

TRUST AGREEMENT

This Agreement made as of May 13, 2016.

BETWEEN:

FORENT ENERGY LTD.

("Forent")

and

PERISSON PETROLEUM CORPORATION

("Perisson")

WHEREAS:

Forent has executed a purchase and sale agreement (the "PSA") to acquire certain Petroleum and Natural Gas Rights, Miscellaneous Interests and Tangibles ("Assets") from Alvarez & Marsal Canada Inc. ("Vendor"), in its capacity as the court-appointed receiver and manager of Bumper Development Corporation Ltd. ("Bumper");

The terms and conditions on which Forent is to acquire the Assets from the Vendor are set forth and contained in the said PSA and in the Schedules attached thereto;

The purchase price to be paid by Forent to the Vendor is \$2,070,500.00 and includes the amount of \$500,000.00 which was paid by Forent to Bumper pursuant to a prior Purchase and Sale Agreement between the said parties;

Pursuant to the PSA, Forent is required to pay the balance of the purchase price in the sum of \$1,570,500.00 to Forent's solicitors within five (5) business days of the acceptance of the Offer to be held by them in trust and released to the Vendor's solicitors as payment of the purchase price for the Assets on the closing of the PSA;

On March 7, 2016, Forent and Perisson entered into a definitive agreement pursuant to which they agreed to amalgamate under the *Business Corporations Act* (Alberta);

Perisson has agreed to finance the acquisition of the Assets by Forent and, to obtain the funds required to pay the purchase price under the PSA, Perisson will issue a series of debentures to be secured by a first and fixed charge on the Assets (the "Debentures");

Perisson will use a portion of the proceeds of the debenture financing to pay the balance of the purchase price to the Vendor;

To facilitate the PSA financing Forent has agreed to hold the Assets to be acquired under the PSA in trust for Perisson;

Perisson and Forent have executed an amalgamation agreement dated March 7, 2016 with respect to the proposed amalgamation of Perisson and Forent (the "Amalgamation");

The Parties wish to acknowledge and reduce to writing the terms and conditions on which Perisson will pay the balance of the purchase price to the Vendor, and, on which Forent will hold the Assets

to be acquired under the PSA in trust for Perisson;

WITNESSETH THAT in consideration of the premises and mutual covenants contained herein and other good and valuable consideration, the Parties hereby agree as follows:

1 PAYMENT BY PERISSON

- 1.1 Forent shall advise Perisson of the date on which it is required by the PSA to pay the balance of the purchase price owing on the PSA ("**Payment Date**").
- 1.2 Perisson shall, at least two (2) business days before the Payment Date, by an electronic transfer of funds, pay the sum of \$2,070,500.00 in full to Forent's solicitors to be held by them in trust and released by them on the following conditions:
- (a) to pay the sum of \$1,570,500.00 to the Vendor's solicitors as payment of the purchase price for the Assets on the closing of the PSA; and,
- (b) to pay the sum of \$500,000.00 to Forent forthwith on the closing of the said PSA.

2 TRUST BY FORENT

- 2.1 Forent hereby acknowledges and agrees that, upon the closing of the PSA, Forent shall hold legal title to the Assets as a bare Trustee for Perisson until such time as the amalgamation of Forent and Perisson is final, or, until such time as Forent exercises its rights pursuant to Article 3 hereof.
- 2.2 Upon closing of the PSA, and until the completion of the Amalgamation, or, until such time as Forent exercises its rights pursuant to Article 3 below, Forent shall hold 100% legal title to the Assets in trust for the sole use, enjoyment and benefit of Perisson and as bare legal trustee for Perisson. Perisson shall be entitled to maintain the registration of an instrument or caveat on title to the Assets or in respect of Crown Leases related thereto as evidence of its beneficial interest therein while this Agreement is in effect.
- 2.3 Perisson shall assume all benefits and burdens associated with the Assets. Forent shall, on behalf of Perisson, make any necessary payments in respect of all costs associated with the maintenance and repair of the Assets. Forent shall be entitled to seek contribution and indemnity from Perisson for all payments made from time to time in respect thereof.
- 2.4 All profits, funds and advantages accruing to or arising directly or indirectly in respect of Perisson's interest in the Assets are and shall be held by Forent for the sole use, enjoyment and benefit of Perisson and as a bare legal trustee for Perisson. Except to the extent any funds are set off against costs and expenses paid by Forent on Perisson's behalf, Forent shall deliver all profits and funds it receives pertaining to Perisson's interest in the Assets to Perisson as soon as reasonably possible.
- 2.5 Forent shall promptly deliver to Perisson any and all notices and communications received by Forent pertaining to the Assets.
- 2.6 Forent shall not assign, transfer, encumber, alienate or in any way dispose of Perisson's interest in the Assets unless authorized and directed in writing by Perisson.

- 2.7 Perisson shall indemnify Forent against all actions, suits, claims, costs and demands, losses, damages and expenses which may be brought against or suffered by Forent or which Forent may sustain, pay or incur by reason of any matter or thing arising out of or in any way attributable to Forent holding Perisson's interest in the Assets as bare legal trustee for Perisson.

3 FORENT OPTION

- 3.1 Forent shall have the exclusive and sole option up to and including October 31, 2016, to treat the sum of \$828,200.00 (plus 40% of the costs incurred in the May 2016 closing) as a loan by Perisson to Forent and in full satisfaction of the loan (the "Purchase"):
- (a) elect to forthwith assign, transfer and convey its registered interest in the Assets to Perisson; or,
 - (b) elect to repay the loan by paying the sum of \$828,200.00 in full to Perisson in exchange for the transfer by Perisson of a 40% beneficial interest in the Assets free and clear of any claims whatsoever by Perisson.
- 3.2 If Forent elects to repay the loan pursuant to Clause 3.1(b), Forent shall have until November 30, 2016 to pay the sum of \$828,200.00 (plus 40% of the costs incurred in the May 2016 closing) to Perisson. If Forent does not make the said payment, Forent shall forthwith assign, transfer and convey its registered interest in the Assets to Perisson effective as of the date Forent elected to make the Purchase.
- 3.3 Forent's election and Purchase under this clause shall be subject to the registered security attached to the Assets (pursuant to the Debentures).
- 3.4 Subject to Forent complying with Clause 3.1 or Clause 3.2 hereof, Perisson does hereby remise, release and forever discharge Forent from any and all claims, demands, actions and causes of action of every nature and kind whatsoever that Perisson has or may have against Forent as the result of or in any way connected with this Agreement.

4 ADDITIONAL PROVISIONS

- 4.1 All notices hereunder shall be in writing and shall be delivered personally or by courier to the following addresses for service of notices:

FORENT ENERGY LTD.
200, 340 – 12th Avenue S.W.
CALGARY, Alberta T2R 1L5

PERISSON PETROLEUM CORPORATION
200, 340 – 12th Avenue S.W.
CALGARY, Alberta T2R 1L5

- 4.2 This Agreement shall be governed by, subject to, construed and enforced in accordance with the laws of the Province of Alberta and the Parties hereby unconditionally submit and attorn to the jurisdiction of the courts of the Province of Alberta.

- 4.3 The recitals shall form an integral part of this Agreement.
- 4.4 The Parties shall do all further acts and execute and deliver all further documents that are reasonably required to give full force and effect to this Agreement.
- 4.5 This Agreement may be executed in counterpart and all executed pages taken together shall constitute one agreement. Communication of execution by fax transmission or by e-mailed PDF shall constitute good and valid execution.

In witness whereof the Parties hereto have signed, sealed and delivered this Agreement effective as of the date and year first above written.

FORENT ENERGY LTD.

Per: 

Robyn Lore, President and CEO

PERISSON PETROLEUM CORPORATION

Per: 

Wayne Rousch, President

This is the Execution Page to and forming part of the Trust Agreement dated May 13, 2016 between FORENT ENERGY LTD., as Forent, and, PERISSON PETROLEUM CORPORATION, as Perisson.