resign at any time by giving 30 days' notice (the "**Resignation Notice**") thereof to the Lenders and the Borrower. The remaining Lenders, with the consent of the Borrower, such consent not to be unreasonably withheld, will forthwith upon receipt of the Resignation Notice unanimously appoint a successor administrative agent (the "**Successor Agent**") to assume the duties hereunder of the resigning Agent. Upon the acceptance of any appointment as administrative agent hereunder by a Successor Agent, such Successor Agent will thereupon succeed to and become vested with all the rights, powers, privileges and duties as administrative agent under the Loan Documents of the resigning Agent. Upon such acceptance, the resigning Agent will be discharged from its further duties and obligations as agent under the Loan Documents, but any such resignation will not affect such resigning Agent's obligations hereunder as a Lender, including for its Rateable Portion of the Commitment Amount. After the resignation of the Agent as administrative agent hereunder, the provisions of this Article 17 will continue to enure to its benefit as to any actions taken or omitted to be taken by it while it was the administrative agent of the Lenders hereunder. Notwithstanding the foregoing, if the remaining Lenders fail to appoint a Successor Agent within 30 days of receipt of the Resignation Notice, the resigning Agent may and with the approval of the Borrower prior to an Event of Default, such approval not to be unreasonably withheld, appoint a Successor Agent from among the Lenders. Notwithstanding the foregoing or anything else set forth herein, the Parties hereby confirm and agree that under no circumstances shall Business Development Bank of Canada be appointed as the Successor Agent.

17.11 Taking and Enforcement of Remedies.

Except as otherwise provided herein, each Lender hereby acknowledges that, to the extent permitted by applicable Law, rights and remedies provided under the Loan Documents to the Lenders are for the benefit of the Lenders collectively and not severally and further acknowledges that its rights and remedies thereunder are to be exercised not severally but collectively through the Agent upon the decision of the Lenders (with the required majority or unanimity as herein provided), regardless of whether acceleration of Obligations hereunder was made, and accordingly, notwithstanding any of the provisions contained herein, each of the Lenders hereby covenants and agrees that it will not be entitled to take any action with respect to the Credit Facilities, including any acceleration of Obligations thereunder, but that any such action will be taken only by the Agent with the prior written direction of the Lenders (with the required majority or unanimity as herein provided). Notwithstanding the foregoing, in the absence of written instructions from the Lenders, and where in the sole opinion of the Agent the exigencies of the situation warrant such action, the Agent may without notice to or consent of the Lenders take such action on behalf of the Lenders as it deems appropriate or desirable in the circumstances. Each of the Lenders hereby covenants and agrees that it has not heretofore and will not seek, take, accept or receive any security for any of the Obligations of the Borrower under the Loan Documents and will not enter into any agreement with any of the Parties relating in any manner whatsoever to the Credit Facilities, unless all of the Lenders will at the same time obtain the benefit of any such security or agreement, as the case may be.

17.12 Reliance Upon Agent.

The Borrower will be entitled to rely upon any certificate, notice or other document or other advice, statement or instruction provided to it by the Agent pursuant to the Loan Documents, and the Borrower will be entitled to deal with the Agent with respect to matters under the Loan Documents which the Agent is authorized hereunder to deal with, without any obligation whatsoever to satisfy itself as to the authority of the Agent to act on behalf of the Lenders and without any liability whatsoever to the Lenders for relying upon any certificate, notice or other document or other advice, statement or instruction provided to them by the Agent, notwithstanding any lack of authority of the Agent to provide the same.

17.13 Agent May Perform Covenants.

If the Borrower fails to perform any covenant on its part herein contained, the Agent may give notice to the Borrower of such failure and if, within 30 days of such notice (or, if earlier, after the expiry of such other time or cure period as may be required in this Agreement), such covenant remains unperformed, the Agent on behalf of the Lenders may, in its sole discretion but need not, perform any such covenant capable of being performed by it and, if the covenant requires the payment or expenditure of money, the Agent may make such payment or expenditure and all sums so expended will be forthwith payable by the Borrower to the Agent on behalf of the Lenders and will bear interest at the interest rate applicable to Canadian Prime Rate Loans plus [Redacted: Percentage]% per annum.

17.14 No Liability of Agent.

The Agent, in its capacity as agent of the Lenders under the Loan Documents, will have no responsibility or liability to the Borrower or the Lenders on account of the failure of any Lender to perform its obligations hereunder, or to any Lender on account of the failure of the Borrower to perform its obligations under the Loan Documents.

17.15 Nature of Obligations under this Agreement.

(a) Obligations Separate. The obligations of each Lender and the Agent under this Agreement are separate. The failure of any Lender to carry out its obligations hereunder will not relieve the other Lenders, the Agent or the Borrower of any of their respective obligations hereunder.

(b) No Liability for Failure by Other Lenders. Neither the Agent nor any Lender will be liable or otherwise responsible for the obligations of any other Lender hereunder.

17.16 Unanimity.

(a) Unanimity. Notwithstanding anything herein to the contrary and without limiting in any way the context of any provision in this Agreement requiring the consent, approval, action or agreement of all Lenders, the following matters will require the approval, consent or agreement, as the context requires, of all Lenders:

(i) the reduction or forgiveness of any Obligations payable by any Loan Party to the Lenders under the Credit Facilities or under any of the Loan Documents;

(ii) the postponement of any maturity date of any Obligations of any Loan Party to any one or more of the Lenders or under any of the Loan Documents;

(iii) any decrease to the margins and fees set forth in Section 3.9;

(iv) the release or discharge of the Security, or any part thereof, unless otherwise expressly permitted or provided in this Agreement;

(v) any change in the nature of Advances;

(vi) any change to, or waiver of, the covenants referred to in Sections 3.1, 3.5(c), 3.7, 3.10(b), 3.10(d), 3.10(a), 6.1, 13.4(a), 13.4(b), 13.4(j), 13.4(r), 13.4(x), 13.4(y) or 14.3;

(vii) any waiver of any Event of Default under Sections 14.1(a), 14.1(f) or 14.1(g);

(viii) any amendment to this Section 17.16(a); and

(ix) any change to the definition of "Credit Spread Adjustment", "Majority Lenders" or "Majority Revolving Lenders",

except in any such case to the extent related to (i) the Operating Facility where only the consent, approval, action or agreement of the Operating Lender is required, (ii) the Syndicated Revolving Facility, where only the consent, approval action or agreement of all of the Syndicated Revolving Facility Lenders is required, and (iii) the Term Facility, where only the consent, approval, action or agreement of all of the Term Facility Lenders is required.

(b) Majority Consent. Subject to Section 17.16(a), any waiver of or any amendment to any provision of the Loan Documents and any action, consent or other determination in connection with the Loan Documents will bind all of the Lenders if such waiver, amendment, action, consent or other determination is agreed to in writing by the Majority Lenders.

(c) Conforming Changes. In connection with the use or administration of each Benchmark, the Agent will have the right to make Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Loan Document, any amendments implementing such Conforming Changes will become effective without any further action or consent of any other Party or any other Loan Document. The Agent will promptly notify the Borrower and the Lenders of the effectiveness of any Conforming Changes.

(d) Administrative Changes. Any amendment of a strictly administrative, typographical, clerical, technical or otherwise immaterial nature, or a correction of a manifest error, shall require the agreement of the Borrower and the Agent only, provided that prior to giving effect thereto, the Lenders shall have received at least five Banking Days' prior written notice of any such amendment and the Agent shall not have received during such five Banking Day period a written notice from the Majority Lenders stating that the Majority Lenders object to such amendment.

17.17 Departing Lenders.

If a Lender: (a) is a Non-Agreeing Lender; (b) is a Defaulting Lender; (c) seeks Additional Compensation in accordance with Article 11; (d) requires the Borrower to deduct withholding Taxes under Section 11.5 in respect of amounts owing to it in accordance with the terms thereof; (e) provides a notice that it is unable to maintain or continue to offer any Accommodation pursuant to Section 11.2; (f) is a Non-Conforming Borrowing Base Lender; or (g) refuses to give timely consent to an amendment, modification or waiver of this Agreement that, pursuant to Section 17.16(a), requires consent of all the Lenders (and the consent of the Majority Lenders has been given with respect thereto) (a "**Non-Consenting Lender**"); (collectively, the "**Departing Lenders**"), then the Borrower may either:

(a) replace the Departing Lender with another financial institution acceptable to the Agent, acting reasonably, who purchases at par (or such lesser amount as may be agreed to by the Departing Lender) the Aggregate Principal Amount owing to the Departing Lender and such Lender's entire Individual Commitment Amount and assumes the Departing Lender's Individual Commitment Amount and all other obligations of the Departing Lender hereunder, provided that prior to or concurrently with such replacement:

(i) the Departing Lender shall have received payment in full of all principal, interest, fees and other amounts through such date of replacement (or such lesser amount as may be agreed to by the Departing Lender) and a release from any further obligations to make Advances under the Loan Documents after the date of such replacement;

(ii) the assignment fee required to be paid by Section 16.2 shall have been paid to the Agent;

(iii) all of the requirements for such assignment contained in Section 16.2 shall have been satisfied, including, the consent of the Agent and the receipt by the Agent of such agreements, documents and instruments as the Agent may reasonably require;

(iv) in the case of a Departing Lender who is a Non-Consenting Lender, each assignee consents, at the time of such assignment, to each matter in respect of which such Non-Consenting Lender was a Non-Consenting Lender and the Borrower also requires each other Lender that is a Non-Consenting Lender to assign the Aggregate Principal Amount owing to it and its Individual Commitment Amount; and

(v) in the case of a Departing Lender who is a Non-Conforming Borrowing Base Lender, each assignee and all of the other Lenders consent, at the time of such assignment, to what the Borrowing Base would have been determined to be under Section 3.10(d) but for the Borrowing Base determined by such Non-Conforming Borrowing Base Lender; or

(b) elect to terminate the Departing Lender's Individual Commitment Amount, in which case the Commitment Amount shall be reduced by an amount equal to the amount of any Individual Commitment Amount so cancelled (provided that prior to or concurrently with such cancellation the Departing Lender shall have received payment in full of all principal, interest, fees and other amounts through such date of cancellation (including breakage and other costs in accordance with Section 8.2, the provision of Escrow Funds to the Agent on behalf of such Lender in respect of outstanding Bankers' Acceptances accepted by such Lender and cash collateralization in full of any contingent obligations in respect of any outstanding Letters of Credit if such Lender is the Operating Lender) (or such lesser amount as may be agreed to by the Departing Lender) and a release from any further obligations to make Advances under the Loan Documents after such termination); or

(c) exercise any combination of the rights under (a) and (b) above;

provided that, in any case, no Default or Event of Default exists at such time and if there is more than one Lender that qualifies as a Departing Lender under any of the criteria identified above, then all Departing Lenders under such criteria shall be treated rateably with each such other Departing Lender.

17.18 Erroneous Payments.

(a) If the Agent notifies a Lender or any Person who has received funds on behalf of a Lender (any such other recipient, a "**Payment Recipient**") that the Agent has determined in its sole discretion (whether or not after receipt of any notice under Section 17.18(b)) that any funds received by such Payment Recipient from the Agent or any of its Affiliates were erroneously transmitted to, or otherwise erroneously or mistakenly received by, such Payment Recipient (whether or not known to such Lender or other Payment Recipient on its behalf) (any such funds, whether received as a payment, prepayment or repayment of principal, interest, fees, distribution or otherwise, individually and collectively, an "**Erroneous Payment**") and demands the return of such Erroneous Payment (or a portion thereof), such Erroneous Payment shall at all times remain the property of the Agent and shall be segregated by the Payment Recipient and held in trust for the benefit of the Agent, and such Lender (or, with respect to any Payment Recipient who received such funds on its behalf, shall cause such Payment Recipient to) promptly, but in no event later than two Banking Days thereafter, return to the Agent the amount of any such Erroneous Payment (or portion thereof) as to which such a demand was made, in same day funds (in the currency so received), together with interest thereon in respect of each day from and including the date such Erroneous Payment (or portion thereof) was received by such

Payment Recipient to the date such amount is repaid to the Agent in same day funds at the greater of (x) in respect of an Erroneous Payment in Canadian Dollars or any other currency at a fluctuating rate per annum equal to the overnight rate at which Canadian Dollars or funds in the currency of such Erroneous Payment, as the case may be, may be borrowed by the Agent in the interbank market in an amount comparable to such Erroneous Payment (as determined by the Agent); and (y) a rate determined by the Agent in accordance with banking industry rules on interbank compensation from time to time in effect. A notice of the Agent to any Payment Recipient under this Section 17.18(a) shall be conclusive, absent manifest error.

(b) Without limiting Section 17.17(a), each Lender hereby further agrees that if it (or any other Payment Recipient on its behalf) receives a payment, prepayment or repayment (whether received as a payment, prepayment or repayment of principal, interest, fees, distribution or otherwise) from the Agent (or any of its Affiliates) (x) that is in a different amount than, or on a different date from, that specified in a notice of payment, prepayment or repayment sent by the Agent (or any of its Affiliates) with respect to such payment, prepayment or repayment, (y) that was not preceded or accompanied by a notice of payment, prepayment or repayment sent by the Agent (or any of its Affiliates), or (z) that such Lender or other such Payment Recipient, otherwise becomes aware was transmitted, or received, in error or by mistake (in whole or in part) in each case:

(i) (A) in the case of immediately preceding clauses (x) or (y), an error shall be presumed to have been made (absent written confirmation from the Agent to the contrary) or (B) an error has been made (in the case of immediately preceding clause (z)), in each case, with respect to such payment, prepayment or repayment; and

(ii) such Lender shall (and shall cause any other recipient that receives funds on its respective behalf to) promptly (and, in all events, within one Banking Day of its knowledge of such error) notify the Agent of its receipt of such payment, prepayment or repayment, the details thereof (in reasonable detail) and that it is so notifying the Agent pursuant to this Section 17.18(b).

(c) Each Lender hereby authorizes the Agent to set off, net and apply any and all amounts at any time owing to such Lender under any Loan Document, or otherwise payable or distributable by the Agent to such Lender from any source, against any amount due to the Agent under Section 17.18(a) or under the indemnification provisions of this Agreement.

(d) In the event that an Erroneous Payment (or portion thereof) is not recovered by the Agent for any reason, after demand therefor by the Agent in accordance with Section 17.18(a), from any Lender that has received such Erroneous Payment (or portion thereof) (and/or from any Payment Recipient who received such Erroneous Payment (or portion thereof) on its respective behalf) (such unrecovered amount, an "**Erroneous Payment Return Deficiency**"), upon the Agent's notice to such Lender at any time, (i) such Lender shall be deemed to have assigned a portion of its Rateable Portion of the Aggregate Principal Amount (but not its Individual Commitment Amount) (such portion, the "**Assigned Loan**") in the currency in which such Erroneous Payment was made in an amount equal to the Erroneous Payment Return Deficiency (or such lesser amount as the Agent may specify) (such assignment of the Assigned Loan (but not its Individual Commitment Amounts), the "**Erroneous Payment Deficiency Assignment**") at par plus any accrued and unpaid interest (with the assignment fee to be waived by the Agent in such instance), and is hereby (together with the Borrower) deemed to execute and deliver an Assignment Agreement with respect to such Erroneous Payment Deficiency Assignment, (ii) the Agent as the assignee Lender shall be deemed to acquire the Erroneous Payment Deficiency Assignment and (iii) upon such deemed acquisition, the Agent as the assignee Lender shall become a Lender, as applicable, hereunder with respect to such Erroneous Payment Deficiency Assignment and the assigning Lender shall cease to be a Lender, hereunder with respect to such Erroneous Payment Deficiency Assignment, excluding, for the avoidance of doubt, its obligations under the indemnification provisions of this Agreement and its applicable Individual Commitment Amounts which shall survive as to such assigning Lender. The Agent may, in its discretion, sell the Assigned Loan and upon receipt of the proceeds of such sale, the Erroneous Payment Return Deficiency owing by the applicable Lender shall be reduced by the net proceeds of the sale thereof (or portion thereof), and the Agent shall retain all other rights, remedies and claims against such Lender (and/or against any recipient that receives funds on its respective behalf). For the avoidance of doubt, no Erroneous Payment Deficiency Assignment will reduce the Individual Commitment Amounts of any Lender and such Individual Commitment Amounts shall remain available in accordance with the terms of this Agreement. In addition, each Party agrees that, except to the extent that the Agent has sold any Assigned Loan, and irrespective of whether the Agent may be equitably subrogated, the Agent shall be contractually subrogated to all the rights and interests of the applicable Lender under the Loan Documents with respect to each Erroneous Payment Return Deficiency.

(e) The Parties agree that an Erroneous Payment shall not pay, prepay, repay, discharge or otherwise satisfy any Obligations owed by the Borrower or any other Loan Party, except, in each case, to the extent such Erroneous Payment is, and solely with respect to the amount of such Erroneous Payment that is, comprised of funds received by the Agent from (i) the Borrower or any other Loan Party or (ii) the proceeds of realization from the enforcement of any Security against or in respect of one or more of the Borrower or any other Loan Party, provided that, in each case, such funds were received by the Agent for the purposes of discharging such Obligations.

(f) To the extent permitted by applicable Law, no Payment Recipient shall assert any right or claim to an Erroneous Payment, and hereby waives, and is deemed to waive, any claim, counterclaim, defense or right of set-off or recoupment with respect to any demand, claim or counterclaim by the Agent for the return of any Erroneous Payment received, including, without limitation, waiver of any defense based on “discharge for value” or any similar doctrine.

(g) Each Party’s obligations, agreements and waivers under this Section 17.18 shall survive the resignation or replacement of the Agent, the termination of the Commitment Amounts and/or the repayment, satisfaction or discharge of all Obligations (or any portion thereof) under any Loan Document.

17.19 Acknowledgement Regarding Any Supported QFCs.

To the extent that the Loan Documents provide support, through a guarantee or otherwise, for any Lender Swaps or any other agreement or instrument that is a QFC (such support, “**QFC Credit Support**”, and each such QFC, a “**Supported QFC**”), the Parties acknowledge and agree as follows with respect to the resolution power of the Federal Deposit Insurance Corporation under the *Federal Deposit Insurance Act* and Title II of the *Dodd-Frank Wall Street Reform and Consumer Protection Act* (together with the regulations promulgated thereunder, the “**U.S. Special Resolution Regimes**”) in respect of such Supported

QFC and QFC Credit Support (with the provisions below applicable notwithstanding that the Loan Documents and any Supported QFC may in fact be stated to be governed by the laws of the State of New York and/or of the United States or any other state of the United States):

(a) In the event a Covered Entity that is party to a Supported QFC (each, a "**Covered Party**") becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer of such Supported QFC and the benefit of such QFC Credit Support (and any interest and obligation in or under such Supported QFC and such QFC Credit Support, and any rights in property securing such Supported QFC or such QFC Credit Support) from such Covered Party will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if the Supported QFC and such QFC Credit Support (and any such interest, obligation and rights in property) were governed by the laws of the United States or a state of the United States. In the event a Covered Party or a BHC Act Affiliate of a Covered Party becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under the Loan Documents that might otherwise apply to such Supported QFC or any QFC Credit Support that may be exercised against such Covered Party are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if the Supported QFC and the Loan Documents were governed by the laws of the United States or a state of the United States. Without limitation of the foregoing, it is understood and agreed that rights and remedies of the Parties with respect to a Defaulting Lender shall in no event affect the rights of any Covered Party with respect to a Supported QFC or any QFC Credit Support.

(b) As used in this Section 17.19, the following terms have the following meanings:

(i) "**BHC Act Affiliate**" of a party means an "affiliate" (as such term is defined under, and interpreted in accordance with, 12 U.S.C. 1841(k)) of such party;

(ii) "**Covered Entity**" means any of the following: (A) a "covered entity" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b); (B) a "covered bank" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or (C) a "covered FSI" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b);

(iii) "**Default Right**" has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable; and

(iv) "**QFC**" has the meaning assigned to the term "qualified financial contract" in, and shall be interpreted in accordance with, 12 U.S.C. 5390(c)(8)(D).

17.20 Acknowledgement and Consent to Bail-In of Affected Financial Institutions.

Notwithstanding anything to the contrary in any Loan Document or in any other agreement, arrangement or understanding among any such Parties, each Party acknowledges that any liability of any Affected Financial Institution arising under any Loan Document, to the extent such liability is unsecured, may be subject to the Write-Down and Conversion Powers of the applicable Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

(a) the application of any Write-Down and Conversion Powers by the applicable Resolution Authority to any such liabilities arising hereunder which may be payable to it by any Party that is an Affected Financial Institution; and

(b) the effects of any Bail-In Action on any such liability, including, if applicable:

(i) a reduction in full or in part or cancellation of any such liability;

(ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such Affected Financial Institution, its parent undertaking, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Loan Document; or

(iii) the variation of the terms of such liability in connection with the exercise of the Write-Down and Conversion Powers of the applicable Resolution Authority.

ARTICLE 18
MISCELLANEOUS

18.1 Notices.

Any demand, notice or other communication to be given to a Party in connection with this Agreement shall be given in writing and shall be given by personal delivery, by registered mail, email or by transmittal by facsimile (if a facsimile number is provided in this Section 18.1) addressed and delivered as follows:

(a) left at the relevant address set forth below; or

(b) by facsimile (if a facsimile number is provided in this Section 18.1), email or other means of recorded electronic communication; and

(i) if to the Agent, addressed to the Agent at:

(A) for the purposes of all notices of utilization, conversion and renewal or repayment:

National Bank of Canada
Corporate Customer Services – Syndication and Agency Group
500 Place d'Armes, 21st Floor
Montreal, QC H2Y 2W3

Attention: Syndication
Email: syndication@bnc.ca

(B) for the purposes of the delivery of the financial information:

National Bank of Canada
Corporate Customer Services – Syndication and Agency Group
500 Place d'Armes, 21st Floor
Montreal, QC H2Y 2W3

Attention: Agency Compliance
Email: AgencyCompliance@bnc.ca

(C) for all other purposes:

National Bank of Canada
Loan Structuring & Syndication – Corporate & Investment Banking Group
1155 Metcalfe Street, 23rd Floor
Montreal, QC H3B 4S9

Attention: Vice President, Loan Structuring & Syndication
Email: Kelly.bryant@nbc.ca

(ii) if to a Lender, addressed to the Lender at its respective address set forth in the Agent's records; and

(iii) if to any Loan Party, addressed to the Borrower at:

Surge Energy Inc.
Suite 2100, 635 – 8th Avenue S.W.
Calgary Alberta T2P 3M3

Facsimile: (403) 930-1012
Attention: Chief Financial Officer

(c) The Parties each covenant to accept service of judicial proceedings arising under the Loan Documents at its respective address set forth herein.

(d) Any notice or other communication given or made in accordance with this Section 18.1 will be deemed to have been received on the day of delivery if delivered as aforesaid or on the day of receipt of same by facsimile, if applicable, or other recorded means of electronic communication, as the case may be, provided such day is a Banking Day and that such notice is received prior to 1:00 p.m. local time and, if such day is not a Banking Day or if notice is received after 1:00 p.m. local time, on the first Banking Day thereafter.

(e) Each Party may change its address, email address and, if applicable, facsimile number for purposes of this Section 18.1 by notice given in the manner provided in this Section 18.1 to the other Parties.

(f) Any notice given under any of the Loan Documents to the Agent will be deemed to also be given to and received by the Agent in its capacity as Lender.

18.2 Telephone Instructions.

Any verbal instructions given by the Borrower in relation to this Agreement will be at the risk of the Borrower and neither the Agent nor the Lenders will have any liability for any error or omission in such verbal instructions or in the interpretation or execution thereof by the Agent or a Lender, as the case may be, provided that the Agent or Lender, as the case may be, acted without gross negligence in the circumstances. The Agent will notify the Borrower of any conflict or inconsistency between any written confirmation of such verbal instructions received from the Borrower and the said verbal advice as soon as practicable after the conflict or inconsistency becomes apparent to the Agent.

18.3 No Partnership, Joint Venture or Agency.

Except as expressly provided for herein, the Parties agree that nothing contained in this Agreement nor the conduct of any Party will in any manner whatsoever constitute or be intended to constitute any Party as the agent or representative or fiduciary of any other Party nor constitute or be intended to constitute a partnership or joint venture among the Parties or any of them, but rather each Party will be separately responsible, liable and accountable for its own obligations under the Loan Documents, or any conduct arising therefrom and for all claims, demands, actions and causes of action arising therefrom. The Parties agree that no Party will have the authority or represent that it has, or hold itself out as having, the authority to act for or assume any obligation or responsibility on behalf of any other Party, save and except as may be expressly provided for in this Agreement.

18.4 Judgment Currency.

(a) Deficiency. If, for the purposes of obtaining judgment in any court or any other related purpose hereunder, it is necessary to convert an amount due hereunder in the currency in which it is due (the "**Original Currency**") into another currency (the "**Second Currency**"), the rate of exchange applicable will be the daily noon day rate quoted by the Bank of Canada on the relevant date to purchase in Calgary, Alberta the Original Currency with the Second Currency and includes any premium and costs of exchange payable by the purchaser in connection with such purchase. Each Party (the "**First Party**") agrees that its obligation in respect of any Original Currency due from it to another Party hereunder will, notwithstanding any judgment or payment in the Second Currency, be discharged only to the extent that on the Banking Day following the receipt of any sum so paid in the Second Currency, the other Parties may, in accordance with normal banking procedures, purchase in the Calgary, Alberta foreign exchange market the Original Currency with the amount of the Second Currency so paid; and if the amount of the Original Currency so purchased is less than the amount originally due in the Original Currency, the First Party agrees that the deficiency will be a separate and continuing obligation of it, independent from its obligations under this Agreement, and will constitute in favour of the other Parties a cause of action which will continue in full force and effect notwithstanding any such judgment, or order to the contrary, and the First Party agrees, notwithstanding any such payment or judgment, to indemnify the other Parties against any such loss or deficiency. The Borrower acknowledges and agrees that any indebtedness, obligations or liabilities it may incur or suffer under this Section 18.4(a) will form part of the Obligations and will be secured by the Security unless earlier discharged as provided herein.

(b) Excess. The Lenders through the Agent will pay to the Borrower the amount, if any, after netting out all amounts due by the Borrower under Section 18.4(a), which the Lenders may realize in excess of what is owed to them by virtue of the conversion of the Original Currency into the Second Currency.

18.5 Environmental Indemnity.

The Borrower hereby indemnifies and holds harmless each of the Agent and the Lenders, including their respective directors, officers, employees and agents (collectively, the "**Indemnified Parties**" and each an "**Indemnified Party**"), for any costs, losses, damages, expenses, judgments, suits, claims, awards, fines, sanctions and liabilities whatsoever (including any reasonable costs or expenses of defending or denying the same and including the reasonable costs or expenses of preparing any environmental assessment report or other such reports) (in this Section 18.5 collectively a "**Claim**") suffered or incurred by an Indemnified Party, arising out of, or in respect of:

(a) the Release of any Contaminant into the Environment from or into any property, owned, operated or controlled, directly or indirectly, by any Loan Party, or otherwise in which any Loan Party has an interest; and

(b) the remedial action, if any, required to be taken by the Agent or the Lenders in respect of any such Release,

except in such cases where and to the extent that such Claims arise from the gross negligence or wilful misconduct of the Indemnified Parties (as determined by a final, non-appealable judgment of a court of competent jurisdiction). The provisions of this Section 18.5 shall survive repayment of the Obligations of the Borrower and the termination of the Credit Agreement. Other than for costs and expenses incurred by the Indemnified Parties for investigating, defending or denying a Claim or preparing any necessary environmental assessment report or other reports in connection with any Claim (the reasonable costs thereof to be paid forthwith by the Borrower on demand therefor), the Indemnified Parties will not request indemnification from the Borrower unless an Indemnified Party is required by Law, based on the advice of such Indemnified Party's counsel, to honour a Claim or any part thereof. During the continuation of an Event of Default, the Indemnified Parties will be entitled, but not obligated, to negotiate any settlement of a Claim in consultation with the Borrower, and any such settlement will be binding on the Parties, provided that the Borrower will not be liable for any settlement of any action without its written consent, such consent not to be unreasonably withheld. Notwithstanding the foregoing, the Borrower, at its option by notice to the Lenders, may assume carriage at any time of any proceedings giving rise to a Claim, including choice of counsel.

18.6 General Indemnity.

In addition to, and without duplication of, any liability of the Borrower to the Lenders under any other provision hereof, the Borrower will and does hereby indemnify each Indemnified Party and hold each Indemnified Party harmless against any losses, claims, costs, damages or liabilities (including reasonable out-of-pocket expenses and reasonable legal fees on a solicitor and his own client full indemnity basis) incurred by the same as a result of or in connection with: (a) any cost or expense incurred by reason of the liquidation or re-deployment in whole or in part of deposits or other funds required by any Lender to fund any Bankers' Acceptance or to fund or maintain any Advance as a result of the Borrower's failure to complete a Drawdown or to make any payment, repayment or prepayment on the date required hereunder or specified by it in any notice given hereunder; (b) subject to permitted or deemed Rollovers and Conversions, the Borrower's failure to provide for the payment to the Agent for the account of the Lenders of the full principal amount of each Bankers' Acceptance on its Maturity Date; (c) the Borrower's failure to pay any other amount, including any interest or fees, due hereunder on its due date after the expiration of any applicable grace or notice periods; (d) the prepayment of any outstanding Bankers' Acceptance before the Maturity Date of such Bankers' Acceptance; (e) the Borrower's repayment or prepayment of a SOFR Loan otherwise than on the last day of its Interest Period; (f) the Borrower's failure to give any notice required to be given by it to the Agent or the Lenders hereunder; (g) the failure of any Loan Party to make any other payment due hereunder or under any of the other Loan Documents; (h) any inaccuracy of the Loan Parties' representations and warranties contained in any Loan Document; (i) any failure of any Loan Party to observe or fulfill its covenants under any Loan Document; (j) the occurrence of any Default or Event of Default; or (k) the use of the proceeds of any Credit Facility; provided that this Section 18.6 will not apply to any losses, claims, costs, damages or liabilities that are found by a final, non-appealable judgment of a court of competent jurisdiction to arise by reason of the gross negligence or wilful misconduct of any Indemnified Party (as determined by a final, non-appealable judgment of a court of competent jurisdiction). The provisions of this Section 18.5 shall survive repayment of the Obligations of the Borrower and the termination of the Credit Agreement.

18.7 Further Assurances.

The Borrower will, from time to time forthwith at the Agent's request and at the Borrower's own cost and expense (to the extent reasonable), do, make, execute and deliver, or cause to be done, made, executed and delivered, all such further documents, financing statements, financing change statements, assignments, acts, matters and things which may be reasonably required by the Agent with respect to the Credit Facilities, the Security or any part thereof and to give effect to any provision of the Loan Documents.

18.8 Waiver of Law.

To the extent legally permitted, the Borrower hereby irrevocably and absolutely waives the provisions of any applicable Law which may be inconsistent at any time with, or which may delay or limit in any way, the enforcement of the Loan Documents in accordance with their terms.

18.9 Attornment and Waiver of Jury Trial.

The Parties do hereby irrevocably:

(a) submit and attorn to the non-exclusive jurisdiction of the courts of the Province of Alberta for all matters arising out of or relating to the Loan Documents or any of the transactions contemplated thereby; and

(b) to the extent legally permitted, waive any right they may have to, or to apply for, trial by jury in connection with any matter, action, proceeding, claim or counterclaim arising out of or relating to the Loan Documents or any of the transactions contemplated thereby.

18.10 Interest on Payments in Arrears.

(a) Except as otherwise provided in this Agreement, interest will be paid by the Parties (other than a Lender Secured Party to a Loan Party) as follows:

(i) on amounts for which any Party has actually incurred an out of pocket expense and for which another Party has an obligation under the Loan Documents to reimburse such amounts to the Party incurring the expenses, interest will be payable on such amount at the interest rate then applicable to Canadian Prime Rate Loans plus [Redacted: Percentage]% per annum from and including the day on which the amount was incurred to but excluding the day on which the amount is reimbursed if, commencing on the date which is 3 Banking Days following a written demand for payment of the amount in accordance with the terms of the Loan Documents, such expense has not been paid; and

(ii) on amounts payable by one Party to another Party under the Loan Documents where such payment is in default but the non-payment of such amount has not required an actual out of pocket expense by the Party to whom such payment is due, at the interest rate then applicable to Canadian Prime Rate Loans plus [Redacted: Percentage]% per annum from and including the day on which the payment was due to, but excluding the day on which the payment is made whether before or after judgment, but if such payment is a reimbursement by the Lenders to the Borrower for overpayment by it to the Lenders or is in respect of an inadvertent underpayment by the Agent, the Lenders or the Borrower to another Party (based on information provided by such other Party), such interest will only be calculated from the date which is 3 Banking Days following a written demand for payment by the Party entitled to it;

provided that, notwithstanding the foregoing no Lender Secured Party shall pay interest to a Loan Party on any amounts payable by a Lender Secured Party to a Loan Party under the Loan Documents.

(b) All interest referred to in this Section 18.10 will be simple interest calculated daily on the basis of a 365 or 366 day year, as applicable. For the purposes of the *Interest Act* (Canada), the annual rates of interest to which such rates are equivalent are the rates so determined multiplied by the actual number of days in a period of one year commencing on the first day of the period for which such interest is payable and divided by 365 or 366, as applicable.

18.11 Anti-Money Laundering Legislation.

(a) The Borrower acknowledges that, pursuant to the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada) and other applicable anti-money laundering, anti-terrorist financing, government sanction and "know your client" Laws, whether within Canada or elsewhere (collectively, including any guidelines or orders thereunder, "**AML Legislation**"), the Lenders and the Agent may be required to obtain, verify and record information regarding the Borrower and Subsidiaries, their respective directors, authorized signing officers, direct or indirect shareholders or unitholders or other Persons in control of any Subsidiaries and the transactions contemplated hereby. The Borrower shall promptly: (i) provide all such information, including supporting documentation and other evidence, as may be reasonably requested by any Lender or the Agent, or any prospective assignee of a Lender or the Agent, in order to comply with any applicable AML Legislation, whether now or hereafter in existence; and (ii) notify the recipient of any such information of any changes thereto.

(b) If, upon the written request of any Lender, the Agent has ascertained the identity of the Borrower or any Subsidiary or any authorized signatories of the Borrower or any Subsidiary for the purposes of applicable AML Legislation on such Lender's behalf, then the Agent:

(i) shall be deemed to have done so as an agent for such Lender, and this Agreement shall constitute a "written agreement" in such regard between such Lender and the Agent within the meaning of applicable AML Legislation; and

(ii) shall provide to such Lender copies of all information obtained in such regard without any representation or warranty as to its accuracy or completeness.

(c) Notwithstanding clause (b) above, each of the Lenders agrees that the Agent has no obligation to ascertain the identity of the Borrower, or any Subsidiary or any authorized signatories of the Borrower or any Subsidiary, on behalf of any Lender, or to confirm the completeness or accuracy of any information it obtains from the Borrower or any Subsidiary or any such authorized signatory in doing so.

18.12 Payments Due on Banking Day.

Whenever any payment hereunder will be due on a day other than a Banking Day, or in the case of SOFR Loans a Banking Day, such payment will be made on the next succeeding Banking Day, or Banking Day, as applicable, and such extension of time will in such case be included in the computation of payment of interest thereunder.

18.13 Whole Agreement.

This Agreement and the other Loan Documents constitute the entire agreement between the Agent and the Lenders on one hand and the Borrower on the other hand, and cancels and supersedes any other agreements, undertakings, declarations, representations and warranties, written or verbal among all such Parties in respect of the subject matter of this Agreement.

18.14 Electronic Imaging.

Each of the Parties agrees that, at any time, the Agent and each Lender may convert paper records of this Agreement, the other Loan Documents and all other documentation delivered to the Agent hereunder in such capacity (each, a "**Paper Record**") into electronic images (each, an "**Electronic Image**") as part of the Agent's or Lender's, as applicable, normal business practices. Each Party agrees that each such Electronic Image shall be considered as an authoritative copy of the Paper Record and shall be legally binding on the Parties and admissible in any legal, administrative or other proceeding as conclusive evidence of the contents of such document in the same manner as the original Paper Record.

18.15 Counterparts.

This Agreement may be executed in any number of counterparts (including by facsimile or other electronic transmission), each of which when executed and delivered will be deemed to be an original, but all of which when taken together constitutes one and the same instrument. Any Party may execute this Agreement by signing any counterpart. The words "execution", "execute", "executed", "signed", "signature" and words of like import in any Loan Document or in or related to any document to be signed in connection with this Agreement and the transactions contemplated hereby, shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, in accordance with applicable law including, without limitation, as in provided Parts 2 and 3 of the *Personal Information Protection and Electronic Documents Act* (Canada), the *Electronic Transactions Act* (Alberta), or any other similar laws based on the *Uniform Electronic Commerce Act of the Uniform Law Conference of Canada*. The Agent may, in its discretion, require that any such documents and signatures executed electronically or delivered by fax or other electronic transmission be confirmed by a manually-signed original thereof; provided that the failure to request or deliver the same shall not limit the effectiveness of any document or signature executed electronically or delivered by fax or other electronic transmission.

[signature pages follow]

THIS AGREEMENT has been executed effective as of the date first written above.

SURGE ENERGY INC.,
as Borrower

By: [Redacted: Signatory]
Name: [Redacted: Name]
Title: [Redacted: Title]

By: [Redacted: Signatory]
Name: [Redacted: Name]
Title: [Redacted: Title]

NATIONAL BANK OF CANADA,
as Agent

By: [Redacted: Signatory]
Name: [Redacted: Name]
Title: [Redacted: Title]

By: [Redacted: Signatory]
Name: [Redacted: Name]
Title: [Redacted: Title]

NATIONAL BANK OF CANADA,
as Lender

By: [Redacted: Signatory]
Name: [Redacted: Name]
Title: [Redacted: Title]

By: [Redacted: Signatory]
Name: [Redacted: Name]
Title: [Redacted: Title]

ATB FINANCIAL,
as Lender

By: [Redacted: Signatory]
Name: [Redacted: Name]
Title: [Redacted: Title]

By: [Redacted: Signatory]
Name: [Redacted: Name]
Title: [Redacted: Title]

BUSINESS DEVELOPMENT BANK OF CANADA,
as Lender

By: [Redacted: Signatory]
Name: [Redacted: Name]
Title: [Redacted: Title]

By: [Redacted: Signatory]
Name: [Redacted: Name]
Title: [Redacted: Title]

SCHEDULE A
TO THE SURGE ENERGY INC. SECOND AMENDED AND RESTATED CREDIT AGREEMENT DATED DECEMBER 19, 2022

DEFINITIONS

"**Abandonment / Reclamation Order**" means any order, directive or demand to post security deposits issued by an Energy Regulator which relates to any Loan Party's Assets, including abandonment and reclamation liabilities associated therewith.

"**Accommodation**" means an accommodation referred to in Section 3.8.

"**Account**" will have the meaning attributed to it in Section 13.1(p).

"**Accounting Change**" means a change in accounting principles required by the promulgation of any rule, regulation, pronouncement or opinion by the Canadian Institute of Chartered Accountants, and in all events includes changes resulting from the implementation of IFRS to the extent required by the Canadian Accounting Standards Board.

"**Accounting Change Notice**" means notice of an Accounting Change delivered by the Borrower, the Agent or the Majority Lenders, as applicable, as provided in Section 1.16.

"**Additional Amortization Payment (Second Lien Incremental Debt)**" has the meaning attributed to it in Schedule L.

"**Additional Compensation**" has the meaning attributed to it in Section 11.1(a).

"**Adjusted Daily Simple SOFR**" means an interest rate per annum equal to (a) Daily Simple SOFR, plus (b) [Redacted: Amount] Basis Points.

"**Adjusted Term SOFR**" means for any Interest Period, the sum of Term SOFR and the Credit Spread Adjustment for such period, provided that, if the Interest Period with respect to the applicable SOFR Loan is a Non-Standard Interest Period, then the Adjusted Term SOFR shall be the SOFR Interpolated Rate, and further provided that if the Adjusted Term SOFR so determined is less than the Floor, then the Adjusted Term SOFR for such period will be deemed to be the Floor.

"**Administrative Body**" means any domestic or foreign, national, federal, provincial, state, municipal or other local government or regulatory body and any division, agency, ministry, commission, board or authority or any quasi-governmental or private body exercising any statutory, regulatory, expropriation or taxing authority under the authority of any of the foregoing, and any domestic, foreign or international judicial, quasi-judicial, arbitration or administrative court, tribunal, commission, board or panel acting under the authority of any of the foregoing.

"**Advance**" means, with respect to a Drawdown, Rollover or Conversion:

(a) in respect of Accommodations other than Bankers' Acceptances or Letters of Credit, the disbursement or credit of funds to, or to the credit of, the Borrower;

(b) in respect of Bankers' Acceptances, the acceptance by the Lenders of drafts issued under the Agreement by the Borrower and, where the Lenders are purchasing such drafts, the disbursement of the Net Proceeds to the Borrower as provided hereunder; or

(c) in respect of Letters of Credit, the issuance of Letters of Credit hereunder.

"**Affected Financial Institution**" means (a) any EEA Financial Institution or (b) any UK Financial Institution.

"**Affiliate**" means, in relation to any Person, any other Person or group of Persons acting in concert, directly or indirectly, that controls, is controlled by or is under common control with the first mentioned Person, and for the purposes of this definition and references in this Agreement to Affiliate, "control" means the possession, directly or indirectly, by such Person or group of Persons acting in concert of the power to direct or cause the direction of the management and policies of the first mentioned Person, whether through the ownership of Voting Securities or otherwise.

"**After-Acquired Property**" has the meaning attributed to it in Section 4.5.

"**Agent**" means, initially, NBC or any successor to NBC appointed as administrative agent pursuant to Section 17.10.

"**Aggregate Principal Amount**" means (a) where the context requires, the aggregate of the principal amount outstanding from time to time under a Credit Facility, including the face amount of all unmatured Bankers' Acceptances and the undrawn amount of outstanding Letters of Credit issued thereunder; or (b) where the context so requires, the aggregate of the principal amount outstanding from time to time under the Credit Facilities, including the face amount of all unmatured Bankers' Acceptances, the undrawn amount of outstanding Letters of Credit issued thereunder and any obligations under any MasterCard facility with NBC, as Lender.

"**Agreement**" or "**this Agreement**" means the agreement in writing dated as of the Amendment and Restatement Date between the Borrower, the Lenders and the Agent entitled "Credit Agreement" inclusive of all Schedules, including this Schedule A, as amended, confirmed or restated from time to time and "hereto", "hereof", "herein", "hereby" and "hereunder", and similar expressions mean and refer to the Agreement and, unless the context otherwise requires, not to any particular Article, Section, paragraph or other subdivision thereof.

"**Amendment and Restatement Date**" means the date on which the conditions precedent specified in Section 2.1 have been satisfied or waived by all Lenders or such later date agreed upon in writing between the Borrower and the Agent.

"**AML Legislation**" has the meaning attributed to it in Section 18.11.

"**Anti-Corruption Laws**" means all laws, rules, and regulations of any Sanctions Authority that apply to the Loan Parties from time to time concerning or relating to bribery of government officials or public corruption.

"**Approved Fund**" means any Fund that is administered or managed by:

(a) a Lender;

(b) an Affiliate of a Lender; or

(c) an entity or an Affiliate of an entity that administers or manages a Lender.

"**ARO**" means, at any time, the present and future, direct or indirect, absolute or contingent obligations of a Loan Party to abandon, restore, reclaim or otherwise remediate the wells, facilities, pipelines, storage sites and other property on which such Loan Party has carried on business.

"**ARO Assets**" means, for any province or similar jurisdiction in Canada, all of the upstream oil and gas wells, facilities, pipelines and other physical assets relevant to the determination of the Loan Parties' ARO recorded on the Borrower's consolidated financial statements as applicable to each jurisdiction.

"**Assigned Loan**" has the meaning attributed to it in Section 17.18(d).

"**Assignment Agreement**" means an agreement whereby a financial institution becomes a Lender substantially in the form of Schedule E with the blanks completed.

"**Astra NRCan Agreement**" means the Department of Natural Resources Emissions Reduction Fund Onshore Technology Deployment Repayable Contribution Agreement among Her Majesty The Queen in Right of Canada and Astra Oil Corp. (as amalgamation predecessor to the Borrower) dated March 17, 2021, as amended, restated, supplemented or otherwise modified from time to time.

"**Available Cash Flow**" means for any period:

(a) the aggregate revenue of the Loan Parties from operations (including all net proceeds of any sales or other dispositions) for such period;

less

(b) royalties and other contractual obligations, the payment of which and compliance with which are necessary to preserve and maintain its consolidated P&NG Rights for such period; and

(c) its reasonable general and administrative and operating expenses for such period, including debt service;

(d) Taxes applicable to such period; and

(e) any mandatory capital expenditure requirements as provided for in the then most current independently and internally prepared economic reserve and evaluation report applicable to the Borrower's consolidated P&NG Rights or which a Loan Party has legally committed to make prior to being notified by the Agent of a Borrowing Base Shortfall.

"**Available Tenor**" means, as of any date of determination and with respect to the then-current Benchmark for SOFR Loans or Bankers' Acceptances and BA Equivalent Loans, as applicable, any tenor for such Benchmark or payment period for interest calculated with reference to such Benchmark, as applicable, that is or may be used for determining the length of an Interest Period pursuant to this Agreement as of such date and not including, for the avoidance of doubt, any tenor for such Benchmark that is then-removed from the definition of "Interest Period" pursuant to Section 8.4(e) or as a result of Conforming Changes.

"**BA Discount Rate**" means:

(a) in relation to a Bankers' Acceptance accepted by a Schedule I Lender or ATB Financial, the CDOR Rate; and

(b) in relation to a Bankers' Acceptance accepted by a Schedule II Lender or by a Schedule III Lender (other than ATB Financial), the lesser of:

(1) the discount rate then applicable to Bankers' Acceptances as quoted by such non-Schedule I Lenders; and

(2) the CDOR Rate plus [Redacted: Amount] Basis Points;

provided that if both such rates are equal, the "BA Discount Rate" applicable thereto shall be the rate specified in paragraph (1) above; and

(c) in relation to a BA Equivalent Loan:

(1) made by a Schedule I Lender or ATB Financial, the CDOR Rate; and

(2) made by a Schedule II Lender or by a Schedule III Lender (other than ATB Financial), the rate determined in accordance with subparagraph (b) of this definition; and

(3) made by any other Lender, the CDOR Rate plus [Redacted: Amount] Basis Points.

"**BA Equivalent Loan**" means Canadian Dollar Accommodations made pursuant to Section 9.3.

"**BA Stamping Fee**" has the meaning attributed to it in Section 3.8(a)(iii).

"**Bail-In Action**" means the exercise of any Write-Down and Conversion Powers by the applicable Resolution Authority in respect of any liability of an Affected Financial Institution.

"**Bail-In Legislation**" means, (a) with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law, regulation, rule or requirement for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule and (b) with respect to the United Kingdom, Part I of the United Kingdom Banking Act 2009 (as amended from time to time) and any other law, regulation or rule applicable in the United Kingdom relating to the resolution of unsound or failing banks, investment firms or other financial institutions or their affiliates (other than through liquidation, administration or other insolvency proceedings).

"***Bank Act* (Canada)**" means the *Bank Act*, S.C. 1991, c. 46 including the regulations made and, from time to time, in force under that Act.

"**Bankers' Acceptance**" means drafts or bills of exchange in Canadian Dollars drawn by the Borrower and accepted by a Lender pursuant to the Agreement, or depository bills as defined in the *Depository Bills and Notes Act* (Canada) in Canadian Dollars, that are signed by the Borrower, made payable to CDS and accepted by a Lender pursuant to this Agreement.

"**Banking Day**" means any day, other than a Saturday or Sunday, on which banks are open for domestic and foreign exchange business in Montreal, Quebec, Calgary, Alberta and Toronto, Ontario and, for transactions involving U.S. Dollars, New York, New York as well; provided that in respect of the determination of SOFR (or any related rate), such day must also be a U.S. Government Securities Day.

"***Bankruptcy and Insolvency Act* (Canada)**" means the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, including the regulations made and, from time to time, in force under that Act.

"**Basis Point**" or "**bps**" means one one-hundredth of 1%.

"**Benchmark**" means:

(a) in respect of SOFR Loans, initially, the Term SOFR Reference Rate; provided that if a Benchmark Transition Event has occurred with respect to the Term SOFR Reference Rate or the then-current Benchmark, then "Benchmark" means the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate pursuant to Section 8.4; and

(b) in respect of Bankers' Acceptances and BA Equivalent Loans, initially, the CDOR Rate provided that if a replacement of the Benchmark for Bankers' Acceptances and BA Equivalent Loans has occurred pursuant to Section 9.6, then "Benchmark" means the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate. Any reference to "Benchmark" shall include, as applicable, the published component used in the calculation thereof.

"**Benchmark Replacement**" means, with respect to any applicable Benchmark Transition Event, the first alternative set forth in the order below that can be determined by the Agent for the applicable Benchmark Replacement Date:

(a) in respect of SOFR Loans:

(1) Adjusted Daily Simple SOFR; or

(2) the sum of: (i) the alternate benchmark rate that has been selected by the Agent and the Borrower giving due consideration to (A) any selection or recommendation of a replacement benchmark rate or the mechanism for determining such a rate by the Relevant Governmental Body or (B) any evolving or then-prevailing market convention for determining a benchmark rate as a replacement to the then-current Benchmark for U.S. Dollar-denominated syndicated credit facilities and (ii) the related Benchmark Replacement Adjustment; and

(b) in respect of Bankers' Acceptances and BA Equivalent Loans:

(1) for purposes of Section 9.6(a), the first alternative set forth below that can be determined by the Agent:

(i) the sum of: (A) Term CORRA and (B) [Redacted: Percentage]% ([Redacted: Amount] basis points) for an Available Tenor of one-month's duration, and [Redacted: Percentage]% ([Redacted: Amount] basis points) for an Available Tenor of three-months' duration, or

(ii) the sum of: (A) Daily Compounded CORRA and (B) [Redacted: Percentage]% ([Redacted: Amount] basis points) for an Available Tenor of one-month's duration, and [Redacted: Percentage]% ([Redacted: Amount] basis points) for an Available Tenor of three-months' duration; and

(2) for purposes of clause Section 9.6(b), the sum of (i) the alternate benchmark rate and (ii) an adjustment (which may be a positive or negative value or zero), in each case, that has been selected by the Agent and the Borrower as the replacement for such Available Tenor of such Benchmark giving due consideration to any evolving or then-prevailing market convention, including any applicable recommendations made by the Relevant Governmental Body, for Canadian dollar-denominated syndicated credit facilities at such time,

provided that, if any Benchmark Replacement would be less than the Floor, the Benchmark Replacement will be deemed to be the Floor for the purposes of this Agreement and the other Loan Documents.

"**Benchmark Replacement Adjustment**" means, with respect to any replacement of the then-current Benchmark for SOFR Loans with an Unadjusted Benchmark Replacement, the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected by the Agent and the Borrower giving due consideration to (a) any selection or recommendation of a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement by the Relevant Governmental Body or (b) any evolving or then-prevailing market convention for determining a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement for U.S. Dollar-denominated syndicated credit facilities at such time.

"**Benchmark Replacement Date**" means a date and time determined by the Agent, which date shall be no later than the earliest to occur of the following events with respect to the then-current Benchmark in respect of SOFR Loans:

(a) in the case of clause (a)(i) or (a)(ii) of the definition of "Benchmark Transition Event," the later of (i) the date of the public statement or publication of information referenced therein and (ii) the date on which the administrator of such Benchmark (or the published component used in the calculation thereof) permanently or indefinitely ceases to provide all Available Tenors of such Benchmark (or such component thereof); or

(b) in the case of clause (a)(iii) of the definition of "Benchmark Transition Event," the first date on which such Benchmark (or the published component used in the calculation thereof) has been determined and announced by the regulatory supervisor for the administrator of such Benchmark (or such component thereof) to be non-representative; provided that such non-representativeness will be determined by reference to the most recent statement or publication referenced in such clause (a)(iii) and even if any Available Tenor of such Benchmark (or such component thereof) continues to be provided on such date.

For the avoidance of doubt, the "Benchmark Replacement Date" will be deemed to have occurred in the case of clause (a) or (b) above with respect to any Benchmark upon the occurrence of the applicable event or events set forth therein with respect to all then-current Available Tenors of such Benchmark (or the published component used in the calculation thereof).

"**Benchmark Transition Event**" means:

(a) the occurrence of one or more of the following events with respect to the then-current Benchmark for SOFR Loans:

(i) a public statement or publication of information by or on behalf of the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that such administrator has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof), permanently or indefinitely; provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof);

(ii) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof), the Federal Reserve Board, the Federal Reserve Bank of New York, an insolvency official with jurisdiction over the administrator for such Benchmark (or such component), a resolution authority with jurisdiction over the administrator for such Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for such Benchmark (or such component), which states that the administrator of such Benchmark (or such component) has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof) permanently or indefinitely; provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof); or

(iii) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that all Available Tenors of such Benchmark (or such component thereof) are not, or as of a specified future date will not be, representative; and

(b) with respect to any then-current Benchmark for Bankers' Acceptances and BA Equivalent Loans other than the CDOR Rate, the occurrence of a public statement or publication of information by or on behalf of the administrator of the then-current Benchmark, the regulatory supervisor for the administrator of such Benchmark, the Bank of Canada, an insolvency official with jurisdiction over the administrator for such Benchmark, a resolution authority with jurisdiction over the administrator for such Benchmark or a court or an entity with similar insolvency or resolution authority over the administrator for such Benchmark, announcing or stating that (i) such administrator has ceased or will cease on a specified date to provide all Available Tenors of such Benchmark, permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark or (ii) all Available Tenors of such Benchmark are or will no longer be representative of the underlying market and economic reality that such Benchmark is intended to measure and that representativeness will not be restored.

For the avoidance of doubt, a "Benchmark Transition Event" will be deemed to have occurred with respect to any Benchmark if a public statement or publication of information set forth above has occurred with respect to each then-current Available Tenor of such Benchmark (or the published component used in the calculation thereof).

"**Benchmark Unavailability Period**" means, the period (if any) (a) beginning at the time that a Benchmark Replacement Date has occurred if, at such time, no Benchmark Replacement has replaced the then-current Benchmark for SOFR Loans for all purposes hereunder and under any Loan Document in accordance with

Section 8.4 and (b) ending at the time that a Benchmark Replacement has replaced the then-current Benchmark for SOFR Loans for all purposes hereunder and under any Loan Document in accordance with Section 8.4.

"**Borrower**" means Surge Energy Inc. and its successors and permitted assigns.

"**Borrower's Account**" means one or more current accounts maintained by the Borrower at a branch of the Agent or such other account as may be agreed to by the Agent and the Borrower.

"**Borrower's Counsel**" means McCarthy Tétrault LLP or another barrister or solicitor or firm of barristers and solicitors or other lawyers in an appropriate jurisdiction retained by the Loan Parties or employed by the Loan Parties and acceptable to the Agent, acting reasonably.

"**Borrowing Base**" means, on the Amendment and Restatement Date, the amount set forth in Section 3.10(a), and thereafter, the amount determined or redetermined by the Lenders in their absolute discretion from time to time in accordance with Article 3, taking into consideration such factors as each Lender determines relevant, including the estimated future net revenue after income tax from the oil and gas properties and royalty interests of the Loan Parties from time to time (in each case after taking into account any Hedging Agreements to which any of them is a party and any royalties or other burdens applicable to such oil and gas properties) using the independently and internally prepared reserve and economic evaluation reports to be provided by the Borrower hereunder and each Lender's then current projections of oil and gas prices and direct operating and capital costs and other assumptions affecting such estimated future net revenue in accordance with its customary practice for similar loans.

"**Borrowing Base Determination**" has the meaning attributed to it in Section 3.10(b).

"**Borrowing Base Properties**" means the oil and gas properties, including, as applicable, Proved Producing Properties, Proved Non-Producing Properties and related properties and facilities, of the Loan Parties which are given lending value in determining the Borrowing Base and identified as such, from time to time, to the Borrower by the Agent in accordance with Section 3.10.

"**Borrowing Base Shortfall**" means at any time, that amount, if any, by which the Canadian Dollar Exchange Equivalent of the Aggregate Principal Amount under the Credit Facilities exceeds the Borrowing Base.

"***Business Corporations Act* (Alberta)**" means the *Business Corporations Ac*t, R.S.A. 2000, c. B-9, as amended including the regulations made, from time to time, under that Act.

"**Canadian Dollar Exchange Equivalent**" means with reference to Canadian Dollars, the amount thereof expressed in Canadian Dollars, and with reference to any amount (the "**Original Amount**") expressed in any other currency (the "**Other Currency**"), the amount expressed in Canadian Dollars on the date when such amount is being determined as herein provided, required to purchase the Original Amount of the Other Currency at the Spot Rate on the Banking Day immediately preceding the date such conversion is to be made.

"**Canadian Dollars**" or "**Canadian $**" or "**Cdn. $**" or "**$**" each means such currency of Canada which, as at the time of payment or determination, is legal tender in Canada for the payment of public or private debts.

"**Canadian Prime Rate**" means the variable rate of interest quoted by the Agent from time to time as the reference rate of interest which it employs to determine the interest rate it will charge for demand loans in

Canadian Dollars to its customers in Canada and which it designates as its prime rate, provided that if such rate of interest is less than 0% per annum, then the Canadian Prime Rate will be equal to 0% per annum.

"**Canadian Prime Rate Loan**" means an Advance in Canadian Dollars which bears interest at a rate based on the Canadian Prime Rate (including, for certainty, Advances in Canadian Dollars made by way of overdraft under the Operating Facility).

"**Capital Adequacy Guidelines**" means the Guideline entitled "Capital Adequacy Requirements (CAR)" issued by the Office of the Superintendent of Financial Institutions Canada from time to time and all other guidelines or requirements relating to capital adequacy issued by the Office of the Superintendent of Financial Institutions Canada or any other Administrative Body regulating or having jurisdiction with respect to any Lender, as amended, modified, supplemented, reissued or replaced from time to time.

"**Capital Lease**" means, subject to Section 1.16(e), with respect to any Person, any lease or other arrangement relating to real or personal property which should, in accordance with GAAP, be accounted for as a financial lease on a balance sheet of such Person but excluding any lease that would in accordance with GAAP be determined to be an operating lease.

"**Cash Collateral Account**" means a non-interest bearing account with the Agent, or such other financial institution as designated by the Agent, from which the Borrower does not have any withdrawal rights or privileges until repayment of the Aggregate Principal Amount in full and termination of this Agreement, except to apply the amount represented thereby to the Aggregate Principal Amount or a portion thereof, which account and all funds credited thereto shall be the subject of a Lien in favour of the Agent on behalf of the Lenders.

"**Cash Management Arrangements**" means any arrangement entered into or to be entered into by some or all of the Loan Parties with any Lender or its Affiliate for the purpose of Cash Management Services.

"**Cash Management Obligations**" means any and all Obligations under resulting from or in connection with any Cash Management Arrangements and the provision of Cash Management Services by a Lender or its Affiliate.

"**Cash Management Services**" means any and all facilities or services related to cash management, including treasury, depository, credit or debit card, purchase card, electronic funds transfer, wire transfer, spot foreign exchange transaction, cash pooling and other cash management arrangements and commercial credit card and merchant card services provided to the Borrower and the other Loan Parties by any Lender, subject in the case of commercial credit card facilities and services, to the maximum amount permitted pursuant to the definition of the "Permitted Indebtedness".

"**Cash Taxes**" means, for any period, the sum of the provisions for income and other taxes less the provision for future income taxes as reported on the consolidated statement of earnings for the applicable period.

"**CDOR Cessation Date**" has the meaning attributed to it in Section 9.6(a).

"**CDOR Rate**" means the Canadian Dollar rate for bankers' acceptance borrowings known as the Canadian Dollar Offered Rate provided by RBSL, as the administrator of the benchmark (or a successor administrator) provided that if the CDOR Rate as so determined shall ever be less than the Floor, then the CDOR Rate shall be deemed to be the Floor.

"**CDS**" has the meaning attributed to it in Section 9.2(c).

"**Change of Control**" means the occurrence of any of the following events:

(a) any Person or Persons acting jointly or in concert (within the meaning of the *Securities Act* (Alberta)), shall beneficially, directly or indirectly, hold or exercise control or direction over and/or has the right to acquire or control or exercise direction over (whether such right is exercisable immediately or only after the passage of time) more than 50% of the issued and outstanding Voting Securities of the Borrower;

(b) other than in the case of Directors who have been replaced because they have died or have been found to be of unsound mind by a court of competent jurisdiction, during any period of one year individuals who at the beginning of such period constitute the board of directors of the Borrower cease, for any reason, to constitute at least a majority of the board of directors of such party unless the election or nomination for election of each new director was approved by a vote of at least two-thirds of the directors then still in office who were directors at the beginning of the period (the "**Incumbent Directors**") and in particular, any new director who assumes office in connection with or as a result of any actual or threatened proxy or other election contest of the board of directors of the Borrower shall never be an Incumbent Director; or

(c) 100% of the Voting Securities of a Subsidiary are no longer directly or indirectly owned, controlled or directed by one or more Loan Parties.

"**Claim**" has the meaning attributed to it in Section 18.5.

"**Closing Certificate**" means the certificate of each Loan Party dated as of the Amendment and Restatement Date in form and substance satisfactory to the Agent, acting reasonably.

"**Closing Opinion**" means the opinion of the Borrower's Counsel in respect of the Borrower and the other Loan Parties addressed to the Lenders, the Agent and its legal counsel in form satisfactory to the Agent, acting reasonably.

"**Commitment Amount**" means the aggregate of the Operating Facility Commitment Amount, the Syndicated Revolving Facility Commitment Amount and the Term Facility Commitment Amount.

"**Commodity Swap Contracts**" has the meaning attributed to it in Section 13.4(e).

"***Companies' Creditors Arrangement Act* (Canada)**" means the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C 36, including the regulations made and, from time to time, in force under that Act.

"**Compliance Certificate**" means the certificate of the Borrower substantially in the form of Schedule D with the blanks completed.

"**Conforming Changes**" mean:

(a) with respect to either the use or administration of Term SOFR or the use, administration, adoption or implementation of any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of "U.S. Base Rate", the definition of "Banking Day", the definition of "U.S. Government Securities Business Day", the definition of "Interest Period" or any similar or analogous definition (or the addition of a concept of "interest period"), timing and frequency of determining rates and making payments of interest, timing of borrowing requests or prepayment, conversion or continuation notices, the applicability and length of lookback periods, the applicability of Section 8.2 and other technical, administrative or operational matters) that the Agent decides may be appropriate to reflect the adoption and implementation of any such rate or to permit the use and administration thereof by the Agent in a manner substantially consistent with market practice (or, if the Agent decides that adoption of any portion of such market practice is not administratively feasible or if the Agent determines that no market practice for the administration of any such rate exists, in such other manner of administration as the Agent decides is reasonably necessary in connection with the administration of this and the other Loan Documents); and

(b) with respect to any Benchmark Replacement for Bankers' Acceptances and BA Equivalent Loans, any technical, administrative or operational changes (including changes to the definition of "Canadian Prime Rate", the definition of "Banking Day", the definition of "Interest Period", the definition of "Bankers' Acceptance", the definition of "BA Equivalent Loan", the timing and frequency of determining rates and making payments of interest, timing of borrowing requests or prepayment, conversion or continuation notices, the applicability and length of lookback periods, the applicability of breakage provisions, and other technical, administrative or operational matters, including with respect to the obligation of the Agent and the Lenders to create, maintain or issue Bankers' Acceptances) that the Agent decides may be appropriate to reflect the adoption and implementation of such Benchmark Replacement and to permit the administration thereof by the Agent in a manner substantially consistent with market practice (or, if the Agent decides that adoption of any portion of such market practice is not administratively feasible or if the Agent determines that no market practice for the administration of such Benchmark Replacement exists, in such other manner of administration as the Agent decides is reasonably necessary in connection with the administration of this Agreement and the other Loan Documents). Without limiting the foregoing, Conforming Changes made in connection with the replacement of the CDOR Rate with a Benchmark Replacement may include the implementation of mechanics for borrowing loans that bear interest by reference to the Benchmark Replacement, to replace the creation or purchase of drafts or Bankers' Acceptances.

"**Contaminants**" means those substances, pollutants, wastes and special wastes which are defined as contaminants, hazardous, toxic, or a threat to public health or to the Environment under any applicable Environmental Law, including any radioactive materials, urea formaldehyde foam insulation, asbestos or polychlorinated biphenyls (PCB's).

"**Conversion**" means a conversion or deemed conversion of an Advance under a given Credit Facility into another type of Advance under the same Credit Facility pursuant to the provisions hereof; provided that subject to Section 5.4 and to Article 9 with respect to Bankers' Acceptances, the conversion of an Advance denominated in one currency to an Advance denominated into another currency shall be effected by repayment of the Advance or portion thereof being converted in the currency in which it was denominated and readvance to the Borrower of the Advance into which such conversion was made.

"**Conversion Date**" means the date specified by the Borrower as being the date on which the Borrower has elected to effect a Conversion, or this Agreement requires the Conversion of, one type of Advance into another type of Advance and which shall be a Banking Day.

"**Convertible Debentures**" means the convertible debentures in the aggregate principal amount of Cdn. $34,500,000 issued by the Borrower on May 8, 2019 pursuant to the Convertible Debenture Indenture.

"**Convertible Debenture Documents**" means, collectively, the Convertible Debenture Indentures, all other indentures, guarantees, assignments, credit agreement, loan agreements or other similar agreements and other agreements provided in connection with the Convertible Debentures and all other agreements, instruments and other documents evidencing or governing or relating thereto.

"**Convertible Debenture Indentures**" means the debenture indenture dated as of November 15, 2017 between the Borrower and Computershare Trust Company of Canada, as amended June 30, 2018 and as supplemented by the first supplemental debenture indenture dated as of May 8, 2019 between the Borrower and Computershare Trust Company of Canada.

"**Convertible Debenture Obligations**" means, collectively, all of the present and future obligations, liabilities and indebtedness of the Borrower under, pursuant or relating to the Convertible Debentures and the Convertible Debenture Documents, including all loans thereunder and interest payable thereon.

"**CORRA**" means the Canadian Overnight Repo Rate Average administered and published by the Bank of Canada (or any successor administrator).

"**Credit Facilities**" means, collectively, the Syndicated Revolving Facility, the Operating Facility and the Term Facility, and "**Credit Facility**" means any of them.

"**Credit Spread Adjustment**" means: [Redacted: Percentage] % ([Redacted: Amount] Basis Points) for an Interest Period of one-month's duration, [Redacted: Percentage] % ([Redacted: Amount] Basis Points) for an Interest Period of three-months' duration, and [Redacted: Percentage] % ([Redacted: Amount] Basis Points) for an Interest Period of six-months' duration.

"***Criminal Code* (Canada)**" means the *Criminal Code*, R.S.C. 1985, c. C 46, including the regulations made and, from time to time, in force under that Act.

"**Daily Compounded CORRA**" means, for any Banking Day in an interest payment period, CORRA with interest accruing on a compounded daily basis, with the methodology and conventions for this rate (which will include compounding in arrears with a lookback) being established by the Agent in accordance with the methodology and conventions for this rate selected or recommended by the Relevant Governmental Body for determining compounded CORRA for business loans; provided that if the Agent decides that any such convention is not administratively feasible for the Agent, then the Agent may establish another convention in its reasonable discretion; and provided that if the administrator has not provided or published CORRA and a Benchmark Transition Event with respect to CORRA has not occurred, then, in respect of any day for which CORRA is required, references to CORRA will be deemed to be references to the last provided or published CORRA.

"**Daily Simple SOFR**" means, for any day, SOFR, with the conventions for this rate (which will include a lookback) being established by the Agent in accordance with the conventions for this rate selected or recommended by the Relevant Governmental Body for determining "Daily Simple SOFR" for syndicated business loans; provided that if the Agent decides that any such convention is not administratively feasible for the Agent, then the Agent may establish another convention in its reasonable discretion.

"**Debt**" means, as at any date of determination, all Indebtedness of the Borrower and, without limiting the generality of the foregoing, whether or not so classified, shall include (without duplication):

(a) obligations under bankers' acceptances;

(b) issued and drawn letters of credit or letters of guarantee;

(c) obligations under guarantees, indemnities, or such other agreements providing financial assistance;

(d) obligations under Capital Leases or sale and lease-back transactions;

(e) obligations under deferred purchase price agreements;

(f) deferred revenues relating to third party obligations;

(g) the redemption amount of any capital where the holder of such capital has the option to require the redemption of such capital for cash or property and payment of the redemption amounts;

(h) any distributions declared but not yet paid; and

(i) all mark to market losses under any Hedging Agreements that are due and owing.

"**Decommissioning Spending**" has the meaning attributed to it in Section 13.1(q).

"**Default**" means any event or condition which, with the giving of notice, lapse of time or upon a declaration or determination being made (or any combination thereof), would constitute an Event of Default.

"**Defaulting Lender**" means any Lender or, in the case of paragraph (e) below, a Lender's parent (being any person that directly or indirectly controls a Lender where control has the same meaning as in the definition of Affiliate) that:

(a) is a Non-Paying Lender;

(b) has failed to fund any payment or its portion of any Advances required to be made by it hereunder;

(c) has notified the Borrower (verbally or in writing) that it does not intend to or is unable to comply with any of its funding obligations under this Agreement or has made a public statement to that effect or to the effect that it does not intend to or is unable to fund advances generally under credit arrangements to which it is a party;

(d) has failed, within 3 Banking Days after request by the Borrower, to confirm that it will comply with the terms of this Agreement relating to its obligations to fund prospective Advances;

(e) becomes insolvent, has been deemed insolvent by a court of competent jurisdiction or any other Administrative Body, or becomes the subject of bankruptcy or insolvency proceedings; or

(f) becomes subject to a Bail-In Action.

"**Departing Lender**" has the meaning ascribed thereto in Section 17.17.

"***Depository Bills and Notes Act* (Canada)**" or "**DBNA**" means the *Depository Bills and Notes Act* (Canada), S.C. 1998, c. 13, including the regulations made and, from time to time, in force under that Act.

“**Director**” means a director of a corporation and reference to action by the directors or board of directors when used with respect to a corporation means action by the directors of such corporation as a board or, whenever duly empowered, by an executive committee or any other duly authorized committee of the board.

“**Discount Fraction**” means:

$$\frac{1}{1 + (\text{the BA Discount Rate (expressed as a decimal) x the number of days in the term of the Bankers' Acceptance divided by 365})}$$

“**Discount Proceeds**” means the actual amount (based on the BA Discount Rate) received by the Borrower from the sale of a Bankers’ Acceptance hereunder without deduction for the BA Stamping Fee and which, in the case of a purchase of Bankers’ Acceptances by the Lenders, means an amount equal to the face amount of the Bankers’ Acceptances multiplied by the Discount Fraction (rounded up or down to the fifth decimal place with .000005 being rounded up).

“**Distribution**” means any:

(a) payment of any cash dividend on or in respect of any shares, units or other ownership interests of any class in the capital of a Loan Party (including any thereof acquired through the exercise of warrants or rights of conversion, exchange or purchase);

(b) redemption, retraction, purchase or other acquisition or retirement, in whole or in part, of shares, units or other ownership interests of any class in the capital of a Loan Party (including any thereof acquired through the exercise of warrants or rights of conversion, exchange or purchase);

(c) payment of principal, interest or other amounts in whole or in part, of any Indebtedness of a Loan Party for borrowed money (including any Indebtedness incurred or assumed by a Loan Party pursuant to a Capital Lease or operating lease);

to (in the case of paragraphs (a) and (c) of this definition) or by or from (in the case of paragraph (b) of this definition) any shareholder or unitholder or any Affiliate of a shareholder or unitholder of a Loan Party (other than a Lender), whether made or paid in or for cash, property or both; or

(d) transfer of any property for consideration of less than fair market value by a Loan Party to any shareholder or unitholder or to any Affiliate of a shareholder or unitholder of a Loan Party.

“**Draft**” has the meaning attributed to it in Section 9.2(a).

“**Drawdown**” means a borrowing or credit of funds by way of Advances, other than an Advance by way of Rollover or Conversion.

“**Drawdown Date**” means the date specified in a Notice of Borrowing as the date on which a Drawdown will occur and which date will be a Banking Day.

“**EBITDA**” means, for any fiscal period, the sum determined in accordance with IFRS as the consolidated Net Income of the Loan Parties for such fiscal period,

(a) plus or minus, as determined in accordance with IFRS, to the extent deducted or included in the determination therefore, the sum of:

(i) non-cash income and expenses, Unrealized Hedging Gains, Unrealized Hedging Losses, stock-based compensation, Capital Lease payments, any abandonment cost paid in cash, and any extraordinary or nonrecurring earnings, gains, and losses;

(ii) depletion, depreciation, accretion, impairment, and amortization (including amortization of goodwill and other intangibles);

(iii) Cash Taxes and future income taxes;

(iv) provisions for impairment of oil and gas assets;

(v) other charges to operations not requiring a current cash payment;

(vi) one-time transaction costs and fees (including the Enerplus Transaction Costs); and

(vii) interest expense, which includes, for any fiscal period, without duplication, interest expense of the Borrower determined on a consolidated basis, as the same would be set forth or reflected in such a consolidated statement of operations of the Borrower,

(b) and it being acknowledged that such consolidated Net Income shall be adjusted, in accordance with IFRS, for such other amounts as reasonably requested by the Agent, it being further acknowledged:

(i) that such consolidated Net Income shall include the income from any assets or business which are acquired and secured to the Operating Lender and the Lenders in such fiscal period as if such assets or business had been owned by the Loan Party as at the commencement of such fiscal period; and

(ii) that such consolidated Net Income shall exclude the income from any assets or business which are sold or disposed of in such fiscal period as if such assets or business had been sold or disposed of immediately prior to the commencement of such fiscal period,

<u>provided that:</u>

1. prior to making any adjustment as provided for in (a)(v) and (a)(vi) above, the Borrower must have first delivered to the Agent all such relevant information in such detail as reasonably required by the Agent (including supporting financial statements) relating to the adjustment to EBITDA certified by the president, chief executive officer, chief operating officer, chief financial officer or vice president-finance of the Borrower, and the Agent, acting reasonably, must have approved same;

2. for the purposes of this definition, if a Loan Party makes a Material Acquisition (whether by amalgamation, asset or share acquisition or otherwise) (other than the Enerplus Acquisition) at any time during the relevant period of calculation, such Material Acquisition shall be deemed to have

been made on and as of the first day of such calculation period and if a Loan Party makes a Material Disposition (whether by asset or share disposition or otherwise) at any time during the relevant period of calculation, or the assets cease to be owned by a Loan Party, such Material Disposition shall be deemed to have been made on and as of the first day of such calculation period, provided further that prior to making any adjustment to EBITDA for such Material Acquisitions or Material Dispositions, the Borrower must have first delivered to the Lenders all such relevant information in such detail as reasonably required by the Lenders (including supporting financial statements) relating to the acquisition or disposition certified by the president, chief executive officer, chief operating officer, chief financial officer or vice president-finance of the Borrower, and the Lenders, acting reasonably, must have approved same and the Lenders shall provide notice of this approval or non-approval within 15 days of receiving all of the requisite information; and

3. (i) for the Fiscal Quarter ending December 31, 2022, EBITDA shall be equal to EBITDA for such Fiscal Quarter multiplied by four, (ii) for the Fiscal Quarter ending March 31, 2023, EBITDA shall be equal to EBITDA for the Fiscal Quarters ending December 31, 2022 and March 31, 2023, multiplied by two and (iii) for the Fiscal Quarter ending June 30, 2023, EBITDA shall be equal to EBITDA for the Fiscal Quarters ending December 31, 2022, March 31, 2023 and June 30, 2023, multiplied by four-thirds, and in each case, the Enerplus Acquisition shall be deemed to have been made on and as of the first day of the Fiscal Quarter ending December 31, 2022.

"**Edison Rental Agreement**" means the rental agreement dated September 27, 2019 among the Borrower and SAF Edison LP, as amended, restated, supplemented or otherwise modified from time to time.

"**Edison Rental Facilities**" means the Facilities (as defined in the Edison Rental Agreement) and all present and future contractual rights related thereto, including, subject to Section 7.2 of the Edison Rental Agreement, any third party agreements to process and transport petroleum, natural gas and natural gas liquids, and related hydrocarbons produced in association with any of the foregoing through such facilities.

"**EEA Financial Institution**" means (a) any credit institution or investment firm established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country which is a parent of an institution described in clause (a) of this definition, or (c) any financial institution established in an EEA Member Country which is a subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent.

"**EEA Member Country**" means any of the member states of the European Union, Iceland, Liechtenstein, and Norway.

"**EEA Resolution Authority**" means any public administrative authority or any Person entrusted with public administrative authority of any EEA Member Country (including any delegee) having responsibility for the resolution of any EEA Financial Institution.

"**Electronic Image**" has the meaning set out in Section 18.14.

"**Energy Regulator**" means (a) with respect to Alberta, the Alberta Energy Regulator, (b) with respect to British Columbia, the BC Oil and Gas Commission, (c) with respect to Saskatchewan, the Saskatchewan Ministry of Energy and Resources, and (d) with respect to any other Material LMR Jurisdiction, the regulatory body with responsibility for the oversight of environmental matters in the oil and gas industry in such jurisdiction; and in each case, together with any successor or replacement agency, department, ministry or commission thereto.

"**Enerplus Acquired Assets**" means those assets which are to be acquired from Enerplus Corporation by the Borrower under the Enerplus Acquisition Agreement.

"**Enerplus Acquisition**" means the acquisition by the Borrower of the Enerplus Acquired Assets pursuant to the Enerplus Acquisition Agreement.

"**Enerplus Acquisition Agreement**" means the sale and purchase agreement dated as of November 2, 2022, among the Borrower, as purchaser, and Enerplus Corporation, as vendor.

"**Enerplus Transaction Costs**" means those one-time transaction costs and fees associated with the Enerplus Acquisition.

"**Environment**" means all components of the earth, including all layers of the atmosphere, air, land (including all underground spaces and cavities and all lands submerged under water), soil, water (including surface and underground water), organic and inorganic matter and living organisms, and the interacting natural systems that include the components referred to in this definition.

"**Environmental Certificate**" means the certificate substantially in the form of Schedule C with the blanks completed.

"**Environmental Law**" means any Law relating, in whole or in part, to the protection or enhancement of the Environment, including occupational safety, product liability, public health, public safety and transportation or handling of dangerous goods.

"**Erroneous Payment**" has the meaning attributed to it in Section 17.18(a).

"**Erroneous Payment Deficiency Assignment**" has the meaning attributed to it in Section 17.18(d).

"**Erroneous Payment Return Deficiency**" has the meaning attributed to it in Section 17.18(d).

"**Escrow Funds**" has the meaning attributed to it in Section 9.5.

"**EU Bail-In Legislation Schedule**" means the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor Person), as in effect from time to time.

"**Event of Default**" has the meaning attributed to it in Section 14.1.

"**Excess Cash**" means any cash or cash equivalents of the Loan Parties that, when taken as a whole, is in excess of the $[Redacted: Amount] (or the Canadian Dollar Exchange Equivalent thereof in U.S. Dollars or any other currency) at any time but excluding therefrom any cash or cash equivalents which are Excluded Deposits/Amounts.

"**Exchange Rate Swap Contracts**" has the meaning attributed to it in Section 13.4(c).

"**Excluded Deposits/Amounts**" means cash or cash equivalents:

(a) amounts held in trust or escrow pursuant to and in accordance with the terms of arm's length purchase and sale agreements related to rights of first refusal, title defects, indemnities or other customary matters;

(b) amounts required by applicable Law or a mandatory contractual obligation to be on deposit, including amounts held in trust, for the purposes of satisfying abandonment, reclamation and similar obligations;

(c) held in escrow pursuant to an offering of subscription receipts (or similar equity offering) by any of the Loan Parties which have not yet been released from escrow in accordance with the terms of such offering;

(d) held by arm's length third parties representing deposits, trust funds or other amounts payable by one or more arm's length third parties to the Loan Parties which are not then releasable to such Loan Party and which cannot be paid or transferred on the direction of such Loan Party; and

(e) which the Majority Lenders (acting reasonably) have previously agreed in writing shall constitute Excluded Deposits/Amounts for all purposes hereof.

"**Executive Order**" means the executive order No. 13224 of 23 September 2011, entitled "Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism".

"**Existing NBC Credit Agreement**" has the meaning given to it in the preamble hereto.

"**Federal Funds Rate**" means, for any day, the weighted average of the rates on overnight federal funds transactions with members of the Federal Reserve System arranged by federal funds brokers, as published the following Banking Day by the Federal Reserve Bank of New York or, if such rate is not published for any day which is a Banking Day, the average quotations for the day for such transactions received by the Agent from three federal funds brokers of recognized standing selected by the Agent. If at any time the Federal Funds Rate is less than zero, it shall be deemed to be zero.

"**Financial LC**" means a stand-by Letter of Credit if it serves as a payment guarantee of the Borrower's financial obligations and is treated as a direct credit substitute for purposes of the Capital Adequacy Guidelines.

"**First Party**" has the meaning attributed to it in Section 18.4.

"**Fiscal Quarter**" means each fiscal quarter of the Borrower.

"**Fiscal Year**" means each fiscal year of the Borrower.

"**Floor**" means zero.

"**Forecasted Oil and Gas Production**" means the Loan Parties' aggregate forecasted daily production (net of royalties) of (i) crude oil and (ii) natural gas (determined in each case on a commodity by commodity basis) based upon the most recently board-approved forecast delivered to the Agent in accordance with Section 13.3(c).

"**Forecasted Production**" means the Loan Parties' aggregate forecasted daily production (net of royalties) of (i) crude oil, (ii) natural gas liquids and (iii) natural gas (determined in each case on a commodity by commodity basis) based upon the most recently board-approved forecast delivered to the Agent in accordance with Section 13.3(c).

"**Former Lender**" has the meaning attributed to it in Section 4.8.

"**Fund**" means any Person (other than a natural person) that is (or will be) engaged in making, purchasing, holding or otherwise investing in commercial loans and similar extensions of credit in the ordinary course of its business.

"**GAAP**" means generally accepted accounting principles in Canada, as adopted and modified (if applicable) by CPA Canada (or any successor thereto), applied on a consistent basis, which (i) with respect to covenants of a financial nature (including financial ratios) are in effect on the date hereof, and (ii) for all other purposes, are in effect from time to time, and as of the date hereof for both (i) and (ii) are IFRS.

"**Hedge Monetization**" means the termination, restructuring or unwinding of any Hedging Agreement (but, for certainty, excluding the termination thereof on the scheduled maturity date thereof or the termination thereof due to an event of default of the counterparty) in respect of commodity prices which was in effect as of the last Borrowing Base Determination where lending value has been attributed to the underlying production by any one or more of the Lenders in determining the Borrowing Base and which has resulted in proceeds being paid to a Loan Party.

"**Hedging Agreements**" has the meaning attributed to it in Section 13.4(f).

"**Hostile Acquisition**" means an acquisition, which is required to be reported to applicable securities regulatory authorities, of shares of a corporation where the board of directors of that corporation has not approved such acquisition nor recommended to the shareholders of the corporation that they sell their shares pursuant to the proposed acquisition or of units of a trust where the trustee or manager or administrator of that trust has not approved such acquisition nor recommended to the unitholders of the trust that they sell their units pursuant to the proposed acquisition or of units of a partnership where the board of directors of the general partner thereof has not approved such acquisition nor recommended to the partners of the partnership that they sell their units pursuant to the proposed acquisition.

"**IFRS**" means International Financial Reporting Standards including International Accounting Standards and Interpretations together with their accompanying documents which are set by the International Accounting Standards Board, the independent standard-setting body of the International Accounting Standards Committee Foundation (the "**IASC Foundation**"), and the International Financial Reporting Interpretations Committee, the interpretative body of the IASC Foundation, but only to the extent the same are adopted in Canada as GAAP and then subject to such modifications thereto as are agreed to as part of such adoption, if any.

"**includes**" means "includes without limitation" and "including" means "including without limitation".

"**Indebtedness**" means, without duplication, the aggregate amount of all obligations, liabilities and indebtedness of a Person which would be classified under GAAP as indebtedness for borrowed money upon the consolidated balance sheet of such Person, including all long-term borrowings, the current portion of long-term borrowings, short-term borrowings, obligations under Capital Leases (classified as such under GAAP) and all obligations, contingent or otherwise, of any of the foregoing arising from any guarantee made by such Person in respect of any of the foregoing. Notwithstanding the foregoing, for greater certainty, Indebtedness shall not include the Facilities Rental (as defined in each of the Edison Rental Agreement and the Valhalla Rental Agreement) pursuant to the Edison Rental Agreement or the Valhalla Rental Agreement, respectively.

"**Indemnified Parties**" has the meaning attributed to it in Section 18.5.

"**Individual Commitment Amount**" means, from time to time, in respect of a Lender, that portion of the Commitment Amount which such Lender has severally agreed to make available to the Borrower in accordance with the terms and conditions of the Agreement, subject to adjustment pursuant to the terms of the Agreement.

"**Individual Revolving Commitment Amount**" means, from time to time, in respect of a Revolving Lender, that portion of the Revolving Facilities Commitment Amount which such Revolving Lender has severally agreed to make available to the Borrower in accordance with the terms and conditions of the Agreement, subject to adjustment pursuant to the terms of the Agreement.

"**Individual Syndicated Revolving Facility Commitment Amount**" means, from time to time, in respect of a Syndicated Revolving Facility Lender, that portion of the Syndicated Revolving Facility Commitment Amount which such Syndicated Revolving Facility Lender has severally agreed to make available to the Borrower in accordance with the terms and conditions of the Agreement, subject to adjustment pursuant to the terms of the Agreement.

"**Individual Term Facility Commitment Amount**" means, from time to time, in respect of a Term Facility Lender, that portion of the Term Facility Commitment Amount which such Term Facility Lender has severally agreed to make available to the Borrower in accordance with the terms and conditions of the Agreement, subject to adjustment pursuant to the terms of the Agreement.

"**Intercreditor Agreement**" means an intercreditor agreement between the Loan Parties, the Agent, and the holders of the Permitted Second Lien Debt (or an agent or trustee on their behalf) dated as of December 9, 2021, as the same may be amended, restated, supplemented or otherwise modified from time to time.

"***Interest Act* (Canada)**" means the *Interest Act*, R.S.C. 1985, c. I 15, including the regulations made and, from time to time, in force under that Act.

"**Interest Period**" means:

(a) in respect of each SOFR Loan, a period of one, three or six months, or, to the extent available from all applicable Lenders, such longer or such shorter period (a "**Non-Standard Interest Period**") (in each case, subject to market availability thereof), with respect to such SOFR Loan; and

(b) in respect of Bankers' Acceptances and BA Equivalent Loans, a period of not less than one month and not more than three months (in each case, subject to market availability thereof), unless otherwise agreed by the accepting Lenders,

provided that (i) the Interest Period for an Advance shall commence on the date of such Advance; (ii) in the case of immediately successive Interest Periods, each successive Interest Period shall commence on the date on which the preceding Interest Period expires; (iii) if any Interest Period would otherwise expire on a day that is not a Banking Day, such Interest Period shall expire on the next succeeding Banking Day; (iv) any Interest Period that begins on the last Banking Day of a calendar month (or on a day for which there is not numerically corresponding day in the calendar month at the end of such Interest Period) shall end on the last Banking Day of the relevant calendar month at the end of such Interest Period; (v) no Interest Period shall extend beyond the Maturity Date; and (vi) no tenor that has been removed from this definition pursuant to Section 8.4 or as a result of Conforming Changes shall be available for specification in any Notice of Borrowing or Notice of Rollover or Notice of Conversion.

"**Interest Rate Swap Contracts**" has the meaning attributed to it in Section 13.4(d).

"**ISDA Master Agreement**" means the 2002 International Swaps and Derivatives Association, Inc. Master Agreement (Multi Currency-Cross Border) as from time to time amended, restated or replaced by the International Swaps and Derivatives Association, Inc. and as used in this Agreement in relation to Lender Swaps means the form of such agreement as entered into between a Loan Party and the applicable Swap Lender.

"**ISP98**" means the International Standby Practices ISP98, as published by the International Chamber of Commerce and in effect from time to time.

"***Judgment Interest Act* (Alberta)**" means the *Judgment Interest Act*, R.S.A. 2000, c. J-1, including the regulations made and from time to time in force under that Act.

"**Law**" means all constitutions, treaties, laws, statutes, codes, ordinances, orders, decrees, rules, regulations and municipal by-laws, whether domestic, foreign or international, any judgments, orders, writs, injunctions, decisions, rulings, decrees and awards of any Administrative Body, and any policies, voluntary restraints, practices or guidelines of any Administrative Body, and including any principles of common law and equity.

"**LC Application**" means the Operating Lender's standard form of letter of credit application submitted to the Operating Lender by the Borrower requesting the Operating Lender to issue a Letter of Credit hereunder subject to such reasonable changes thereto as are requested by the Borrower and agreed to by the Operating Lender, each acting reasonably, in order to make the application and the Letter of Credit consistent with the provisions of this Agreement.

"**Lender Secured Obligations**" means, collectively, the Obligations, the Swap Indebtedness and the Cash Management Obligations.

"**Lender Secured Parties**" means, collectively, the Agent, the Lenders, the Swap Lenders, and each provider of Cash Management Arrangements.

"**Lender Swaps**" means, collectively, all Hedging Agreements between a Swap Lender and a Loan Party.

"**Lenders**" means, initially the Operating Lender, the Syndicated Revolving Facility Lenders and the Term Facility Lenders, and thereafter, each Lender which may become a Party, as a lender, by executing and delivering to the Agent an Assignment Agreement, and each of their respective successors and permitted assigns, and "Lender" means any one of them in such capacity.

"**Letter of Credit Fee**" has the meaning attributed to it in Section 3.9(a)(v).

"**Letters of Credit**" means letters of credit or letters of guarantee in Canadian Dollars, U.S. Dollars or any other currency acceptable to the Operating Lender issued by the Operating Lender under the Operating Facility.

"**Lien**" means any mortgage, lien, pledge, charge (whether fixed or floating), security interest, conditional sale or title retention agreement (other than operating leases in respect of tangible personal property which are not in the nature of financing transactions), trust or deposit arrangements in the nature of a security interest or other encumbrance of any kind, contingent or absolute but excludes any contractual right of set off created in the ordinary course of business and any writ of execution, or other similar instrument, arising from a judgment relating to the non-payment of indebtedness.

"**LMR**" means, subject to Section 1.17, the liability management rating (or any equivalent rating in any other applicable jurisdiction) as determined in accordance with the rules and regulations of each applicable Energy Regulator for the then applicable period, as adjusted on a production volume weighted average basis between each jurisdiction where one or more of the Loan Parties carry on business (being the sum of the products of the percentage of the Loan Parties' production volume attributable to an applicable jurisdiction multiplied by the Borrower's liability management (or equivalent) rating in such jurisdiction).

"**LMR and Decommissioning Expense Worksheet**" means an LMR and Decommissioning Expense Worksheet substantially in the form attached hereto as Schedule M.

"**Loan Documents**" means the Agreement and any other instruments or agreements entered into by one or more of the Loan Parties relating to the Credit Facilities, including the Security and any document or agreement resulting from the operation of Section 4.1.

"**Loan Parties**" means the Borrower and each of its Subsidiaries from time to time; and "Loan Party" means any of them.

"**Loan Party Assets**" means collectively, all of the real and personal property, assets, undertakings, title, interests, rights or benefits owned by the Loan Parties or any of them.

"**Majority Lenders**" means: (a) while there are three or fewer Lenders, all of the Lenders; and (b) while there are more than three Lenders, Lenders holding, in aggregate, at least 66⅔% of the aggregate of the Commitment Amount, provided that if a Default or Event of Default has occurred and is continuing, those Lenders who are owed, in the aggregate, at least 66⅔% of the Aggregate Principal Amount outstanding under the Credit Facilities.

"**Majority Revolving Lenders**" means: (a) while there are three or fewer Revolving Lenders, all of the Revolving Lenders; and (b) while there are more than three Revolving Lenders, the Revolving Lenders holding, in aggregate, a minimum of 66 2/3% of the sum of the Revolving Facilities Commitment Amount, provided that if a Default or Event of Default has occurred and is continuing, those Revolving Lenders who are owed, in the aggregate, at least 66⅔% of the Aggregate Principal Amount outstanding under the Revolving Facilities.

"**Material Acquisition**" means any one or more acquisition(s) of assets and/or shares (including by way of amalgamation) by one or more of the Loan Parties, the aggregate fair market value of which during the applicable period is equal to or exceeds the Threshold Amount.

"**Material Adverse Effect**" means a material adverse effect on:

(a) the financial condition of the Loan Parties taken as a whole;

(b) the Loan Parties' collective ability to perform their obligations under the Loan Documents;

(c) the validity or enforceability of a material provision of the Loan Documents; or

(d) the property, business, assets, operations or liabilities of the Loan Parties taken as a whole.

"**Material Contracts**" means each of the contracts set forth in Schedule K, and each other contract or other agreement to which a Loan Party is a party or by which a Loan Party's assets are bound which if cancelled, terminated or not renewed would reasonably be expected to have a Material Adverse Effect.

"**Material Disposition**" means any one or more sales, dispositions or other transfers of assets and/or shares by one or more of the Loan Parties, the aggregate fair market value of which during the applicable period is equal to or exceeds the Threshold Amount.

"**Material LMR Jurisdiction**" means any jurisdiction in Canada where the Loan Parties, in aggregate and at any time from time to time, own or operate assets, property and undertaking with aggregate associated undiscounted and uninflated abandonment and reclamation liabilities (expressed in nominal dollars) in excess of the Threshold Amount. As of the Amendment and Restatement Date, the only Material LMR Jurisdictions are Alberta and Saskatchewan.

"**Material Shareholder**" means, in respect of any Person, any other Person or group of Persons acting in concert, which from time to time holds, directly or indirectly, a legal or beneficial interest in the equity of such first mentioned Person which in the aggregate equals not less than 15% of the total equity interests thereof.

"**Maturity Date**" means the date, which must be a Banking Day, on which the applicable Interest Period expires in respect of a SOFR Loan or a Bankers' Acceptance, or a BA Equivalent Loan, matures.

"**More Favourable Provision**" has the meaning attributed to it in Section 13.5.

"**NBC**" means National Bank of Canada, a Canadian chartered bank, and its successors and permitted assigns.

"**Net Income**" means, for any period, the consolidated after-tax net income (loss) of the Borrower for such period before extraordinary items, calculated in accordance with GAAP.

"**Net Proceeds**" means the Discount Proceeds (or in the case of a BA Equivalent Loan, the amount of such BA Equivalent Loan), less the applicable BA Stamping Fee.

"**New Capital Leases**" means a Capital Lease entered into by a Loan Party with any Person after December 9, 2021 that does not constitute the renewal (or replacement on substantially similar terms or terms not materially less favourable to the applicable Loan Party, provided that, in any event, such replacement would not have a materially and adverse effect on the rights of the Lenders) of a Capital Lease that was granted by any Loan Party prior to December 9, 2021.

"**New Purchase Money Lien**" means a Purchase Money Lien granted by any Loan Party to a Person after December 9, 2021 that does not constitute the renewal (or replacement on substantially similar terms or terms not materially less favourable to the applicable Loan Party, provided that, in any event, such replacement would not have a materially and adverse effect on the rights of the Lenders) of a Purchase Money Lien that was granted by any Loan Party prior to December 9, 2021.

"**New Rules**" has the meaning attributed to it in Section 11.1(c).

"**Non-Agreeing Lender**" has the meaning ascribed thereto in Section 3.2(b)(iv).

"**Non-Agreeing Lender Syndicated Revolving Facility Commitment Amount**" has the meaning ascribed thereto in Section 3.2(b)(iv).

"**Non-BA Lender**" means a Lender that (i) is not a bank chartered under the *Bank Act* (Canada); or (ii) has notified the Agent in writing that it is unwilling or unable to accept bankers' acceptance drafts.

"**Non-Consenting Lender**" has the meaning ascribed thereto in Section 17.17.

"**Non-Standard Interest Period**" has the meaning given to it in the definition of Interest Period.

"**Notice of Borrowing**" means, in relation to Advances by way of Drawdown, a notice by the Borrower to the Agent substantially in the form of Schedule F with the blanks completed.

"**Notice of Rollover**" or "**Notice of Conversion**" means, in relation to Advances by way of Rollover or Conversion, a notice by the Borrower to the Agent substantially in the form of Schedule G with the blanks completed.

"**NRCan Agreements**" means, collectively, the Astra NRCan Agreement and the Surge NRCan Agreement.

"**NRCan Indebtedness**" means, collectively, (i) the unsecured and interest-free Indebtedness of the Borrower (under its amalgamation predecessor, Astra Oil Cor.) incurred under the Astra NRCan Agreement, and (ii) the unsecured and interest-free Indebtedness of the Borrower incurred under the Surge NRCan Agreement, which Indebtedness shall not exceed $11,200,000 in the aggregate.

"**NTM EBITDA**" means, at the time of determination, forecasted EBITDA for the immediately following twelve-month period as set forth in the then most recent budget approved by the board of Directors of the Borrower.

"**Obligations**" means, without duplication, the aggregate amount of all obligations, liabilities and indebtedness of the Loan Parties to the Agent or any Lender under the Loan Documents (including the Aggregate Principal Amount under the Credit Facilities and all interest and fees thereon) and all obligations, contingent or otherwise, of any of the foregoing arising from any guarantee made by a Person in respect thereof.

"**OFAC**" means The Office of Foreign Assets Control of the United States Treasury Department.

"**Offer of Extension**" means a written offer by the Agent, on behalf of the Revolving Lenders other than the Non-Agreeing Lenders, to the Borrower to extend the Revolving Period to a date up to 364 days from acceptance by the Borrower of such offer, and setting forth the terms and conditions, if any, on which such extension is offered by the Revolving Lenders and may be accepted by the Borrower.

"**Oil and Gas Ownership Certificate**" means a certificate of the Borrower substantially in the form of Schedule I with the blanks completed.

"**Operating Facility**" means the revolving operating facility established from time to time in favour of the Borrower by the Operating Lender pursuant to Section 3.1(b).

"**Operating Facility Commitment Amount**" means Cdn. $30,000,000 as it may be changed from time to time in accordance with the terms hereof.

"**Operating Facility Termination Date**" means, in respect of any Lender the last day of the Term-out Period applicable to such Lender in respect of the Operating Facility.

"**Operating Lender**" means, initially, NBC, or any other Lender which from time to time provides the Operating Facility to the Borrower.

"**Original Currency**" has the meaning attributed to it in Section 18.4.

"**P&NG Rights**" means all of the right, title, estate and interest, whether contingent or absolute, legal or beneficial, present or future, vested or not, and whether or not an "interest in land", of a Loan Party at such time in and to any, or such as are stipulated, of the following, by whatever name the same are known:

(a) rights to explore for, drill for, produce, take, save or market Petroleum Substances from or allocated to its lands or lands with which the same have been pooled or unitized;

(b) rights to a share of the production of Petroleum Substances from or allocated to its lands or lands with which the same have been pooled or unitized;

(c) rights to a share of the proceeds of, or to receive payments calculated by reference to the quantity or value of, the production of Petroleum Substances from or allocated to its lands or lands with which the same have been pooled or unitized;

(d) rights of a Loan Party in lands or documents of title related thereto, including leases, subleases, licenses, permits, reservations, rights and privileges; and

(e) rights to acquire any of the above rights described in paragraphs (a) through (d) of this definition,

and includes interests and rights known as working interests, royalty interests, overriding royalty interests, gross overriding interests, production payments, profits interests, net profits interests, revenue interests, net revenue interests and other economic interests.

"**Paper Record**" has the meaning set out in Section 18.14.

"**Participant**" has the meaning attributed to it in Section 16.4.

"**Parties**" means the Borrower, the Agent and the Lenders and their respective successors and permitted assigns, and "Party" means any one of the Parties.

"**Payment Recipient**" has the meaning attributed to it in Section 17.18(a).

"**Pension Plan**" means any retirement or pension benefit plan that is established by a Person for the benefit of its employees that requires such Person to make periodic payments or contributions.

"**Performance LCs**" means Letters of Credit which are not Financial LCs.

"**Permitted Dispositions**" means any:

(a) sale or disposition of Proved Producing Properties, Proved Non-Producing Properties, other P&NG Rights and related tangibles resulting from any pooling or unitization entered into in the ordinary course of business and in accordance with sound industry practice when, in the reasonable judgment of the Borrower, it is necessary to do so in order to facilitate the orderly exploration, development or operation of such Proved Producing Properties, Proved Non-Producing Properties, other P&NG Rights and related tangibles;

(b) sale or disposition in the ordinary course of business and in accordance with sound industry practice of tangible personal property forming part of the Proved Producing Properties, Proved Non-Producing Properties, other P&NG Rights and related tangibles that is obsolete, no longer useful for its intended purpose or being replaced in the ordinary course of business;

(c) sale or disposition of current production from Proved Producing Properties, Proved Non-Producing Properties, other P&NG Rights and related tangibles made in the ordinary course of business;

(d) (i) sales or dispositions of Borrowing Base Properties and related tangibles made in the ordinary course of business for fair market value to third parties and (ii) Hedge Monetizations made in the ordinary course of business for fair market value, where the aggregate fair market value of all transactions described in clauses (i) and (ii) above since the last determination of the Borrowing Base do not exceed the Threshold Amount; provided that no Default, Event of Default or Borrowing Base Shortfall has occurred and is continuing or would reasonably be expected to result therefrom;

(e) the abandonment, surrender or termination of any Proved Producing Properties, Proved Non-Producing Properties, or other P&NG Rights in the ordinary course of business and in accordance with sound industry practice; and

(f) sales, exchanges, leases, transfers or dispositions of property, assets and undertakings between Loan Parties,

provided that, none of the foregoing shall be a "**Permitted Disposition**" if (i) a Default or Event of Default has occurred and is continuing or (ii) on a *pro forma* basis after giving effect to any such sale, exchange, lease, transfer or other disposition, the LMR of any Loan Party in any Material LMR Jurisdiction will be less than 2.00.

"**Permitted Distributions**" means, (i) any Distribution by one Loan Party to another Loan Party, (ii) Specified Permitted Distributions, and (iii) any other Distributions consented to by all of the Lenders; provided that:

(a) notwithstanding the foregoing, no Specified Consent Distribution shall be a Permitted Distribution unless consented to by all of the Lenders; and

(b) in each case, no Default, Event of Default, Material Adverse Effect or Borrowing Base Shortfall exists at such time or would reasonably be expected to result therefrom.

"**Permitted Encumbrances**" means:

(a) undetermined or inchoate Liens arising in the ordinary course of and incidental to construction or current operations which have not been filed pursuant to Law against any Loan Party or in respect of which no steps or proceedings to enforce such Lien have been initiated or which relate to obligations which are not due or delinquent or if due or delinquent, any Lien which a Loan Party is in good faith contesting if such contest involves no risk of loss that would reasonably be expected to have a Material Adverse Effect and an adequate reserve in accordance with GAAP has been established by the Borrower;

(b) Liens incurred or created in the ordinary course of business and in accordance with sound industry practice in respect of the exploration, development or operation of petroleum or natural gas interests or related production or processing facilities as security in favour of any other Person conducting the exploration, development, operation or transmission of the property to which such Liens relate, for any Loan Party's portion of the costs and expenses of such exploration, development, operation or transmission, provided such costs or expenses are not due or delinquent or if due or delinquent, any Lien which a Loan Party is in good faith contesting if such contest involves no risk of loss that would reasonably be expected to have a Material Adverse Effect and an adequate reserve in accordance with GAAP has been established by the Borrower;

(c) to the extent a Lien is created thereby, a sale or disposition of petroleum or natural gas interests resulting from any pooling or unitization agreement entered into in the ordinary course of business when, in a Loan Party's reasonable judgment, it is necessary to do so in order to facilitate the orderly exploration, development, operation or transmission of such interests, provided that, the Loan Party's resulting pooled or unitized interest is proportional (either on an acreage or reserve basis) to the interest contributed by it and is not materially less than the applicable Loan Party's interest in such oil and gas properties prior to such pooling or unitization and its obligations in respect thereof are not greater than its proportional share based on the interest acquired by it;

(d) to the extent a Lien is created thereby, farmout interests or overriding royalty interests, net profit interests, reversionary interests and carried interests in respect of any Loan Party's P&NG Rights that are or were entered into with or granted to arm's length third parties in the ordinary course of business and in accordance with sound industry practice;

(e) Liens for penalties arising under non-participation provisions of operating agreements in respect of any Loan Party's P&NG Rights or related facilities, if such Liens would not reasonably be expected to have a Material Adverse Effect;

(f) easements, rights-of-way, servitudes, zoning or other similar rights or restrictions in respect of land held by any Loan Party (including, without limitation, rights-of-way and servitudes for railways, sewers, drains, pipelines, gas and water mains, electric light and power and telephone or telegraph or cable television conduits, poles, wires and cables) which, either alone or in the aggregate, could not reasonably be expected to have a Material Adverse Effect;

(g) any Lien or trust arising in connection with worker's compensation, employment insurance, pension and employment Law;

(h) the right reserved to or vested in any municipality or governmental or other public authority by the terms of any lease, license, franchise, grant or permit acquired by a Loan Party, or by any statutory provision to terminate any such lease, license, franchise, grant or permit or to require annual or other periodic payments as a condition of the continuance thereof;

(i) all reservations in the original grant from the Crown of any lands and premises or any interests therein and all statutory exceptions, qualifications and reservations in respect of title;

(j) any right of first refusal in favour of any Person granted in the ordinary course of business with respect to all or any of the P&NG Rights or related facilities of a Loan Party;

(k) public and statutory Liens not yet due and similar Liens arising by operation of Law;

(l) Liens for Taxes, assessments or governmental charges not at the time due or delinquent or, if due or delinquent, any Lien which a Loan Party is in good faith contesting if such contest involves no risk of loss that would reasonably be expected to have a Material Adverse Effect;

(m) Liens under or pursuant to any judgment rendered, or claim filed, against the Borrower or other Loan Party, which a Loan Party is in good faith contesting if such contest involves no risk of loss that would reasonably be expected to have a Material Adverse Effect and an adequate reserve in accordance with GAAP has been established by the Borrower;

(n) Liens granted to a public utility or any municipality or governmental or other public authority when required by such utility or municipality or other authority in connection with the operations of the Loan Parties, all in the ordinary course of its business which individually or in the aggregate do not materially detract from the value of the asset concerned or materially impair its use in the operation of the business of the Loan Parties, taken as a whole;

(o) bankers' liens, rights of set-off and other similar Liens existing solely with respect to cash on deposit in one or more accounts maintained by the Loan Parties granted in the ordinary course of business in favour of a deposit bank with which such accounts are maintained, securing amounts owing to such deposit bank with respect to cash management and operating account arrangements, including those involving pooled accounts and netting arrangements;

(p) pledges or deposits to secure performance of (i) bids, tenders, contracts (other than contracts for the payment of money) or (ii) leases of real property, in each case, to which a Loan Party is a party;

(q) any right of first refusal in favour of any Person granted in the ordinary course of business with respect to any of the P&NG Rights of any Loan Party;

(r) the Security;

(s) any Lien from time to time disclosed by the Borrower to the Agent and which is consented to by the Lenders;

(t) any other Liens (including Purchase Money Liens and Liens in respect of Capital Leases, but subject always to Section 13.4(t)) which are not otherwise Permitted Encumbrances; provided that (i) any such Lien that is not a Purchase Money Lien or Lien in respect of Capital Lease ranks subordinate to the Security, and (ii) the aggregate principal amount of Indebtedness or other obligations secured thereby does not exceed the Threshold Amount;

(u) Liens securing the Permitted Second Lien Debt (subject to the terms of the Intercreditor Agreement); and

(v) any extension, renewal or replacement (or successive extensions, renewals or replacements), as a whole or in part, of any Lien referred to in the preceding paragraphs (a) through (u), inclusive, of this definition, so long as any such extension, renewal or replacement of such Lien is limited to all or any part of the same property that secured the Lien extended, renewed or replaced (plus improvements on such property) and the Indebtedness, liability or obligation secured thereby is not increased.

"**Permitted Indebtedness**" means, subject at all times to the applicable threshold amounts contained in the Agreement:

(a) all Lender Secured Obligations of the Loan Parties;

(b) unsecured Indebtedness of the Loan Parties and other Indebtedness arising under Purchase Money Liens, Capital Leases and operating leases which, in the aggregate, does not exceed the Threshold Amount;

(c) Permitted Swap Indebtedness;

(d) Indebtedness owing between the Loan Parties;

(e) Convertible Debenture Obligations provided that the aggregate principal amount thereof at no time exceeds Cdn. $34,500,000;

(f) the Permitted Second Lien Debt, provided that (A) the aggregate principal amount thereof at no time exceeds $200,000,000 and (B) such Permitted Second Lien Debt remains subject to the terms and conditions of the Intercreditor Agreement; and

(g) NRCan Indebtedness.

"**Permitted NRCan Indebtedness Prepayments**" means any prepayment of NRCan Indebtedness from time to time provided that, on the date of such payment:

(a) the Senior Debt to NTM EBITDA Ratio of the Borrower (calculated on a *pro forma* basis, taking into account such payment) would be less than 1.50:1.00;

(b) the Aggregate Principal Amount projected to be outstanding under the Revolving Facilities as at the end of the month in which such payment is made does not exceed [Redacted: Percentage]% of the Revolving Facilities Commitment Amount for any such payment;

(c) not less than [Redacted: Percentage]% of the Forecasted Oil and Gas Production of the Loan Parties is hedged and subject to Commodity Swap Contracts for the immediately following twelve-month period;

(d) such payment, together with all other prepayments of NRCan Indebtedness previously made from and after June 15, 2022, does not exceed, in the aggregate, $11,200,000; and

(e) no Default, Event of Default or Borrowing Base Shortfall has occurred and is continuing or would result, or reasonably be expected to result, from such payment,

and the Borrower shall have delivered to the Agent an officer's certificate (including, where applicable, calculations of the foregoing in detail satisfactory to the Agent, acting reasonably):

(i) confirming each of the items in (a) through (e) above;

(ii) attaching the budget of the Borrower relied upon in the calculation of NTM EBITDA; and

(iii) in respect of each Permitted NRCan Indebtedness Prepayment, certifying that the Aggregate Principal Amount outstanding under the Revolving Facilities did not exceed [Redacted: Percentage]% of the Revolving Facilities Commitment Amount on the last day of the month in which the most recent previously completed Permitted NRCan Indebtedness Prepayment was made.

"**Permitted Second Lien Amortization Payments**" means each of the regularly scheduled amortization payments required to be made by the Borrower under and pursuant to the terms of the Permitted Second Lien Credit Agreement as described in Schedule L.

"**Permitted Second Lien Credit Agreement**" means the credit agreement dated on or about the date hereof between SAF Galaxy LP, as agent, SAF Galaxy LP and the other lenders from time-to-time party thereto, as lenders, and the Borrower, as borrower, as amended, restated, supplemented or otherwise modified from time to time in accordance with the Intercreditor Agreement.

"**Permitted Second Lien Debt**" means all Indebtedness arising from time to time under or in connection with the Permitted Second Lien Credit Agreement and the other Permitted Second Lien Debt Documents and shall, for certainty, be comprised of the Permitted Second Lien Original Debt and the Permitted Second Lien Incremental Debt.

"**Permitted Second Lien Debt Documents**" means the Permitted Second Lien Credit Agreement and all security agreements, debentures, pledge agreements and any other agreement or instrument evidencing, governing or entered into in connection with Permitted Second Lien Debt.

"**Permitted Second Lien Incremental Debt**" means the Indebtedness for net proceeds of not less than $40,000,000 and otherwise as described as the "Term Facility B" in the Permitted Second Lien Credit Agreement.

"**Permitted Second Lien Original Debt**" means all Indebtedness arising from time to time under or in connection with the Permitted Second Lien Credit Agreement and the other Permitted Second Lien Debt Documents other than the Permitted Second Lien Incremental Debt.

"**Permitted Second Lien Incremental Debt Prepayment**" means the one-time repayment in full, in cash, of the Permitted Second Lien Incremental Debt at any time on or after April 30, 2024; provided that:

(a) at least thirty (30) days prior to making any such Permitted Second Lien Incremental Debt Prepayment, the Borrower has delivered to the Agent a Permitted Second Lien Incremental Debt Prepayment Notice;

(b) upon such repayment being made, the Senior Debt to NTM EBITDA Ratio (calculated on a *pro forma* basis, taking into account such repayment) would be less than 1.50:1.00;

(c) the Aggregate Principal Amount outstanding under the Revolving Facilities at the time of such repayment, after giving *pro forma* effect to such repayment, does not exceed [Redacted: Percentage]% of the Revolving Facilities Commitment Amount;

(d) EBITDA (calculated as at the end of the month (the "**Repayment Month End**") immediately preceding the month in which such repayment is made) for the 3 months ending as at such Repayment Month End, multiplied by 4 is not less than $250,000,000; and

(e) no Default, Event of Default, Material Adverse Effect or Borrowing Base Shortfall exists at such time or would reasonably be expected to result from such repayment, and the Borrower shall have delivered to the Agent an officer's certificate (including, where applicable, calculations of the foregoing in detail satisfactory to the Agent, acting reasonably):

(i) confirming each of the items in (a) through (e) above; and

(ii) attaching the calculations relied upon in the determination of EBITDA for the purposes of item (d) above.

"**Permitted Second Lien Incremental Debt Prepayment Notice**" means the written notice from the Borrower addressed to the Agent and the Lenders identifying the date on which the Borrower intends to repay, in full, in cash the Permitted Second Lien Incremental Debt and the aggregate amount of such repayment.

"**Permitted Swap Indebtedness**" means Swap Indebtedness permitted by the provisions of Section 13.4(c), (d), (e) and (f) provided that if a Swap Lender does not have actual knowledge that such Swap Indebtedness was not permitted under such Section at the time the applicable Hedging Agreement was entered into by such Swap Lender, then such Swap Indebtedness will be deemed to be a Permitted Swap Indebtedness for purposes of Section 14.3.

"**Person**" means an individual, a partnership, a corporation, a company, a trust, an unincorporated organization, a union, a government or any department or agency thereof (collectively an "**entity**") and the heirs, executors, administrators, successors, or other legal representatives, as the case may be, of such entity.

"**Petroleum Substances**" means petroleum, natural gas, natural gas liquids, related hydrocarbons and any and all other substances, whether liquid, solid or gaseous, whether hydrocarbons or not, produced or producible in association with any of the foregoing.

"**Pricing Change**" has the meaning attributed to it in Section 3.9(d).

"**Pricing Change Effective Date**" has the meaning attributed to it in Section 3.9(d).

"**Pricing Table**" means the pricing table set forth in Section 3.9(a)(vii).

"**Principal Repayment**" means the repayment by or for and on behalf of the Borrower to the Lenders of all or a portion of any principal outstanding to the Lenders under the applicable Credit Facility.

"**Priority Claims**" means, with respect to the Loan Parties, the full amount payable or accrued by such Person which have a trust imposed to provide for payment or Lien ranking or capable of ranking senior to or *pari passu* with the Liens created by the Security, including amounts owing for wages, vacation pay, severance pay, employee deductions, sales Tax, excise Tax, Tax payable pursuant to Part IX of the *Excise Tax Act* (Canada) (net of GST input credits), income Tax, workers compensation, government royalties, pension fund obligations, overdue rents (or other amounts owed to landlords of properties where the Loan Parties' assets are located) or Taxes, and other statutory or other claims that have or may have priority over, or rank *pari passu* with, such Liens created by the Security.

"**Proved Non-Producing Properties**" has the same meaning as Proved Producing Properties except such properties are not in commercial production due to lack of facilities and/or markets.

"**Proved Producing Properties**" means the P&NG Rights to which are attributed Proved Producing Reserves and which are identified as such by an economic reserve and evaluation report delivered to the Agent by the Borrower as required under this Agreement.

"**Proved Producing Reserves**" means, as determined by the Lenders in accordance with their usual and customary practices, those oil and gas reserves estimated as recoverable under current technology and existing economic conditions from that portion of a reservoir which can be reasonably evaluated as economically productive on the basis of analysis of drilling, mining, geological, geophysical and engineering data, including reserves to be obtained by enhanced recovery processes demonstrated to be economic and technically successful in the subject reservoir and which, in any case, are actually on production.

"**Purchase Money Lien**" means a Lien, whether given to a vendor, lender or any other Person, securing indebtedness assumed or incurred as, or to provide, all or part of the purchase price or other acquisition cost of property, other than P&NG Rights, which Lien is limited exclusively to such property and any proceeds thereof and any extension, renewal, refinancing or replacement thereof.

"**Purchasing Lender**" has the meaning ascribed thereto in Section 3.2(b)(iv).

"**Rateable Portion**" means, at any time and from time to time with respect to each Lender and each Credit Facility:

(a) in respect of the Syndicated Revolving Facility, the proportion of the Individual Syndicated Revolving Facility Commitment Amount of such Syndicated Revolving Facility Lender relative to the Syndicated Revolving Facility Commitment Amount of all Syndicated Revolving Facility Lenders;

(b) in respect of the Operating Facility, the Rateable Portion for the Operating Lender shall be 100%;

(c) in respect of the Revolving Facilities, the proportion of the Individual Revolving Commitment Amount of such Lender relative to the Revolving Facilities Commitment Amount of all Lenders;

(d) in respect of the Term Facility, the proportion of the Individual Term Facility Commitment Amount of such Term Facility Lender relative to the Term Facility Commitment Amount of all Term Facility Lenders; and

(e) in respect of all Credit Facilities, the portion of the Individual Commitment Amount of a Lender relative to the Commitment Amount of all Lenders,

provided that in respect of all Credit Facilities, the Rateable Portion of a Lender after an Event of Default has occurred and is continuing shall be the portion of the Aggregate Principal Amount owing to such Lender relative to the Aggregate Principal Amount owing to all Lenders (in each case based on the Canadian Dollar Exchange Equivalent thereof).

"**RBSL**" has the meaning attributed to it in Section 9.6(a).

"**Release**" includes releasing, spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, disposing or dumping.

"**Relevant Governmental Body**" means, in respect of SOFR Loans, the Federal Reserve Board and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York or any successor thereto and in respect of Bankers'

Acceptances and BA Equivalent Loans, the Bank of Canada, or a committee officially endorsed or convened by the Bank of Canada, or any successor thereto.

"**Request for Offer of Extension**" means a request by the Borrower for an offer by the Lenders to extend both the Syndicated Revolving Facility Termination Date and the Operating Facility Termination Date pursuant to Section 3.2, substantially in the form of Schedule J executed by a senior officer of the Borrower.

"**Resignation Notice**" has the meaning attributed to it in Section 17.10.

"**Resolution Authority**" means with respect to an EEA Financial Institution an EEA Resolution Authority or, with respect to any UK Financial Institution, a UK Resolution Authority.

"**Revolving Facilities**" means, collectively, the Syndicated Revolving Facility and the Operating Facility and "**Revolving Facility**" shall mean either of them as the context requires.

"**Revolving Facilities Commitment Amount**" means, collectively, the Syndicated Revolving Facility Commitment Amount and the Operating Facility Commitment Amount.

"**Revolving Lenders**" has the meaning attributed to it in Section 3.2(b)(i).

"**Revolving Period**" means, in respect of the Revolving Facilities, the period beginning on the Amendment and Restatement Date and ending on the Term Conversion Date, as such date may be extended in respect of each Lender and each Revolving Facility pursuant and subject to Section 3.2(b).

"**Rollover**" means, with respect to an Advance:

(a) in relation to a SOFR Loan, the continuation of all or any portion of such SOFR Loan for an additional Interest Period subsequent to the initial or any subsequent Interest Period applicable thereto; and

(b) in relation to maturing Bankers' Acceptances, the issuance of new Bankers' Acceptances in respect of all or any portion of such Bankers' Acceptances at their Maturity Date.

"**Rollover Date**" means:

(a) with respect to any SOFR Loan or Bankers' Acceptances, the date of commencement of a new Interest Period or Bankers' Acceptance term applicable to such Advance and which shall be a Banking Day; and

(b) with respect to any Letter of Credit, the date of any extension or replacement thereof which constitutes a Rollover.

"**SAF Consent and Acknowledgement**" means each consent and acknowledgment agreement among the Borrower, the Agent and the counterparty to the Edison Rental Agreement or the Valhalla Rental Agreement, as applicable, in respect of the Edison Rental Facility or the Valhalla Rental Facility, as applicable (as amended, restated, supplemented or otherwise modified from time to time).

"**Sanctioned Country**" means, at any time, a country or territory which is the subject or target of any Sanctions.

"**Sanctioned Person**" means:

(a) a Person that is designated under, listed on, or owned or controlled by a Person designated under or listed on, or acting on behalf of a Person designated under or listed on, any Sanctions List;

(b) a Person that is located in, incorporated under the laws of, or owned or (directly or indirectly) controlled by, or acting on behalf of, a Person located in or organized under the laws of a country or territory that is the target of country-wide or territory-wide Sanctions;

(c) a Person that is otherwise a target of Sanctions ("**target of Sanctions**" signifying a Person with whom a Person or other national of a Sanctions Authority would be prohibited or restricted by law from engaging in trade, business or other activities); or

(d) any other Person to which one or more Lenders would not be permitted to make a loan, or provide funding, in accordance with the Sanctions, or otherwise deal with pursuant to the Sanctions.

"**Sanctions**" means the economic sanctions laws, regulations, embargoes or restrictive measures administered, enacted or enforced by any Sanctions Authority, including any sanctions or requirements imposed by, or based upon the obligations or authorities set forth in, the *Special Economic Measures Act* (Canada) or the *United Nations Act* (Canada), the Executive Order, the U.S. Bank Secrecy Act (31 U.S.C. §§ 5311 et seq.), the U.S. Money Laundering Control Act of 1986 (18 U.S.C. §§ 1956 et seq.), the U.S.A Patriot Act of 2001, the U.S. International Emergency Economic Powers Act (50 U.S.C. §§ 1701 et seq.), the U.S. Trading with the Enemy Act (50 U.S.C. App. §§ 1 et seq.), the U.S. United Nations Participation Act, the U.S. Syria Accountability and Lebanese Sovereignty Act, the U.S. Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010 or the Iran Sanctions Act (United States), or any of the foreign assets control regulations of the U.S. Department of the Treasury (including but not limited to 31 CFR, Subtitle B, Chapter V) or any other law or executive order relating thereto or regulation administered by OFAC, in each case to the extent not inconsistent with the laws of Canada.

"**Sanctions Authority**" means any of: (a) the Canadian government; (b) the United States government; or (c) the respective governmental institutions, departments and agencies of any of the foregoing, including OFAC and, the United States Department of State; and "Sanctions Authorities" means all of the foregoing Sanctions Authorities, collectively.

"**Sanctions List**" means the "Specially Designated Nationals and Blocked Persons" list maintained by OFAC or any substantially similar list maintained by, or public announcement of Sanctions designation made by, any of the Sanctions Authorities.

"**Scheduled Borrowing Base Date**" has the meaning attributed to it in Section 3.10(b).

"**Security**" has the meaning attributed to it in Section 4.1 and includes any other Lien hereafter granted by any Loan Party to secure the payment of the Obligations in connection with the Credit Facilities and any Swap Indebtedness.

"**Senior Debt**" means all Debt of the Borrower (on a consolidated basis), less Permitted Second Lien Debt, the Convertible Debenture Obligations, NRCan Indebtedness and any Unrealized Hedging Losses.

"**Senior Debt to EBITDA Ratio**" means, at any time, the ratio of (a) Senior Debt to (b) EBITDA for the four most recently completed Fiscal Quarters.

"**Senior Debt to NTM EBITDA Ratio**" means, at any time, the ratio of (a) Senior Debt to (b) NTM EBITDA, adjusted for commodity prices and based on reasonable assumptions, as determined by the management or board of Directors of the Borrower.

"**Shortfall Notice**" has the meaning attributed to it in Section 3.5(d).

"**SOFR**" means a rate per annum equal to the secured overnight financing rate as administered by the SOFR Administrator.

"**SOFR Administrator**" means the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate).

"**SOFR Interpolated Rate**" means, for any SOFR Loan for a Non-Standard Interest Period, the rate per annum determined by the Agent (which determination shall be conclusive and binding absent manifest error) to be equal to the rate that results from interpolating on a linear basis between: (a) the sum of Term SOFR for the longest Interest Period that is not a Non-Standard Interest Period for which Term SOFR is available that is shorter than the Non-Standard Interest Period of such SOFR Loan, plus the applicable Credit Spread Adjustment for such period and (b) the sum of Term SOFR for the shortest Interest Period that is not a Non-Standard Interest Period for which Term SOFR is available that exceeds the Non-Standard Interest Period of such SOFR Loan, plus the applicable Credit Spread Adjustment for such period, in each case, at such time; provided that when determining the SOFR Interpolated Rate for a Non-Standard Interest Period which is less than one month, the rate for the purposes of clause (a) above shall be deemed to be the sum of Term SOFR for an Interest Period of one months' duration plus the applicable Credit Spread Adjustment for such period.

"**SOFR Loan**" means an Advance denominated in U.S. Dollars and bearing interest at a rate based on Adjusted Term SOFR.

"**Specified Consent Distribution**" has the meaning given to it in the Permitted Second Lien Credit Agreement in effect as of the date hereof (and each of the corresponding definitions used therein shall also have the meanings ascribed to them in the Permitted Second Lien Credit Agreement as of the date hereof).

"**Specified Permitted Distributions**" means any Distributions, provided that:

(a) upon such Distribution being made, the Senior Debt to NTM EBITDA Ratio of the Borrower (calculated on a *pro forma* basis, taking into account such Distribution) would be less than 1.50:1.00;

(b) the Aggregate Principal Amount projected to be outstanding under the Revolving Facilities as at the end of the month in which such Distribution is made does not exceed [Redacted: Percentage]% of the Revolving Facilities Commitment Amount;

(c) not less than [Redacted: Percentage]% of the Forecasted Oil and Gas Production of the Loan Parties is hedged and subject to Commodity Swap Contracts for the immediately following twelve-month period;

(d) in any Fiscal Year, such Distribution, together with all other Distributions previously made by the Loan Parties during such Fiscal Year, does not exceed, in the aggregate, $[Redacted: Amount];

(e) such Distribution, together with all other Distributions previously made by the Loan Parties in the immediately preceding twelve-month period, does not exceed, in the aggregate, $[Redacted: Amount];

(f) in any calendar month, such Distribution, together with all other Distribution previously made by the Loan Parties during such calendar month, does not exceed, in the aggregate, $[Redacted; Amount];

(g) EBITDA (calculated as at the end of the month (the "**Distribution Month End**") immediately preceding the month in which such Distribution is made) for the 3 months ending as at such Distribution Month End, multiplied by 4 is not less than $[Redacted: Amount]; and

(h) no Default, Event of Default, Material Adverse Effect or Borrowing Base Shortfall exists at such time or would reasonably be expected to result from such Distribution.

"**Spot Rate**" means, in relation to the conversion of one currency into another currency, the spot rate of exchange for such conversion as quoted by the Bank of Canada at the close of business on the Banking Day that such conversion is to be made (or, if such conversion is to be made before close of business on such Banking Day, then at approximately close of business on the immediately preceding Banking Day), and, in either case, if no such rate is quoted, the spot rate of exchange quoted for wholesale transactions by the Agent on the Banking Day such conversion is to be made in accordance with its normal practice.

"**Subsidiary**" means any Person of which more than 50% of the outstanding Voting Securities are owned, directly or indirectly by or for the Borrower, provided that the ownership of such securities confers the right to elect at least a majority of the board of directors of such Person, or a majority of Persons serving similar roles and includes any legal entity in like relationship to a Subsidiary.

"**Successor Agent**" has the meaning attributed to it in Section 17.10.

"**Surge NRCan Agreement**" means the Department of Natural Resources Emissions Reduction Fund Onshore Technology Deployment Repayable Contribution Agreement to be entered into among the Borrower and Her Majesty the Queen in Right of Canada, represented by the Minister of Natural Resources, as amended, restated, supplemented or otherwise modified from time to time.

"**Swap Indebtedness**" means the actual Indebtedness or obligations of a Loan Party to a Swap Lender under or pursuant to a Lender Swap.

"**Swap Lender**" means any Lender or any Affiliate thereof that is a hedge provider under a Lender Swap, that is entered into prior to such Swap Lender or its Affiliate (as applicable) ceasing to be a Lender. For greater certainty, any Person who enters into a Lender Swap after such Person or its Affiliate (as applicable) ceases to be a Lender is not a Swap Lender.

"**Syndicated Facilities**" means, collectively, the Syndicated Revolving Facility and the Term Facility, and "Syndicated Facility" shall mean either of them as the context requires.

"**Syndicated Revolving Facility**" means the Revolving Facility established in favour of the Borrower pursuant to Section 3.1(a).

"**Syndicated Revolving Facility Commitment Amount**" means Cdn. $120,000,000 as it may be changed from time to time in accordance with the terms hereof.

“**Syndicated Revolving Facility Lenders**” means the lenders from time to time under the Syndicated Revolving Facility as set out in Schedule B.

“**Syndicated Revolving Facility Termination Date**” means, in respect of any Lender, the last day of the Term-out Period applicable to such Lender in respect of the Syndicated Revolving Facility.

“**Taxes**” means all taxes of any kind or nature whatsoever including income taxes, capital taxes, minimum taxes, levies, imposts, stamp taxes, royalties, duties, charges to tax, value added taxes, commodity taxes, goods and services taxes, and all fees, deductions, compulsory loans, withholdings and restrictions or conditions resulting in a charge imposed, levied, collected, withheld or assessed as of the date hereof or at any time in the future by any governmental or quasi-governmental authority of or within any jurisdiction whatsoever having power to tax, together with penalties, fines, additions to tax and interest thereon and any instalments in respect thereof.

“**Term Conversion Date**” means, in respect of each Lender and each Revolving Facility, the last day of the Revolving Period for such Lender under such Revolving Facility, as any such Term Conversion Date may be extended pursuant to Section 3.2(b). As of the Amendment and Restatement Date, the Term Conversion Date is December 19, 2023.

“**Term CORRA**” means, for the applicable corresponding tenor, the forward-looking term rate based on CORRA that has been selected or recommended by the Relevant Governmental Body, and that is published by an authorized benchmark administrator and is displayed on a screen or other information service, as identified or selected by the Agent in its reasonable discretion at approximately a time and as of a date prior to the commencement of an Interest Period determined by the Agent in its reasonable discretion in a manner substantially consistent with market practice.

“**Term CORRA Notice**” means the notification by the Agent to the Lenders and the Borrower of the occurrence of a Term CORRA Transition Event.

“**Term CORRA Transition Date**” means, in the case of a Term CORRA Transition Event, the date that is set forth in the Term CORRA Notice provided to the Lenders and the Borrower, for the replacement of the then-current Benchmark for Bankers’ Acceptances and BA Equivalent Loans with the Benchmark Replacement described in clause (b)(1)(i) of such definition, which date shall be at least thirty (30) Banking Days from the date of the Term CORRA Notice.

“**Term CORRA Transition Event**” means the determination by the Agent that (a) Term CORRA has been recommended for use by the Relevant Governmental Body, and is determinable for any Available Tenor, (b) the administration of Term CORRA is administratively feasible for the Agent and (c) a Benchmark Replacement for Bankers’ Acceptances and BA Equivalent Loan, other than Term CORRA, has replaced the CDOR Rate in accordance with Section 9.6.

“**Term Facility**” means the non-revolving credit facility established in favour of the Borrower pursuant to Section 3.1(c).

“**Term Facility Commitment Amount**” means, on the Amendment and Restatement Date, Cdn. $60,000,000.

“**Term Facility Lenders**” means the lenders from time to time under the Term Facility as set out in Schedule B.

“**Term Facility Termination Date**” means December 19, 2024.

"**Term SOFR**" means,

(a) for any calculation with respect to a SOFR Loan, the Term SOFR Reference Rate for a tenor comparable to the applicable Interest Period on the day (such day, the "**Periodic Term SOFR Determination Day**") that is two (2) U.S. Government Securities Business Days prior to the first day of such Interest Period, as such rate is published by the Term SOFR Administrator; provided, however, that if as of 5:00 p.m. (New York City time) on any Periodic Term SOFR Determination Day the Term SOFR Reference Rate for the applicable tenor has not been published by the Term SOFR Administrator and a Benchmark Replacement Date with respect to the Term SOFR Reference Rate has not occurred, then Term SOFR will be the Term SOFR Reference Rate for such tenor as published by the Term SOFR Administrator on the first preceding U.S. Government Securities Business Day for which such Term SOFR Reference Rate for such tenor was published by the Term SOFR Administrator so long as such first preceding U.S. Government Securities Business Day is not more than three (3) U.S. Government Securities Business Days prior to such Periodic Term SOFR Determination Day, and

(b) for any calculation with respect to an U.S. Base Rate Loan on any day, the Term SOFR Reference Rate for a tenor of one month on the day (such day, the "**U.S. Base Rate Term SOFR Determination Day**") that is two (2) U.S. Government Securities Business Days prior to such day, as such rate is published by the Term SOFR Administrator; provided, however, that if as of 5:00 p.m. (New York City time) on any U.S. Base Rate Term SOFR Determination Day the Term SOFR Reference Rate for the applicable tenor has not been published by the Term SOFR Administrator and a Benchmark Replacement Date with respect to the Term SOFR Reference Rate has not occurred, then Term SOFR will be the Term SOFR Reference Rate for such tenor as published by the Term SOFR Administrator on the first preceding U.S. Government Securities Business Day for which such Term SOFR Reference Rate for such tenor was published by the Term SOFR Administrator so long as such first preceding U.S. Government Securities Business Day is not more than three (3) U.S. Government Securities Business Days prior to such U.S. Base Rate Term SOFR Determination Day;

provided, further, that if Term SOFR determined as provided above (including pursuant to the proviso under clause (a) or clause (b) above) shall ever be less than the Floor, then Term SOFR shall be deemed to be the Floor.

"**Term SOFR Administrator**" means CME Group Benchmark Administration Limited (CBA) (or a successor administrator of the Term SOFR Reference Rate selected by the Agent in its reasonable discretion).

"**Term SOFR Reference Rate**" means the forward-looking term rate based on SOFR.

"**Term-out Lender**" means any Lender under a Revolving Facility for which the Revolving Period has expired.

"**Term-out Maturity Date**" means the day which is one year after the Term Conversion Date in respect of a Term-out Period applicable to a Lender and a Revolving Facility. As of the Amendment and Restatement Date and until the Term Conversion Date is extended as set out herein, the last day of the Term-out Period is December 19, 2024.

"**Term-out Period**" means, with respect to a Lender under a Revolving Facility, the period commencing at 5:01 p.m. (Montreal time) on the Term Conversion Date in respect of such Revolving Facility applicable to such Lender and expiring on the Term-out Maturity Date.

"**Threshold Amount**" means [Redacted: Percentage]% of the Borrowing Base at the applicable time, expressed in Canadian Dollars or the Canadian Dollar Exchange Equivalent thereof in any other currency.

"**UK Financial Institution**" means any BRRD Undertaking (as such term is defined under the PRA Rulebook (as amended form time to time) promulgated by the United Kingdom Prudential Regulation Authority) or any person falling within IFPRU 11.6 of the FCA Handbook (as amended from time to time) promulgated by the United Kingdom Financial Conduct Authority, which includes certain credit institutions and investment firms, and certain affiliates of such credit institutions or investment firms.

"**UK Resolution Authority**" means the Bank of England or any other public administrative authority having responsibility for the resolution of any UK Financial Institution.

"**Unadjusted Benchmark Replacement**" means the applicable Benchmark Replacement for SOFR Loans excluding the related Benchmark Replacement Adjustment.

"**Uniform Customs**" means the *Uniform Customs and Practice for Loan Documentary Credits* of the International Chamber of Commerce current at the time of issuance of the applicable Letter of Credit.

"**Unrealized Hedging Gains**" means mark to market unrealized gains in respect of Hedging Agreements or other risk management products recorded in accordance with GAAP.

"**Unrealized Hedging Losses**" means mark to market unrealized losses in respect of Hedging Agreements or other risk management products recorded in accordance with GAAP.

"**U.S. Base Rate**" means, for any day, a rate per annum equal to, the greatest of: (a) the variable rate of interest quoted by the Agent from time to time as the reference rate of interest which it employs to determine the interest rate it will charge for demand loans in U.S. Dollars to its commercial customers in Canada and which it designates as its "U.S. Base Rate"; and (b) the Federal Funds Rate, provided that if such rate of interest is less than 0% per annum, then the U.S. Base Rate will be equal to 0% per annum.

"**U.S. Base Rate Loan**" means an Advance in U.S. Dollars which bears interest at a rate based on the U.S. Base Rate (including, for certainty, Advances in U.S. Dollars made by way of overdraft under the Operating Facility).

"**U.S. Dollars**" or "**U.S. $**" each means such currency of the United States of America which, as at the time of payment or determination, is legal tender therein for the payment of public or private debts.

"**U.S. Government Securities Business Day**" means any day except for (a) a Saturday, (b) a Sunday or (c) a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities.

"**U.S. Special Resolution Regime**" has the meaning attributed to it in Section 17.19.

"**Valhalla Rental Agreement**" means the rental agreement dated March 24, 2016, among the Borrower and Stream Asset Financial ValleyHo LP, as amended, restated, supplemented or otherwise modified from time to time.

"**Valhalla Rental Facilities**" means the Facilities (as defined in the Valhalla Rental Agreement) and all present and future contractual rights related thereto, including, subject to Section 7.5 of the Valhalla Rental Agreement, any third-party agreements to process and transport petroleum, natural gas and natural gas liquids, and related hydrocarbons produced in association with any of the foregoing through such facilities.

"**Voting Securities**" means securities of capital stock of any class of any corporation, partnership units in the case of a partnership, trust units in the case of a trust, or other evidence of ownership serving similar purposes, carrying voting rights under all circumstances, provided that, for the purposes of this definition, shares which only carry the right to vote conditionally on the happening of an event will not be considered Voting Securities, whether or not such event will have occurred, nor will any securities be deemed to cease to be Voting Securities solely by reason of a right to vote accruing to securities of another class or classes by reason of the happening of such event.

"**Write-Down and Conversion Powers**" means, (a) with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule, and (b) with respect to the United Kingdom, any powers of the applicable Resolution Authority under the Bail-In Legislation to cancel, reduce, modify or change the form of a liability of any UK Financial Institution or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that person or any other person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that Bail-In Legislation that are related to or ancillary to any of those powers.

"**WTI Average Price**" has the meaning attributed to it in Schedule L.

SCHEDULE B
TO THE SURGE ENERGY INC. SECOND AMENDED AND RESTATED CREDIT AGREEMENT DATED DECEMBER 19, 2022

COMMITMENTS OF LENDERS

Lender	Individual Syndicated Revolving Facility Commitment Amount	Operating Facility Commitment Amount	Individual Term Facility Commitment Amount	Aggregate Individual Commitment Amount
National Bank of Canada	$[Redacted: Amount]	$[Redacted: Amount]	$[Redacted: Amount]	$[Redacted: Amount]
ATB Financial	$[Redacted: Amount]	$[Redacted: Amount]	$[Redacted: Amount]	$[Redacted: Amount]
Business Development Bank of Canada	$[Redacted: Amount]	$[Redacted: Amount]	Nil	$[Redacted: Amount]
Total	**$120,000,000**	**$30,000,000**	$60,000,000	**$210,000,000**

SCHEDULE C
TO THE SURGE ENERGY INC. SECOND AMENDED AND RESTATED CREDIT AGREEMENT DATED DECEMBER 19, 2022

FORM OF ENVIRONMENTAL CERTIFICATE

To: **NATIONAL BANK OF CANADA** (“**NBC**”), as Agent for the Lenders under the Credit Agreement

Re: Second Amended and Restated Credit Agreement dated **December 19**, 2022, between Surge Energy Inc., the Lenders, and NBC as Agent for the Lenders (as amended, restated, supplemented or otherwise modified from time to time, the “**Credit Agreement**”).

Date: [■]

This certificate is delivered pursuant to Section **[13.3(b)]** of the Credit Agreement.

I, _______________________, am the duly appointed [insert name of office] of the Borrower and hereby certify in such capacity for and on behalf of the Borrower, and not in my personal capacity and without assuming any personal liability whatsoever, as follows:

1. The following certifications are made to the best of my knowledge after due enquiry. My due enquiry has been limited to discussions and correspondence with responsible officers and staff of the Loan Parties to confirm that the internal environmental reporting and response procedures of the Loan Parties have been followed in all material respects as they relate to the certifications made herein and that the matters herein set forth are true and correct, and that matters reported on by such officers and staff are true and correct.

2. The following certifications in paragraphs 3 through 9 are qualified as to (i) the matters, if any, disclosed in Exhibit 1 hereto, and (ii) any breach of, or failure to comply with, any Environmental Laws, provided that the breach or failure to comply has not had, or would not reasonably be expected to have (whether on an individual or cumulative basis), a Material Adverse Effect.

3. The property of each Loan Party is owned, leased, managed, controlled or operated, in compliance with Environmental Laws.

4. There are no existing, pending or threatened (by written notice):

   (a) claims, complaints, notices or requests for information received from an Administrative Body by any Loan Party, or of which any Loan Party is otherwise aware, with respect to any alleged violation of or alleged liability under any Environmental Laws by any Loan Party; or

   (b) stop, cleanup or preventative orders, direction or action requests, notice of which has been received from an Administrative Body by any Loan Party or of which any Loan Party is otherwise aware, relating to the Environment which as a result thereof, requires any work, repair, remediation, cleanup, construction or capital expenditure with respect to any property owned, leased, managed, controlled or operated by any Loan Party.

5. Except in compliance with Environmental Laws, no Contaminant has been received, handled, used, stored, treated or shipped at or from, and there has been no discharge or Release of a Contaminant at, on, from or under any property owned, leased, managed, controlled or operated by any Loan Party, which would reasonably be expected to have a Material Adverse Effect.

6. None of the lands and facilities owned, leased, managed, controlled or operated by any Loan Party, have been used as a land fill site or, except in compliance with Environmental Laws, as a waste disposal site.

7. No condition exists, at, on or under any of the premises or facilities owned, leased, managed, controlled or operated by any Loan Party, which with the passage of time, or the giving of notice or both, has given rise to or would reasonably be expected to give rise to a violation or liability under any Environmental Laws.

8. No Loan Party is aware of any matter affecting the Environment which has had or would reasonably be expected to have a Material Adverse Effect.

9. The Borrower:

   (a) has obtained and has caused each Subsidiary to obtain all permits, licenses and other authorizations (collectively the "**Permits**") which are required under Environmental Laws and is in compliance with all terms and conditions of all Permits; and

   (b) certifies that each of the Permits is in full force and effect and unrevoked as of the date of this certificate.

10. The undersigned officer acknowledges that the Lenders are relying on this certificate in connection with Advances made under the Credit Agreement.

11. Capitalized terms used herein and not otherwise defined herein have the meanings given to them by the Credit Agreement.

Dated as of the date first above written.

By: ______________________________
Name:
Title:

EXHIBIT 1

[NONE]

SCHEDULE D
TO THE SURGE ENERGY INC. SECOND AMENDED AND RESTATED CREDIT AGREEMENT DATED DECEMBER 19, 2022

FORM OF COMPLIANCE CERTIFICATE

To: **NATIONAL BANK OF CANADA** ("**NBC**"), as Agent for the Lenders under the Credit Agreement

Re: Second Amended and Restated Credit Agreement dated **December 19**, 2022, between Surge Energy Inc., the Lenders, and NBC as Agent for the Lenders (as amended, restated, supplemented or otherwise modified from time to time, the "**Credit Agreement**").

Date: [■]

This Compliance Certificate is delivered pursuant to Section **[13.3(b)]** of the Credit Agreement.

I, ______________________________, am the duly appointed **[insert name of office]** of the Borrower and hereby certify in such capacity for and on behalf of the Borrower, and not in my personal capacity and without assuming any personal liability whatsoever, after making due inquiry:

(a) This Compliance Certificate applies to the Fiscal **[Quarter/Year]** of the Borrower ending _______________, _____ (the "**Calculation Date**");

(b) I am familiar with and have examined the provisions of the Credit Agreement and I have made such reasonable investigations of corporate records and inquiries of other officers and senior personnel of the Borrower and each of its Subsidiaries as I have deemed necessary for purposes of this Compliance Certificate;

(c) Based on the foregoing, as of the date hereof, no Default of Event of Default has occurred and is continuing except as previously disclosed in writing to the Agent pursuant to Section 13.3(j) of the Credit Agreement;

(d) As at the Calculation Date, the Senior Debt to EBITDA Ratio is ___________:1.0, the calculations of which are outlined in Exhibit 1 hereto.

(e) As at the Calculation Date, the Total Debt to EBITDA Ratio is ___________:1.0, the calculations of which are outlined in Exhibit 1 hereto.

(f) As at the Calculation Date, the Asset Coverage Ratio is ___________:1.0, the calculations of which are outlined in Exhibit 1 hereto.[1]

(g) Attached as Exhibit 2 hereto is a true and complete list of all Hedging Agreements to which any Loan Party is a party as at the date hereof.

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[1] [***NTD: Required for Fiscal Year-end Compliance Certificate only***]

(h) As at the Calculation Date, the LMR for each Loan Party that has an LMR is, in each Material LMR Jurisdiction, is, and is calculated, as follows:

Loan Party	**Material LMR Jurisdiction**	**LMR**	**Calculations**

(i) As at the Calculation Date, the aggregate amount hedged under all Exchange Rate Swap Contracts to which a Loan Party is a party is ____% of the Loan Parties' forecasted aggregate annual U.S. Dollar revenues.

(j) As at the Calculation Date, the aggregate amounts hedged under all Interest Rate Swap Contracts to which a Loan Party is a party is ____% of the Canadian Dollar Exchange Equivalent of the current Borrowing Base.

(k) As at the Calculation Date, the aggregate amount hedged under all Commodity Swap Contracts to which a Loan Party is a party is:

(i) for the first year after the date hereof, ____% of Forecasted Production;

(ii) for the second year after the date hereof, ____% of Forecasted Production; and

(iii) for the third year after the date hereof, ____% of Forecasted Production.

(l) As of the date hereof, the Borrower has no Subsidiaries other than these listed in Schedule H to the Credit Agreement. **[or: Schedule H to the Credit Agreement is revised as follows: (list changes here)]**.

(m) During the Fiscal Quarter ending on the Calculation Date, the Borrower has not made any Distributions other than Permitted Distributions.

Capitalized terms used herein and not otherwise defined herein have the meanings given to them by the Credit Agreement.

Dated as of the date first above written.

By: ________________________________

Name:
Title:

EXHIBIT 1

Calculation of Senior Debt to EBITDA Ratio

■

Calculation of Total Debt to EBITDA Ratio

[Calculated in accordance with the terms of the Permitted Second Lien Credit Agreement]

Calculation of Asset Coverage Ratio

[Calculated in accordance with the terms of the Permitted Second Lien Credit Agreement]

EXHIBIT 2

[List of Hedging Agreements.]

SCHEDULE E
TO THE SURGE ENERGY INC. SECOND AMENDED AND RESTATED CREDIT AGREEMENT DATED DECEMBER 19, 2022

FORM OF ASSIGNMENT AGREEMENT

To:	**NATIONAL BANK OF CANADA** ("**NBC**"), as Agent for the Lenders under the Credit Agreement
Re:	Second Amended and Restated Credit Agreement dated **December 19**, 2022, between Surge Energy Inc., the Lenders, and NBC as Agent for the Lenders (as amended, restated, supplemented or otherwise modified from time to time, the "**Credit Agreement**").
Date:	[■](the "**Effective Date**")

Unless otherwise indicated, terms defined in the Credit Agreement have the same meanings when used herein.

1. **[Name of assignee lender]** (the "**Assignee**") acknowledges that its proper officers have received and reviewed a copy of the Credit Agreement and the other Loan Documents and further acknowledges the provisions of the Credit Agreement and the other Loan Documents.

2. The Assignee desires to become a Lender under the Credit Agreement. Effective on the Effective Date, **[Name of assigning Lender]** (the "**Assignor**") has agreed to and does hereby sell, assign and transfer to the Assignee, and the Assignee hereby irrevocably purchases and assumes, an interest in the **[Syndicated Revolving Facility/Operating Facility/Term Facility]**, the Assignee assumes the obligations of the Assignor in respect of the Assignor's **[Individual Syndicated Revolving Facility Commitment Amount/Operating Facility Commitment Amount/Individual Term Facility Commitment Amount]** to the extent of Cdn. $[■] of such commitment (the "**Assigned Commitment**"), and a share of the rights of the Assignor as a Lender under the Credit Agreement to the extent of the Assigned Commitment, including without limitation a share (the "***Pro rata* Share**") of the rights of the Assignor with respect to the Aggregate Principal Amount owing to the Assignor under the **[Syndicated Revolving Facility/Operating Facility/Term Facility]** equal to the proportion that the amount of the Assigned Commitment bears to Cdn. $[■] (being the amount of the **[Individual Syndicated Revolving Facility Commitment Amount/Operating Facility Commitment Amount/Individual Term Facility Commitment Amount]** of the Assignor on the Effective Date prior to the assignment and transfer under this Assignment Agreement) (the Assigned Commitment and such *Pro rata* Share are referred to herein as the "**Assigned Interest**"); and, accordingly, the Assignee has agreed to execute this Assignment Agreement and deliver an original of it to the Agent, and a copy to each of the Lenders and the Borrower.

3. The Assignee, by its execution and delivery of this Assignment Agreement, agrees that from and after the date hereof it will be a Lender under the Credit Agreement to the extent of the Assigned Commitment and the *Pro rata* Share and agrees to be bound by and to perform, where required, all of the terms, conditions and covenants of the Credit Agreement and the other Loan Documents applicable to a Lender, but its liability to make Advances will be limited to its share of such Advances based upon its [**Individual Syndicated Revolving Facility Commitment Amount/Operating Facility Commitment Amount/Individual Term Facility Commitment Amount**] in paragraph 4, below subject to the provisions of the Credit Agreement.

4. The Assignee confirms that its **[Individual Syndicated Revolving Facility Commitment Amount/Operating Facility Commitment Amount/Individual Term Facility Commitment Amount]** under the Credit Agreement will be as follows:

   [State amount thereof in Canadian Dollars.]

5. The Assignee agrees to assume all liabilities and obligations of the Assignor as **[a Syndicated Revolving Facility Lender/Operating Lender/a Term Facility Lender]** under the Credit Agreement and the other Loan Documents to the extent of the Assigned Interest provided for herein and the Assignor is hereby released and discharged from such obligations and liabilities to the same extent but only in respect of such obligations and liabilities arising from and after the Effective Date.

6. The Assignor (a) represents and warrants that (i) it is the legal and beneficial owner of the Assigned Interest, (ii) the Assigned Interest is free and clear of any lien, encumbrance or other adverse claim and (iii) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment Agreement and to consummate the transactions contemplated hereby; and (b) assumes no responsibility with respect to (i) any statements, warranties or representations made in or in connection with the Credit Agreement or any other Loan Document, (ii) the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Loan Documents, (iii) the financial condition of the Borrower and its Subsidiaries or any other Person obligated in respect of any Loan Document or (iv) the performance or observance by any Loan Party or any other Person of any of their respective obligations under any Loan Document.

7. The Assignee (a) represents and warrants that (i) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment Agreement and to consummate the transactions contemplated hereby and to become a Lender under the Credit Agreement, (ii) it has received a copy of the Credit Agreement and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Assignment Agreement and to purchase the Assigned Interest on the basis of which it has made such analysis and decision independently and without reliance on the Agent or any other Lender; and (b) agrees that (i) from and after the Effective Date, it shall be bound by the provisions of the Credit Agreement as [**a Syndicated Revolving Facility Lender/the Operating Lender/a Term Facility Lender**] thereunder and, to the extent of the Assigned Interest, shall have the obligations of a Lender thereunder, and (ii) it will, independently and without reliance on the Agent, the Assignor or any other Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Loan Documents, and (iii) it will perform in accordance with their terms all of the obligations which by the terms of the Loan Documents are required to be performed by it as [**a Syndicated Revolving Facility Lender/the Operating Lender/a Term Facility Lender**].

8. From and after the Effective Date, the Agent shall make all payments in respect of the Assigned Interest (including payments of principal, interest, fees and other amounts) to the Assignee whether such amounts have accrued prior to, on or after the Effective Date. The Assignor and the Assignee shall make all appropriate adjustments in payments by the Agent for periods prior to the Effective Date or with respect to the making of this assignment directly between themselves.

9. Notices will be given to the Assignee in the manner provided for in the Credit Agreement at the following address:

   [■]

Attention: [■]
Facsimile: [■]

10. This Assignment Agreement shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and permitted assigns. This Assignment Agreement may be executed in any number of counterparts, which together shall constitute one instrument. Delivery of an executed counterpart of a signature page of this Assignment Agreement by facsimile or by sending a scanned copy by electronic mail shall be effective as delivery of a manually executed counterpart of this Assignment Agreement. This Assignment Agreement shall be governed by, and construed in accordance with, the Laws in force in the Province of Alberta from time to time.

Dated as of the date first above written.

[Name of Assignee]

By: ______________________________
Name:
Title:

* * *

The Assignor hereby acknowledges the above Assignment Agreement and agrees that its **[Individual Syndicated Revolving Facility Commitment Amount/Operating Facility Commitment Amount/Individual Term Facility Commitment Amount]** is reduced by an amount equal to the **[Individual Syndicated Revolving Facility Commitment Amount/Operating Facility Commitment Amount/Individual Term Facility Commitment Amount]** assigned to the assignee hereby.

Dated this ■ day of ■, 20___.

[Name of Assignee]

By: ______________________________
Name:
Title:

Consented to and acknowledged this _____ day of _____________, 202__ by:

NATIONAL BANK OF CANADA, as Agent

Per: __________________________________
Name:
Title:

SURGE ENERGY INC.
[while No Event of Default exists and prior to a demand]

Per: __________________________________
Name:
Title:

SCHEDULE F
TO THE SURGE ENERGY INC. SECOND AMENDED AND RESTATED CREDIT AGREEMENT DATED DECEMBER 19, 2022

FORM OF NOTICE OF BORROWING

To:	**NATIONAL BANK OF CANADA** ("**NBC**"), as Agent for the Lenders under the Credit Agreement
Re:	Second Amended and Restated Credit Agreement dated **December 19**, 2022, between Surge Energy Inc., the Lenders, and NBC as Agent for the Lenders (as amended, restated, supplemented or otherwise modified from time to time, the "**Credit Agreement**").
Date:	[■]

(i) DRAWDOWN DATE IS THE _______ DAY OF _________________, _________.

(ii) Pursuant to Section 5.2 of the Credit Agreement, the undersigned hereby irrevocably requests that the following Accommodations under the Credit Facilities be made available:

OPERATING FACILITY

TYPE OF ADVANCE	PRINCIPAL AMOUNT	TERM
Canadian Prime Rate Loan	______________________	N/A
U.S. Base Rate Loan	______________________	N/A
Bankers' Acceptances	______________________	
SOFR Loan	______________________	
Canadian Dollar/U.S. Dollar	______________________	
Financial LC	______________________	
Canadian Dollar/U.S. Dollar Performance LC	______________________	

SYNDICATED REVOLVING FACILITY

TYPE OF ADVANCE	PRINCIPAL AMOUNT	TERM
Canadian Prime Rate Loan	______________________	N/A
U.S. Base Rate Loan	______________________	N/A
Bankers' Acceptances	______________________	
SOFR Loan	______________________	

TERM FACILITY

TYPE OF ADVANCE	PRINCIPAL AMOUNT	TERM
Canadian Prime Rate Loan	______________________	N/A

Bankers' Acceptances ______________________________
____

(iii) As of the date of this Notice of Borrowing, no Default or Event of Default has occurred and is continuing and, subject to Section 12.2 of the Credit Agreement, each of the representations and warranties set forth in Section 12.1 of the Credit Agreement is true and correct as if made on the date of the requested Advance.

(iv) Capitalized terms used herein and not otherwise defined herein have the meanings given to them by the Credit Agreement.

Dated as of the date first above written.

SURGE ENERGY INC.

By: ______________________________
Name:
Title:

By: ______________________________
Name:
Title:

SCHEDULE G
TO THE SURGE ENERGY INC. SECOND AMENDED AND RESTATED CREDIT AGREEMENT DATED DECEMBER 19, 2022

NOTICE OF ROLLOVER OR NOTICE OF CONVERSION OR NOTICE OF REPAYMENT

To: **NATIONAL BANK OF CANADA** (“**NBC**”), as Agent for the Lenders under the Credit Agreement

Re: Second Amended and Restated Credit Agreement dated **December 19**, 2022, between Surge Energy Inc., the Lenders, and NBC as Agent for the Lenders (as amended, restated, supplemented or otherwise modified from time to time, the “**Credit Agreement**”).

Date: [■]

(i) Pursuant to Section 5.4 of the Credit Agreement, the undersigned hereby irrevocably notifies the Agent that it will be:

(a) rolling over part or all of the Accommodation made under the **[Syndicated Revolving Facility/Operating Facility/Term Facility]** described as:

Type of Accommodation: ____________________

*Principal Amount: ____________________

Date of Maturity: ____________________

into the same Accommodation made under the [**Syndicated Revolving Facility/Operating Facility/Term Facility**]

Date of Maturity: ____________________

*if only part of maturing Advance is rolled over, please indicate.

or;

(b) converting part or all of the Accommodation made under the **[Syndicated Revolving Facility/Operating Facility/Term Facility]** described as:

Type of Accommodation: ____________________

*Principal Amount: ____________________

Date of Maturity: ____________________

into an Accommodation made under the **[Syndicated Revolving Facility/Operating Facility/Term Facility]** described as:

* if only part of maturing Advance is converted, please indicate.

Type of Accommodation: ______________________________

*Principal Amount: ______________________________

Date of Maturity: ______________________________

effective the ______ day of _________________, _________.

or;

(c) Repaying part or all of the Advance made under **[the Syndicated Revolving Facility/Operating Facility/Term Facility]** described as:

Type of Accommodation: ______________________________

*Principal Amount: ______________________________

Date of Maturity: ______________________________

(1) If only part of the maturing Advance is being repaid, please indicate the applicable amount being repaid including the details provided above in respect thereof and whether the balance will be rolled over or Converted.

(ii) To the extent that this Notice rolls over or converts any Accommodations to Bankers' Acceptances, **[[(all, Schedule I, Schedule II, Schedule III, no)] [choose one or more as applicable] Lenders will purchase them at the applicable Discount Rate]**

(iii) This Notice is irrevocable.

(iv) No Default or Event of Default has occurred and is continuing.

(v) Capitalized terms used herein and not otherwise defined herein have the meanings given to them by the Credit Agreement.

Dated as of the date first above written.

SURGE ENERGY INC.

By: ______________________________
Name:
Title:

By: ______________________________
Name:
Title:

SCHEDULE H
TO THE SURGE ENERGY INC. SECOND AMENDED AND RESTATED CREDIT AGREEMENT DATED DECEMBER 19, 2022

LOAN PARTY INFORMATION

Legal Name	Jurisdiction of Incorporation or Formation	Location of Chief Executive Office	Location of Business and Assets	Tradenames	Ownership
Surge Energy Inc.	Alberta	Alberta	Alberta, British Columbia, Manitoba, Saskatchewan	None	Publicly Held

SCHEDULE I
TO THE SURGE ENERGY INC. SECOND AMENDED AND RESTATED CREDIT AGREEMENT DATED DECEMBER 19, 2022

FORM OF OIL AND GAS OWNERSHIP CERTIFICATE

To: **NATIONAL BANK OF CANADA** (“**NBC**”), as Agent

Re: Second Amended and Restated Credit Agreement dated **December 19**, 2022, between Surge Energy Inc., the Lenders, and NBC as Agent for the Lenders (as amended, restated, supplemented or otherwise modified from time to time, the “**Credit Agreement**”).

Date: [■]

The undersigned, ___________, being the ____________, of the Borrower, hereby certifies in such capacity for and on behalf of the Borrower, and not in any personal capacity and without assuming any personal liability whatsoever, as follows:

1. I have made or caused to be made due inquiries and review of all documents, correspondence and other material (the “**Title Enquiries**”) relating to the hydrocarbons and lands or interests in lands (the “**Lands**”) described in the reports of _____________________________ (the “**Engineering Report**”) addressed to the Borrower and each dated effective [■].

2. Based upon the Title Enquiries, I have no knowledge, information or belief that there exists any provision in any agreement, contract or document pertaining to the Lands which prevents any Loan Party (collectively, the “**Surge Parties**” and individually a “**Surge Party**”) from granting security in the nature of a fixed or floating charge or security interest over such Lands to the Agent, for its own benefit and on behalf of the Lenders, or which would prevent the Agent from enforcing and realizing on such security in the event of a default thereunder other than the requirement to obtain the consent and waiver of a right of first refusal in the event of the sale of the Lands on the realization and enforcement of such security.

3. Based upon the Title Enquiries, to the best of my knowledge, information and belief, the Surge Parties are, effective the date hereof, possessed of and are beneficial owners of the respective working, royalty and other interests set forth in the Engineering Report with respect to the Lands, subject to any Permitted Encumbrances and to minor defects of title which in the aggregate do not materially affect their rights of ownership therein or the value thereof or to which the Lenders have consented in writing.

4. To the best of my knowledge, information and belief, based on the due and reasonable enquiries, there is no default (by the Surge Parties or for which the Surge Parties are liable, including, without limitation, by any operation of the Lands) of payment of royalties in connection with the Lands, which have accrued due by reason of production since any royalty payment dates, as prescribed by statute or agreement, immediately preceding the date of this Certificate and no Surge Party nor any Person on behalf of a Surge Party (including, without limitation, any operator of the Lands) has received notice of default of any obligation imposed on it by any farmout, operating agreement or any other contract or agreement in respect of the Lands which, in any case, would reasonably be expected to have a Material Adverse Effect and, to the best of my knowledge, information and belief, based on the due and reasonable enquiries, there is no default of any such obligation which would reasonably be expected to have a Material Adverse Effect.

5. To the best of my knowledge, information and belief, based on the due and reasonable enquiries, the Lands are now free and clear of all Liens and adverse claims created by, through or under the Surge Parties, other than the Permitted Encumbrances, and no Surge Party nor any Person on behalf of a Surge Party (including, without limitation, any operator of the Lands) has received notice of any claim adverse to Surge Party's working, royalty and other interests in the Lands and there are no Liens or adverse claims, other than the Permitted Encumbrances, which materially and adversely affect the title of any Surge Party to their respective interests in the Lands.

6. To the best of my knowledge, information and belief, based on the due and reasonable enquiries, there are at present no outstanding unfulfilled obligations being enforced under any lease or contract pertaining to the Lands and any Surge Party's working, royalty and other interests in the Lands are not subject to any contractual obligations or conditions, except those which are permitted under the Credit Agreement or which are accounted for in the Engineering Report which are reasonably expected to result in the diminishment or forfeiture of those working, royalty and other interests.

7. No Surge Party has assigned its share of production proceeds or other moneys due to it in respect of its working, royalty or other interests in the Lands to any party other than the Agent, for its own benefit and on behalf of the Lenders.

8. All of the working, royalty and other interests of the Surge Parties in respect of petroleum and natural gas rights described in the Engineering Report and evaluated by the Lenders in determining the Borrowing Base are accurately reflected in the Engineering Report in all material respects.

9. Capitalized words and phrases used herein and not otherwise defined herein have the meanings given to them in the Credit Agreement.

Dated as of the date first above written.

Per: ______________________________

Name:
Title:

SCHEDULE J
TO THE SURGE ENERGY INC. SECOND AMENDED AND RESTATED CREDIT AGREEMENT DATED DECEMBER 19, 2022

FORM OF REQUEST FOR OFFER OF EXTENSION

To: **NATIONAL BANK OF CANADA** (“**NBC**”), as Agent
Corporate Customer Services – Syndication and Agency Group
500 Place d’Armes, 26th Floor
Montreal, QC H2Y 2W3

Attention: [Redacted: Contact]
Email: [Redacted: email]

Date: [■]

Dear Sirs:

Reference is made to the Second Amended and Restated Credit Agreement dated **December 19**, 2022, between Surge Energy Inc., the Lenders, and National Bank of Canada as Agent for the Lenders (as amended, supplemented, restated or replaced from time to time, the “**Credit Agreement**”). All terms and expressions used herein but not otherwise defined, shall have the same meanings herein as ascribed thereto in the Credit Agreement.

We hereby give notice of our request for an offer of extension of each of the Syndicated Revolving Facility Termination Date and the Operating Facility Termination Date for a further period of [■] pursuant to Section 3.2 of the Credit Agreement.

As of the date hereof, there exists no Default or Event of Default except those set out below which have been expressly disclosed to and waived or agreed to by the Lenders or the Majority Lenders, as applicable.

Yours very truly,

SURGE ENERGY INC.

Per

Name:
Title:

SCHEDULE K
TO THE SURGE ENERGY INC. SECOND AMENDED AND RESTATED CREDIT AGREEMENT DATED DECEMBER 19, 2022

MATERIAL CONTRACTS

NONE

SCHEDULE L
TO THE SURGE ENERGY INC. SECOND AMENDED AND RESTATED CREDIT AGREEMENT DATED DECEMBER 19, 2022

PERMITTED SECOND LIEN AMORIZATION PAYMENTS

In respect of Permitted Second Lien Original Debt:

Period	Principal Repayment
Q4 2022 - Q4 2023	$1,000,000, payable on the last Banking Day of each Fiscal Quarter
Q1 2024 - Q4 2024	$2,000,000, payable on the last Banking Day of each Fiscal Quarter
Q1 2025 - Q4 2025	$3,000,000, payable on the last Banking Day of each Fiscal Quarter
Q1 2026 - Q4 2026	$4,000,000, payable on the last Banking Day of each Fiscal Quarter

In addition to the foregoing, additional amortization payments equal to $833,333.33 (an "**Additional Amortization Payment**") shall be permitted to be paid in each month in which a Permitted Distribution (other than a Distribution by one Loan Party to another Loan Party) is made and, if such Permitted Distribution is a Specified Consent Distribution, each Additional Amortization payments shall be permitted to be increased by an amount equal to 25% of the amount of each such Specified Consent Distribution.

In respect of the Permitted Second Lien Incremental Debt:

- Principal repayments equal to 2.50% of the initial Permitted Second Lien Incremental Debt in effect on the Amendment and Restatement Date, payable on the last Banking Day of each Fiscal Quarter commencing March 31, 2023; and

- In addition to the foregoing, additional amortization payments shall be permitted to be paid on the last Banking Day of each calendar month based on the applicable "Level" indicated in the WTI Band Table set below for the prior month's commodity price (which shall be the unweighted arithmetic average of the daily settlement prices per barrel of West Texas Intermediate Light Sweet Crude Oil as made public by NYMEX (or its successor) on each commodity business day of the relevant calculation month) (the "**WTI Average Price**") (each such additional payment, an "**Additional Amortization Payment (Second Lien Incremental Debt)**"), commencing with the calendar month ending May 31, 2024 (for certainty, the first Additional Amortization Payment (Second Lien Incremental Debt) shall be made on May 31, 2024, as determined by the WTI Average Price for April 2024).

WTI BAND TABLE		
Level	WTI Band	Additional Amortization Payment (Second Lien Incremental Debt)

	High (USD/bbl)	Low (USD/bbl)	
Level I	N/A	>$70.00 WTI Average Price	None.
Level II	≤$70.00 WTI Average Price	>$60.00 WTI Average Price	1.25% of the initial Permitted Second Lien Incremental Debt in effect on the Amendment and Restatement Date
Level III	≤$60.00 WTI Average Price	N/A	2.50% of the initial Permitted Second Lien Incremental Debt in effect on the Amendment and Restatement Date

SCHEDULE M
TO THE SURGE ENERGY INC. SECOND AMENDED AND RESTATED CREDIT AGREEMENT DATED DECEMBER 19, 2022

FORM OF LMR AND DECOMMISSIONING WORKSHEET

LMR and Decommissioning Obligations as at [Date]

Date: 10/1/2020

Current LMR by Province then Area:

	Wells				Facilities				
	Active		Inactive		Active	Inactive	Total		
Province/Area	Asset (M$)	Liability (M$)	Asset (M$)	Liability (M$)	Liability (M$)	Liability (M$)	Asset (M$)	Liability (M$)	Ratio
Alberta									
property 1									
property 2									
Saskatchewan									
property 1									
property 2									
BC									
property 1									
property 2									
Total									

Comments to include:

- *Identify any areas with low LMR and provide comment on how this is being addressed.*

Well Count:

	Total	Active	Inactive	Suspended	Abandoned Downhole	Abandoned (cut and capped)	Reclaimed (needs reclamation certificate)	Reclaimed Certified
Gross								
Net								

Comments:

- *Active wells should include injection and observation wells*
- *Abandoned should include wells awaiting rec. certificates.*

Decommissioning Obligations and Expenditures

	(M$)
UN-discounted and UN-escalated decommissioning obligations as per Financial Statements *(date)*	
Decommissioning obligations (undiscounted and unescalated)assigned by *Engineering Firm (date)*	
Decommissioning expenditures in the Company's Budget *(date) – year 1*	