UNDERWRITING AGREEMENT

Effective March 5, 2014

Enterprise Group, Inc.
#2, 64 Riel Drive
St. Albert, Alberta
T8N 5B3

Attention: Mr. Leonard D. Jaroszuk
President and Chief Executive Officer

Dear Sir:

Re: Offering of Common Shares

Canaccord Genuity Corp. and GMP Securities L.P. (together, the "**Co-Lead Underwriters**"), and Jennings Capital Inc., PI Financial Corp. and Salman Partners Inc. (collectively, the "**Underwriters**" and each, an "**Underwriter**") understand that Enterprise Group, Inc. (the "**Corporation**" or "**Enterprise**") proposes to issue and sell 24,000,000 common shares ("**Common Shares**") of the Corporation (the "**Firm Shares**").

In consideration of the Underwriters' agreement to purchase the Firm Shares, the Corporation hereby grants to the Underwriters (in accordance with the percentages set forth in paragraph 18 hereof) an over-allotment option (the "**Over-Allotment Option**"), for the purposes of covering the Underwriters "over-allocation position" (as defined in Applicable Securities Laws (as defined herein)) and for market stabilization purposes in accordance with Applicable Securities Laws, to purchase severally and not jointly and offer for sale to the public pursuant hereto up to an aggregate of 3,600,000 common shares (the "**Option Shares**" and, together with the Firm Shares, the "**Offered Shares**") on the same terms and conditions as the Firm Shares, for additional gross proceeds to the Corporation of up to $3,600,000. The Over-Allotment Option will be exercisable in whole or in part at the sole discretion of the Underwriters at any time within 30 days of the Closing Date in accordance with the terms and conditions of this Agreement. The sale of the Offered Shares by the Corporation shall be referred to herein as the "**Offering**".

We also understand that the Corporation will prepare and file, in accordance with the terms hereof, the Preliminary Prospectus (as defined herein) and the Prospectus (as defined herein) and all other necessary documents in order to qualify for distribution the Offered Shares (as defined herein) in each of the Qualifying Provinces (as defined herein). If agreed by the Corporation and the Underwriters, the Offered Shares may also be offered and sold in the United States (as such term is defined in Regulation S under the U.S. Securities Act of 1933, as amended (the "**U.S. Securities Act**"), provided that such offers and sales are made in accordance with Rule 144A under the U.S. Securities Act and in compliance with all applicable U.S. Securities Laws (as defined herein).

Upon and subject to the terms and conditions contained in this Agreement, the Underwriters hereby severally, and not jointly, agree to purchase from the Corporation on the Closing Date (as defined below), in the respective percentages set forth in section 18, and the Corporation hereby agrees to sell to the Underwriters, all but not less than all of the Firm Shares, at a price of $1.00 per Offered Share for an aggregate purchase price of $24,000,000 ($27,600,000 if the Over-Allotment Option is exercised in full).

In connection with the offering and sale of the Offered Shares, the Underwriters shall be entitled to retain as sub-agents other registered securities dealers and may receive (for delivery to the Corporation at the Closing Time) subscriptions for Offered Shares from other registered securities dealers. The fee payable to such sub-agents shall be for the account of the Underwriters and shall not exceed the fee payable to the Underwriters hereunder.

1. Definitions and Interpretation.

In this Agreement, the following terms shall have the following meanings:

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

"**Agreement**" means this underwriting agreement as it may be amended from time to time and not any particular Article or Section or portion except as may be specified, and words such as "**hereto**", "**herein**" and "**hereby**" refer to this Agreement as the context requires.

"**AIF**" means the revised annual information form of the Corporation for the year ended December 31, 2012 dated April 8, 2013.

"**Applicable Securities Laws**" means all applicable Canadian securities, corporate and other laws, rules, regulations, notices and policies in the Qualifying Provinces.

"**ASC**" means the Alberta Securities Commission.

"**Business Day**" means a day other than a Saturday, Sunday or any other day on which the principal chartered banks located in the City of Calgary, Alberta, are not open for business.

"**Closing Date**" means March 25, 2014 or such other date as the Corporation and the Underwriters may mutually agree upon.

"**Closing Time**" means 6:00 a.m. (Calgary time) on the Closing Date or such other time as mutually agreed to by the Corporation and the Underwriters.

"**Co-Lead Underwriters**" means Canaccord Genuity Corp. and GMP Securities L.P.

"**Common Shares**" means the common shares in the capital of the Corporation.

"**Compensation Warrants**" means the Common Share purchase warrants issuable to the Underwriters on the Closing Date or the Over-Allotment Option Closing Date (as applicable).

"**Compensation Warrant Shares**" means the Common Shares issuable on due exercise of the Compensation Warrants.

"**Corporation**" or "**Enterprise**" means Enterprise Group, Inc., a corporation duly incorporated pursuant to the provisions of the ABCA and includes any successor corporation to or of the Corporation.

"**Corporation's auditors**" means Grant Thornton LLP, Chartered Accountants, Calgary, Alberta.

"**Corporation's counsel**" means Borden Ladner Gervais LLP, or such other legal counsel as the Corporation, with the consent of the Underwriters, may appoint.

"**Disclosure Record**" means all information filed by or on behalf of the Corporation with the Securities Commissions subsequent to January 1, 2013, including without limitation, the Documents, the Prospectuses, any Supplementary Material and any other information filed with any Securities Commission in compliance, or intended compliance, with any Applicable Securities Laws.

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

"**Documents**" means, collectively, the documents incorporated by reference in the Prospectuses and any Supplementary Material including, without limitation:

(a) the AIF;

(b) the business acquisition report dated August 26, 2013 in respect of the Corporation's acquisition of Calgary Tunnelling & Horizontal Augering Ltd. (the "**CTHA Acquisition**");

(c) the business acquisition report of Enterprise dated November 26, 2012 relating to the acquisition of all of the issued and outstanding shares of Artic Therm International Ltd.;

(d) the business acquisition report dated February 3, 2014 relating to the acquisition of all of the issued and outstanding shares of Hart Oilfield Rentals Ltd. (the "**Hart Acquisition**");

(e) the Enterprise Financial Statements;

(f) the management's discussion and analysis of the financial condition and results of operations of the Corporation for the year ended December 31, 2012;

(g) the management's discussion and analysis of the financial condition and results of operations of the Corporation for the three and nine months ended September 30, 2013 and September 30, 2012;

(h) the material change report dated March 6, 2014 with respect to the Offering;

(i) the material change report of Enterprise dated December 5, 2013 relating to the acquisition of Hart Oilfield Rentals Ltd. ("**Hart Acquisition**") and the short form prospectus offering of 20,835,000 subscription receipts at a price of $0.72 per subscription receipt for aggregate gross proceeds of $15,001,200 ("**Subscription Receipt Offering**");

(j) the material change report of Enterprise dated December 20, 2013 relating to the closing of the Subscription Receipt Offering;

(k) the material change report of Enterprise dated January 7, 2014 relating to the completion of the Hart Acquisition including the issuance of 1,388,890 Common Shares to the vendors, the conversion of 20,835,000 subscription receipts into 20,835,000 Common Shares and 10,417,500 common share purchase warrants and the completion of an increase to the Corporation’s credit facility for up to a maximum of $35 million, at a rate of prime plus 2%;

(l) the material change report dated June 18, 2013 with respect to the CTHA Acquisition;

(m) the material change report of enterprise dated June 5, 2013 relating to the completion of a brokered private placement of 8,587,586 Common Shares at a price of $0.48 per share for gross proceeds of approximately $4.12 million;

(n) the material change report of Enterprise dated May 27, 2013 relating to the completion of a private placement of 6% convertible unsecured subordinated debentures in the aggregate principal amount of approximately $6,000,000, the debentures having a two-year term and bearing interest at the rate of 6% per annum and being convertible into Common Shares at a price of $0.50 per share;

(o) the material change report of Enterprise dated February 20, 2013 relating to the completion of a non-brokered private placement of 4,200,000 units of the Corporation, at a price of $0.25 per unit for aggregate gross proceeds of $1,050,000;

(p) the management information circular dated May 13, 2013 in respect of the annual and special meeting of holders of Common Shares held on June 20, 2013 (the "**2013 Circular**");

(q) the management information circular of Enterprise dated April 25, 2012 with respect to the annual and special meeting of the shareholders of the Corporation held on May 31, 2012;

(r) for purposes of the Prospectus, any Marketing Materials (including any template version, revised template version or limited use version thereof) provided to a potential investor in connection with the Offering during the waiting period; and

(s) any documents of the type required by National Instrument 44-101 to be incorporated by reference in a short form prospectus, including any annual information form, annual financial statements and the auditors' report thereon, interim financial statements, management's discussion and analysis of financial condition and results of operations, material change report (except a confidential material change report), business acquisition report and information circular, filed by the Corporation after the date of this Agreement and during the period of distribution.

"**Due Diligence Responses**" means the written and verbal responses provided by the Corporation together with all materials provided to the Underwriters or Underwriters' counsel during the Due Diligence Session, as given by any director or senior officer of the Corporation, at a Due Diligence Session.

"**Due Diligence Session**" shall have the meaning set forth in subsection 3(e) hereof.

"**Enterprise Annual Financial Statements**" means the audited financial statements of Enterprise as at and for the years ended December 31, 2012 and 2011, together with the notes thereto and the report of the auditors thereon.

"**Enterprise Interim Financial Statements**" means the unaudited, comparative, interim balance sheet of Enterprise for the periods ended September 30, 2013 and September 30, 2012 and the statements of comprehensive income, changes in equity and cash flows for the three and nine months ended September 30, 2013 and 2012 together with the notes thereto.

"**Enterprise Financial Statements**" means, collectively, the Enterprise Annual Financial Statements and the Enterprise Interim Financial Statements.

"**Exchange**" means the Toronto Stock Exchange.

"**Final Passport System Decision Document**" means a receipt for the Prospectus issued in accordance with the Passport System.

"**Marketing Documents**" means, collectively all: (i) Standard Term Sheets; and (ii) Marketing Materials (including any template version, revised template version or limited use version thereof) provided to a potential investor in connection with the Offering.

"**material change**", "**material fact**" and "**misrepresentation**" shall have the meanings ascribed thereto under the Applicable Securities Laws.

"**Marketing Material**" has the meaning ascribed to such term in National Instrument 41-101.

"**Material Subsidiaries**" means Enterprise Energy Services Inc., E One Limited, Artic Therm International Ltd., T.C. Backhoe & Directional Drilling Limited Partnership, T.C. Backhoe & Directional Drilling Ltd., T.C. Backhoe Holdings Inc., Calgary Tunnelling & Horizontal Augering Ltd., ProTech Construction Inc. and Hart Oilfield Rentals Ltd.

"**NI 41-101**" means National Instrument 41-101 *General Prospectus Requirements*, as amended.

"**NI 44-101**" means National Instrument 44-101 *Short Form Prospectus Distributions*, as amended.

"**NP 11-202**" means National Policy 11-202 of the Canadian Securities Administrators, entitled "Process for Prospectus Reviews in Multiple Jurisdictions".

"**Over-Allotment Option Closing Date**" means the date, which shall be a Business Day, as set out in the Over-Allotment Option Notice, or such other date as the parties hereto may mutually agree upon in writing.

"**Over-Allotment Option Closing Time**" means 6:00 a.m. (Calgary time) or such other time on the Over-Allotment Option Closing Date as the parties hereto may mutually agree.

"**Over-Allotment Option Notice**" has the meaning set forth in paragraph 13(b) of this Agreement.

"**Passport System**" means the system and procedures for prospectus filing and review under Multilateral Instrument 11-102, entitled "Passport System" and NP 11-202.

"**Preliminary Passport System Decision Document**" means a receipt for the Preliminary Prospectus issued in accordance with the Passport System.

"**Preliminary Prospectus**" means the preliminary short form prospectus of the Corporation dated March 10, 2014 and any amendments thereto, in respect of the distribution of the Offered Shares, including the documents incorporated by reference therein.

"**Preliminary U.S. Placement Memorandum**" means the preliminary U.S. Placement Memorandum, including the Preliminary Prospectus, if any, in the form agreed to by the Corporation and the Underwriters, as supplemented or amended.

"**Prospectus**" means the (final) short form prospectus of the Corporation and any amendments thereto, in respect of the distribution of the Offered Shares, including the documents incorporated by reference therein.

"**Prospectuses**" means, collectively, the Preliminary Prospectus and the Prospectus.

"**Qualified Institutional Buyer**" means "a qualified institutional buyer" as such term is defined in Rule 144A;

"**Qualifying Provinces**" means each of the Provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Newfoundland and Labrador, Prince Edward Island, New Brunswick and Nova Scotia.

"**Rule 144A**" means Rule 144A promulgated under the U.S. Securities Act;

"**SEC**" means the United States Securities and Exchange Commission.

"**Securities Commissions**" means, collectively, the securities commissions or similar regulatory authorities in the Qualifying Provinces and "**Securities Commission**" means any of them.

"**SEDAR**" means the System for Electronic Document Analysis and Retrieval of the Canadian Securities Administrators.

"**Selling Dealer Group**" means the dealers and brokers other than the Underwriters who participate in the offer and sale of the Offered Shares pursuant to this Agreement.

"**Standard Term Sheets**" has the meaning ascribed to such term in NI 41-101.

"**Subsidiary**" means a subsidiary in respect of the Corporation within the meaning of the ABCA.

"**Supplementary Material**" means, collectively, any amendment to the Preliminary Prospectus or Prospectus, any amended or supplemental Preliminary Prospectus or Prospectus or any ancillary material, information, evidence, return, report, application, statement or document which may be filed by or on behalf of the Corporation under Applicable Securities Laws.

"**Swaps**" means any transaction which is a rate swap transaction, basis swap, forward rate transaction, commodity swap, commodity option, equity or equity index swap, equity or equity index option, bond option, interest rate option, foreign exchange transaction, cap transaction, floor transaction, collar transaction, currency swap transaction, cross-currency rate swap transaction, currency option, forward sale, exchange traded futures contract or any other similar transaction (including any option with respect to any of these transactions or any combination of these transactions).

"**Transfer Agent**" means Valiant Trust Company in its capacity as transfer agent and registrar of the Corporation at its principal offices in the City of Calgary, Alberta.

"**Underwriters**" means, collectively, Canaccord Genuity Corp., GMP Securities L.P., Jennings Capital Inc., PI Financial Corp. and Salman Partners Inc.

"**Underwriters' counsel**" means Burnet, Duckworth & Palmer LLP, or such other legal counsel as the Underwriters, with the consent of the Corporation, may appoint.

"**United States**" means the United States of America, its territories and possessions, any State of the United States and the District of Columbia.

"**U.S. Exchange Act**" means the United States Securities Exchange Act of 1934, as amended.

"**U.S. Placement Memorandum**" means the U.S. private placement memorandum for the offering of the Offered Shares in the United States, including the Prospectus, in the form agreed to by the Corporation and the Underwriters, as supplemented or amended.

"**U.S. Securities Act**" means the United States Securities Act of 1933, as amended.

"**U.S. Securities Laws**" means all applicable securities legislation in the United States, including without limitation, the U.S. Securities Act, the U.S. Exchange Act, any applicable state securities laws, and applicable federal laws and regulations applicable to brokers and dealers.

In this Agreement, "to the best of the Corporation's knowledge, information and belief" or equivalent statement, means, a statement as to the knowledge of each of the senior officers of the Corporation about the facts or circumstances to which such phrase related, after having made due and applicable inquiries and investigations in connection with such facts and circumstances that would ordinarily be made by senior officers of junior energy services firms in the discharge of their duties, without special inquiry for the purpose of this Offering. In this Agreement, "to the knowledge of the Corporation", or equivalent statement, means, a statement as to the actual knowledge of each of the senior officers of the Corporation about the facts or circumstances to which such phrase related.

In addition, unless otherwise defined herein capitalized terms shall have the meanings ascribed thereto in the Prospectuses.

2. Underwriting Fee

In consideration for their services in underwriting the distribution of and purchasing the Offered Shares, the Corporation agrees to pay the Underwriters (the "**Underwriting Fee**") at the Closing Time and any Over-Allotment Option Closing Time (as applicable), a fee of $0.05 per Offered Share being an aggregate amount of $1,200,000 in respect of the Firm Shares, plus an additional aggregate amount of $180,000 in respect of the Option Shares (assuming the exercise of the Over-Allotment Option in full).

For greater certainty, the services provided by the Underwriters in connection herewith will not be subject to the Goods and Services Tax ("**GST**") provided for in the *Excise Tax Act* (Canada) and taxable supplies provided will be incidental to the exempt financial services provided. However, in the event that the Canada Revenue Agency determines that GST provided for in the *Excise Tax Act* (Canada) is exigible on the Underwriting Fee, the Corporation agrees to pay the amount of GST forthwith upon the request of the Underwriters. The Corporation also agrees to pay the Underwriters' expenses as set forth in section 10 hereof.

In addition, the Underwriters will also receive Compensation Warrants in the amount of 5% of the total number of Common Shares issued in the Offering exercisable for two years following the Closing Date or the Over-Allotment Option Closing Date (as applicable) with an exercise price of $1.00 per share.

3. Qualification for Sale

(a) The Corporation represents and warrants to the Underwriters that it is eligible to use the short form prospectus offering qualification system described in NI 44-101 for the distribution of the Offered Shares.

(b) The Corporation shall elect and comply with the Passport System and shall:

(i) not later than 10:00 a.m. (Calgary time) on March 10, 2014, have prepared and filed the Preliminary Prospectus and other documents required under the Applicable Securities Laws with the Securities Commissions and designated the ASC as the principal regulator under the Passport System;

(ii) have obtained from the ASC a Preliminary Passport System Decision Document dated on or before March 10, 2014, evidencing that a receipt for the Preliminary Prospectus has been issued or deemed to have been issued in each of the Qualifying Provinces;

(iii) forthwith after any comments with respect to the Preliminary Prospectus have been received from the Securities Commissions (or such later date as may be agreed to in writing by the Corporation and the Underwriters) use its best efforts to have:

(A) prepared and filed the Prospectus and other documents required under Applicable Securities Laws with the Securities Commissions by not later than 5:00 p.m. (Calgary time) on March 17, 2014; and

(B) obtained from the ASC a Final Passport System Decision Document dated on or before March 17, 2014, evidencing that a receipt for the Prospectus has been issued in Alberta and Ontario and has been deemed to have been issued in each of the Qualifying Provinces other than Alberta and Ontario or otherwise obtained a receipt for the Prospectus from each of the Securities Commissions;

and otherwise fulfilled all legal requirements to enable the Offered Shares to be offered and sold to the public in each of the Qualifying Provinces through the Underwriters or any other investment dealer or broker registered in the applicable Qualifying Province; and

(iv) until the completion of the distribution of the Offered Shares, promptly take all additional steps and proceedings that from time to time may be required under Applicable Securities Laws to continue to qualify the Offered Shares for distribution or, in the event that the Offered Shares have, for any reason, ceased to so qualify, to again qualify the Offered Shares for distribution in each Qualifying Province and, to the extent within the control of the Corporation, to qualify the Offered Shares for sale in transactions exempt from registration under the U.S. Securities Act pursuant to Rule 144A and in reliance upon similar exemptions from registration under applicable state securities laws.

(c) Prior to the filing of the Prospectuses and, during the period of distribution of the Offered Shares, prior to the filing with any Securities Commissions of any Supplementary Material or any documents incorporated by reference therein after the date hereof, the Corporation shall have allowed the Underwriters and the Underwriters' counsel to participate fully in the preparation of, and, acting reasonably, to approve the form of, such documents (including, without limitation, if requested, the Preliminary U.S. Placement Memorandum and the U.S. Placement Memorandum) and to have reviewed any documents incorporated by reference therein.

(d) During the period from the date hereof until completion of the distribution of the Offered Shares, the Corporation shall allow the Underwriters to conduct all due diligence which they may reasonably require in order to fulfill their obligations as underwriters and in order to enable the Underwriters responsibly to execute the certificates required to be executed by them in the Prospectuses or in any Supplementary Material. Without limiting the generality of the foregoing, the Corporation shall make available its directors, senior management and audit committee, and shall use all commercially reasonable efforts to cause its auditors, and legal counsel to be available, to answer any questions which the Underwriters may have and to participate in one or more due diligence sessions to be held prior to the Closing Time (collectively, the "**Due Diligence Session**"). The Underwriters shall distribute a list of written questions to be answered in advance of such Due Diligence Session and the Corporation shall provide written responses to such questions in advance of the Due Diligence Session and shall use all commercially reasonable efforts to have the above-mentioned company, auditors, legal counsel and other experts provide written responses to such questions in advance of the Due Diligence Session.

(e) The Corporation shall take or cause to be taken all such other steps and proceedings, including fulfilling all legal, regulatory and other requirements, as required under Applicable Securities Laws to qualify the Offered Shares for distribution to the public in the Qualifying Provinces, to ensure that the Offered Shares are freely tradeable in the Qualifying Provinces, save and except for a trade that is a control distribution, and to take such action within its control that is necessary to permit the Offered Shares to be offered and sold in the United States to Qualified Institutional Buyers in transactions exempt from registration under the U.S. Securities Act in reliance on Rule 144A and, in each case, in transactions exempt from registration under applicable state securities laws in reliance on similar exemptions from registration therefrom and for sale internationally on a "private placement" basis in such jurisdictions as the Corporation and the Underwriters may agree as permitted by applicable laws.

(f) During the distribution of the Offered Shares:

(i) the Corporation and the Co-Lead Underwriters shall approve in writing, prior to such time Marketing Materials are provided to potential investors, a template version of any Marketing Material reasonably requested to be provided by the Underwriters to any such potential investor, such marketing materials to comply with Applicable Securities Laws. The Corporation shall file a template version of such Marketing Material with the Securities Commissions as soon as reasonably practicable after such marketing materials are so approved in writing by the Corporation and the Co-Lead Underwriters, on behalf of the Underwriters, and in any event on or before the day the marketing materials are first provided to any potential investor of Offered Shares, and such filing shall constitute the Underwriters' authority to use such Marketing Documents in connection with the Offering. Any comparables shall be redacted from the template version in accordance with NI 44-101 prior to filing such template version with the Securities Commissions and a complete template version containing such comparables and any disclosure relating to the comparables, if any, shall be delivered to the Securities Commissions by the Corporation. The Corporation shall prepare and file with the Securities Commissions a revised template version of any Marketing Materials provided to potential investors of Offered Shares where required under Applicable Securities Laws;

(ii) the Corporation, and the Underwriters, on a several basis, covenant and agree:

(A) not to provide any potential investor of Offered Shares with any Marketing Materials unless a template version of such Marketing Materials has been filed by the Corporation with the Securities Commissions on or before the day such Marketing Materials are first provided to any potential investor of Offered Shares;

(B) not to provide any potential investor with any materials or information in relation to the distribution of the Offered Shares or the Corporation other than: (a) such Marketing Materials that have been approved and filed in accordance with this subsection 3(f)(i); (b) the Preliminary Prospectus, the Amended Preliminary Prospectus and the Prospectus; and (c) any Standard Term Sheets approved in writing by the Corporation and the Co-Lead Underwriters; and

(C) that any Marketing Materials approved and filed in accordance with subsection 3(f)(i), and any Standard Term Sheets approved in writing by the Corporation and the Co-Lead Underwriters, shall only be provided to potential investors of Offered Shares in the Qualifying Provinces.

4. Delivery of Prospectuses and Related Documents

The Corporation shall deliver or cause to be delivered without charge to the Underwriters and the Underwriters' counsel the documents set out below at the respective times indicated:

(a) prior to or contemporaneously, as nearly as practicable, with the filing with the Securities Commissions of each of the Preliminary Prospectus and the Prospectus:

(i) copies of the Preliminary Prospectus and the Prospectus, signed as required by Applicable Securities Laws;

(ii) copies of the Preliminary U.S. Placement Memorandum and the U.S. Placement Memorandum, respectively, if required by the Underwriters; and

(iii) copies of any documents incorporated by reference therein, which have not previously been delivered to the Underwriters or are otherwise available on SEDAR;

(b) as soon as they are available, copies of any Supplementary Material, signed as required by Applicable Securities Laws and including, in each case, copies of any documents incorporated by reference therein, which have not been previously delivered to the Underwriters; and

(c) prior to the filing of the Prospectus with the Securities Commissions, a "comfort letter" from the Corporation's auditors and any other auditors who have audited any of the financial statements included in or incorporated by reference in the Prospectus, dated the date of the Prospectus, addressed to the Underwriters and satisfactory in form and substance to the Underwriters and the Underwriters' counsel, acting reasonably, to the effect that they have carried out certain procedures performed for the purposes of comparing certain specified financial information and percentages appearing in the

Prospectus and the documents incorporated therein by reference with indicated amounts in the financial statements or accounting records of the Corporation or other applicable entity or business and have found such information and percentages to be in agreement, which comfort letter shall be based on the applicable auditors' review having a cut-off date of not more than two Business Days prior to the date of the Prospectus.

Comfort letters similar to the foregoing shall be provided to the Underwriters with respect to any Supplementary Material and any other relevant document at the time the same is presented to the Underwriters for their signature or, if the Underwriters' signature is not required, at the time the same is filed. All such comfort letters shall be in form and substance acceptable to the Underwriters and the Underwriters' counsel, acting reasonably.

The deliveries referred to in subsections 4(a) and (b) shall also constitute the Corporation's consent to the use by the Underwriters, the U.S. Affiliates and other members of the Selling Dealer Group of the Documents, the Prospectuses, the Preliminary U.S. Placement Memorandum, the U.S. Placement Memorandum, and any Supplementary Material in connection with the offering and sale of the Offered Shares.

5. Commercial Copies

(a) The Corporation shall, as soon as possible but in any event not later than noon (local time at the place of delivery) on the Business Day following the date of receipt from the ASC of the Preliminary Passport System Decision Document or the Final Passport System Decision Document, as the case may be (or such other date or time as the Underwriters and the Corporation may agree), and no later than noon (local time) on the first Business Day after the execution of any Supplementary Material in connection with the Prospectuses, cause to be delivered to the Underwriters, without charge, commercial copies of the Preliminary Prospectus, the Prospectus or such Supplementary Material, in such numbers and in such cities as the Underwriters may reasonably request by oral or written instructions to the Corporation or the printer thereof given no later than the time when the Corporation authorizes the printing of the commercial copies of such documents.

(b) The Corporation shall cause to be provided to the Underwriters such number of copies of any documents incorporated by reference in the Preliminary Prospectus, the Prospectus or any Supplementary Materials as the Underwriters may reasonably request.

(c) If required by the Underwriters, the Corporation will similarly cause to be delivered to the Underwriters, at those delivery points as the Underwriters may reasonably request, commercial copies of the Preliminary U.S. Placement Memorandum, the U.S. Placement Memorandum and any Supplementary Material required to be delivered to purchasers or prospective purchasers of the Offered Shares. Each delivery of the Preliminary U.S. Placement Memorandum and the U.S. Placement Memorandum and any such Supplementary Material will constitute consent by the Corporation to the use of the Preliminary U.S. Placement Memorandum, the U.S. Placement Memorandum and any such Supplementary Material by the Underwriters and members of the Selling Dealer Group (if any) for the distribution of the Offered Shares for sale in the United States.

6. Material Change and Certain Other Covenants

(a) During the period of distribution of the Offered Shares, the Corporation will promptly inform the Underwriters in writing of the full particulars of:

(i) any material change (actual, anticipated or threatened) in or affecting the business, operations, revenues, capital, properties, assets, liabilities (absolute, accrued, contingent or otherwise), condition (financial or otherwise) or results of operations of the Corporation and its Material Subsidiaries (taken as a whole);

(ii) any change in any material fact contained or referred to in the Preliminary Prospectus, the Prospectus, the Preliminary U.S. Placement Memorandum, the U.S. Placement Memorandum or any Supplementary Material; and

(iii) the occurrence or discovery of a material fact or event which, in any such case, is, or may be, of such a nature as to:

(A) render the Preliminary Prospectus, the Prospectus, the Preliminary U.S. Placement Memorandum, the U.S. Placement Memorandum, any Marketing Materials or any Supplementary Material untrue, false or misleading in any material respect;

(B) result in a misrepresentation in the Preliminary Prospectus, the Prospectus, the Preliminary U.S. Placement Memorandum, the U.S. Placement Memorandum, any Marketing Materials or any Supplementary Material; or

(C) result in the Preliminary Prospectus, the Prospectus, the Preliminary U.S. Placement Memorandum, the U.S. Placement Memorandum, any Marketing Materials or any Supplementary Material not complying in any material respect with the Applicable Securities Laws,

provided that if the Corporation is uncertain as to whether a material change, change, occurrence or event of the nature referred to in this section has occurred or been discovered, the Corporation shall promptly inform the Underwriters of the full particulars of the occurrence giving rise to the uncertainty and shall consult with the Underwriters as to whether the occurrence is of such nature prior to making any filing referred to in paragraph 6(c).

(b) During the period of distribution of the Offered Shares, the Corporation will promptly inform the Underwriters in writing of the full particulars of:

(i) any request of any Securities Commission, the SEC or similar regulatory authority for any amendment to, or to suspend or prevent the use of, the Preliminary Prospectus, the Prospectus, the Preliminary U.S. Placement Memorandum, the U.S. Placement Memorandum or any other part of the Disclosure Record or for any additional information of a material nature;

(ii) the issuance by any Securities Commission, the SEC or similar regulatory authority, the Exchange or any other competent authority of any order to cease or suspend trading of any securities of the Corporation or of the institution or threat of institution of any proceedings for that purpose; and

(iii) the receipt by the Corporation of any communication from any Securities Commission, the SEC or similar regulatory authority, the Exchange or any other competent authority relating to the Preliminary Prospectus, the Prospectus, the Preliminary U.S. Placement Memorandum, the U.S. Placement Memorandum, any part of the Disclosure Record or the distribution of the Offered Shares.

(c) The Corporation will promptly comply to the reasonable satisfaction of the Underwriters and the Underwriters' counsel with Applicable Securities Laws with respect to any material change, change, occurrence or event of the nature referred to in subsections 6(a) or 6(b) above and the Corporation will prepare and file promptly at the Underwriters' request, acting reasonably, any amendment to the Prospectus, the U.S. Placement Memorandum or Supplementary Material as may be required under Applicable Securities Laws or U.S. Securities Laws; provided that the Corporation shall have allowed the Underwriters and the Underwriters' counsel to participate fully in the preparation of any Supplementary Material, to have reviewed any other documents incorporated by reference therein and to conduct all due diligence investigations which the Underwriters may reasonably require in order to fulfill their obligations as underwriters and in order to enable the Underwriters responsibly to execute the certificate required to be executed by them in, or in connection with, any Supplementary Material, such approval not to be unreasonably withheld and to be provided in a timely manner. The Corporation shall further promptly deliver to each of the Underwriters and the Underwriters' counsel a copy of each Supplementary Material as filed with the Securities Commissions and of comfort letters with respect to each such Supplementary Material substantially similar to those referred to in section 4 above.

(d) During the period of distribution of the Offered Shares, the Corporation will promptly provide to the Underwriters, for review by the Underwriters and the Underwriters' counsel, prior to filing or issuance:

(i) any financial statement of the Corporation;

(ii) any proposed document, including without limitation any amendment to the AIF, new annual information form, business acquisition report, material change report, interim report, or information circular, which may be incorporated, or deemed to be incorporated, by reference in the Prospectus;

(iii) any press release of the Corporation; and

(iv) any Supplementary Material, the Preliminary U.S. Placement Memorandum or the U.S. Placement Memorandum.

7. Representations and Warranties of the Corporation

(a) Each delivery of the Preliminary Prospectus, the Prospectus, the Preliminary U.S. Placement Memorandum, the U.S. Placement Memorandum and any Supplementary Material pursuant to section 4 or subsection 6(c) above shall constitute a representation and warranty to the Underwriters by the Corporation (and the Corporation hereby acknowledges that each of the Underwriters is relying on such representations and warranties in entering into this Agreement) that:

(i) all of the information and statements (except information and statements furnished in writing by and relating solely to the Underwriters) contained in the Preliminary Prospectus, the Prospectus, the Preliminary U.S. Placement Memorandum, the U.S. Placement Memorandum or any Supplementary Material, as applicable, including, without limitation, the documents incorporated by reference, as the case may be:

(A) are at the respective dates of such documents, true and correct in all material respects;

(B) contain no misrepresentation; and

(C) constitute full, true and plain disclosure of all material facts relating to the Corporation, the Offered Shares, the Compensation Warrants and the Compensation Warrant Shares;

(ii) the Preliminary Prospectus, the Prospectus, or any Supplementary Material, as applicable, including, without limitation, the documents incorporated by reference, as the case may be, comply in all material respects with the Applicable Securities Laws, including without limitation NI 44-101, and the Preliminary U.S. Placement Memorandum and the U.S. Placement Memorandum, if any, and, to the extent applicable, any related Supplementary Material, complies or will comply as to form in all material respects with the U.S. Securities Act; and

(iii) there has been no intervening material change (actual, proposed or prospective, whether financial or otherwise), from the date of the Preliminary Prospectus, the Prospectus, the Preliminary U.S. Placement Memorandum, the U.S. Placement Memorandum and any Supplementary Material to the time of delivery thereof, in the business, operations, revenues, capital, properties, assets, liabilities (absolute, accrued, contingent or otherwise), condition (financial or otherwise) or results of operations of the Corporation.

(b) In addition to the representations and warranties contained in subsection 7(a) hereof, the Corporation represents and warrants to, and covenants with, the Underwriters, and acknowledges that each of the Underwriters is relying upon such representations, warranties and covenants in entering into this Agreement, that:

(i) Each of the Corporation and the Material Subsidiaries is a corporation duly formed and validly subsisting under the jurisdiction of its formation, and has the requisite power and authority to carry on its business as it is now being conducted and as described in the Prospectuses;

(ii) each of the Corporation and the Material Subsidiaries is duly registered to do business and is in good standing in each jurisdiction in which the character of its properties, owned or leased, or the nature of its activities make such registration necessary, except where the failure to be so registered or in good standing would not have a material adverse effect on the Corporation (taken as a whole);

(iii) other than the Material Subsidiaries, the Corporation has no Subsidiaries, is not "affiliated" with or a "holding corporation" of any other body corporate (within the meaning of the ABCA), and is not a partner of any partnerships or limited partnerships;

(iv) the Corporation and the Material Subsidiaries (taken as a whole) have conducted and are conducting and will continue to conduct their business in compliance in all material respects with all applicable laws, rules and regulations and, in particular, all applicable licensing and environmental legislation, regulations or by-laws or other lawful requirements of any governmental or regulatory bodies applicable to it of each jurisdiction in which it carries on business and holds all licences, registrations and qualifications in all jurisdictions in which it carries on business which are necessary or desirable to carry on its business as now conducted and as contemplated to be conducted in the Prospectuses (except where the failure to so conduct its business or to hold such licences, registrations or qualifications would not, individually or in the aggregate, have a material adverse effect on the business, operation, capital or condition (financial or otherwise) of the Corporation (taken as a whole) or the Corporation's properties, equipment or assets), all such licences, registrations or qualifications are valid and existing and in good standing (except where the lack of such valid or existing license would not have any material adverse effect on the business of the Corporation) and none of such licences, registrations or qualifications contains any burdensome term, provision, condition or limitation which has or is likely to have any material adverse effect on the business of the Corporation (taken as a whole) as now conducted or as proposed to be conducted, and the Corporation is not aware of any legislation, regulation, rule or lawful requirements presently in force or proposed to be brought into force which the Corporation anticipates the Corporation will be unable to comply with without materially adversely affecting the Corporation (taken as a whole);

(v) the minute books of the Corporation and the Material Subsidiaries are, in all material respects, true and correct and contain copies of all minutes of all meetings and all resolutions of the directors, committees of directors and shareholders of the Corporation and the Material Subsidiaries and all such meetings were duly called and properly held and all consent resolutions were properly adopted;

(vi) the Corporation owns, directly or indirectly, all of the issued and outstanding shares of the Material Subsidiaries and all of the issued and outstanding shares in the capital of each of the Material Subsidiaries of the Corporation are fully paid and non assessable and legally and beneficially owned directly or indirectly by the Corporation free and clear of all mortgages, liens, charges, pledges, security interests, encumbrances, claims or demands whatsoever and no person holds, or will hold at the Closing Date, any securities convertible into or exchangeable for issued or unissued shares of such Material Subsidiaries or has any agreement, warrant, option, right or privilege (whether pre-emptive or contractual) being or capable of becoming an agreement, warrant, option or right for the acquisition of any unissued or issued securities of any of such Material Subsidiaries;

(vii) the books of account and other records of the Corporation, whether of a financial or accounting nature or otherwise, have been maintained in accordance with prudent business practices;

(viii) the Corporation and each of its Material Subsidiaries has duly and, to the best of its knowledge, information and belief on a timely basis, filed all tax returns required to be filed by it, has paid all taxes due and payable by it and has paid all assessments and reassessments and all other taxes, governmental charges, penalties, interest and other fines due and payable by it and which were claimed by any governmental authority to be due and owing and adequate provision has been made for taxes payable for any completed fiscal period for which tax returns are not yet required and there are no agreements, waivers, or other arrangements providing for an extension of time with respect to the filing of any tax return or payment of any tax, governmental charge or deficiency by the Corporation or any of its Material Subsidiaries and to the best of the knowledge, information and belief of the Corporation there are no actions, suits, proceedings, investigations or claims threatened or pending against the Corporation or any of its Material Subsidiaries in respect of taxes, governmental charges or assessments or any matters under discussion with any governmental authority relating to taxes, governmental charges or assessments asserted by any such authority. The Corporation and each of its Material Subsidiaries has duly and timely withheld from any amount paid or credited by it to or for the account or benefit of any person, including any employee, officer, director, or non-resident person, the amount of all taxes and other deductions required by applicable law to be withheld and has duly and timely remitted the withheld amount to the appropriate taxing or other authority and has duly and timely issued tax reporting slips or returns in respect of any amount so paid or credited by it as required by applicable law;

(ix) all filings made by the Corporation or any of its Material Subsidiaries under which the Corporation or any of its Material Subsidiaries has received or is entitled to government incentives, have been made in accordance, in all material respects, with all applicable legislation and contain no misrepresentations of material fact or omit to state any material fact which could cause any material amount previously paid to the Corporation or previously accrued on the accounts thereof to be recovered or disallowed;

(x) except to the extent that any violation or other matter referred to in this subsection does not have a material adverse effect on the business, financial condition, assets, properties, liabilities or operations of the Corporation and its Material Subsidiaries (taken as a whole):

(A) neither the Corporation nor any of its Material Subsidiaries are in violation of any applicable federal, provincial, municipal or local laws, regulations, orders, government decrees or ordinances with respect to environmental, health or safety matters (collectively, "**Environmental Laws**");

(B) each of the Corporation and its Material Subsidiaries has operated its business at all times and have received, handled, used, stored, treated, shipped and disposed of all contaminants, chemicals or industrial, toxic or hazardous waste or substances without violation of Environmental Laws;

(C) there have been no spills, releases, deposits or discharges of hazardous or toxic substances, contaminants or wastes into the earth, air or into any body of water or any municipal or other sewer or drain water systems by the Corporation or any of its Material Subsidiaries that have not been remedied or that are not presently being remedied;

(D) no orders, directions or notices have been issued and remain outstanding pursuant to any Environmental Laws relating to the business or assets of the Corporation or any of its Material Subsidiaries;

(E) neither the Corporation nor any of its Material Subsidiaries have failed to report to the proper federal, provincial, municipal or other political subdivision, government, department, commission, board, bureau, agency or instrumentality, domestic or foreign ("**Government Authority**") the occurrence of any event which is required to be so reported by any Environmental Law; and

(F) each of the Corporation and its Material Subsidiaries holds all licences, permits and approvals required under any Environmental Laws in connection with the operation of its business and the ownership and use of its assets, all such licences, permits and approvals are in full force and effect, and except for (1) notifications and conditions of general application to assets of the type owned by the Corporation and its Material Subsidiaries, and (2) notifications relating to reclamation obligations under the *Environmental Protection and Enhancement Act* (Alberta) or equivalent legislation in other provinces, neither the Corporation nor any of its Material Subsidiaries have received any notification pursuant to any Environmental Laws that any work, repairs, constructions or capital expenditures are required to be made by it as a condition of continued compliance with any Environmental Laws, or any licence, permit or approval issued pursuant thereto, or that any licence, permit or approval referred to above is about to be reviewed, made subject to limitation or conditions, revoked, withdrawn or terminated;

(xi) any and all operations of the Corporation and its Material Subsidiaries and, to the knowledge of the Corporation, any and all operations by third parties on or in respect of the assets, equipment or properties of the Corporation and its Material Subsidiaries have been conducted in accordance with good oil and gas and construction industry practices, as the case may be, and in material compliance with applicable laws, rules, regulations, orders and directions of governmental and other competent authorities, except where the failure to so operate would not have a material adverse effect on the Corporation (or its Material Subsidiaries, taken as a whole);

(xii) in respect of the assets, equipment and properties of the Corporation and its Material Subsidiaries that are operated by it, if any, the Corporation holds all valid licences, permits and similar rights and privileges that are required and necessary under applicable law to operate the assets, equipment and properties of the Corporation as presently operated, except where a failure to hold such valid licences, permits and similar rights would not have a material adverse effect on the Corporation (or its Material Subsidiaries, taken as a whole);

(xiii) except for any post-closing notice filings required under applicable United States federal and state securities laws, Applicable Securities Laws and Exchange policies, no consent, approval, permit, authorization, order or filing with any court or governmental agency, the securities authorities or any other jurisdiction or agency is required by the Corporation or necessary for the execution, delivery and the performance by the Corporation of its obligations under this Agreement, other than such consents, approvals, authorizations, registrations or qualifications as may be required under Applicable Securities Laws or by the Exchange, all of which will be obtained by the Corporation prior to the Closing Time;

(xiv) the Corporation has full corporate capacity, power and authority to enter into this Agreement and the Compensation Warrants and to perform its obligations set out herein and therein (including, without limitation, to issue the Offered Shares, the Compensation Warrants, the Compensation Warrant Shares), and this Agreement has been duly authorized, executed and delivered by the Corporation and is a legal, valid and binding obligations of the Corporation enforceable against the Corporation in accordance with its terms except that the validity, binding effect and enforceability of the terms of agreements and documents are subject to the qualification that such validity, binding effect and enforceability may be limited by: (i) applicable bankruptcy, insolvency, moratorium, reorganization or other laws affecting creditors' rights generally; (ii) equitable remedies, including the remedies of specific performance and injunctive relief, being available only in the discretion of the applicable court; (iii) the statutory and inherent powers of a court to grant relief; from forfeiture, to stay execution of proceedings before it and to stay executions on judgements; (iv) the applicable laws regarding limitations of actions; (v) enforceability of provisions which purport to sever any provision which is prohibited or unenforceable under applicable law without affecting the enforceability or validity of the remainder of such document would be determined only in the discretion of the court; (vi) enforceability of the provisions exculpating a party from liability or duty otherwise owed by it may be limited under applicable law; and (vii) that rights to indemnity, contribution and waiver under the documents may be limited or unavailable under applicable law;

(xv) no action, approval, consent or vote on the part of the shareholders of the Corporation is or shall be necessary to consummate the transactions contemplated by this Agreement;

(xvi) the Corporation has full corporate capacity, power and authority to issue the Offered Shares, the Compensation Warrants and the Compensation Warrant Shares issuable pursuant thereto and, at the Closing Time, (i) the Offered Shares will be duly and validly created and authorized and, upon receipt of payment in full for the Offered Shares, will be duly and validly issued as fully paid and non-assessable; (ii) the Compensation Warrants will be duly and validly authorized and on closing of the Offering be duly and validly issued; and (iii) the Compensation Warrant Shares will be duly and validly authorized and upon receipt of the exercise price therefor pursuant to the terms of the Compensation

Warrants, will be duly and validly issued as fully paid and non-assessable shares of the Corporation;

(xvii) the Corporation has the necessary corporate power and authority to execute, deliver and file the Prospectuses and, prior to the filing of the Prospectuses, all requisite action will have been taken by the Corporation to authorize the execution, delivery and filing of the Prospectuses;

(xviii) the attributes and characteristics of the Offered Shares, the Compensation Warrants and the Compensation Warrant Shares conform in all material respects to the attributes and characteristics thereof described in the Prospectuses;

(xix) the Corporation is not in default or breach of, and the execution and delivery of, and the performance of and compliance with the terms of, this Agreement by the Corporation or any of the transactions contemplated hereby or thereby, does not and will not result in any breach of, or constitute a default under, and does not and will not create a state of facts which, after notice or lapse of time or both, would result in a breach of or constitute a default under, (i) any term or provision of the articles, by-laws or constating documents of the Corporation, as applicable, (ii) any resolutions of shareholders or directors (or any committee thereof) of the Corporation, (iii) any indenture, mortgage, note, contract, agreement (written or oral), instrument, lease or other document to which the Corporation is a party or by which it is bound, or (iv) any law, judgment, decree, order, statute, rule or regulation applicable to the Corporation, which default or breach might reasonably be expected to materially adversely affect the business, operations, capital, properties, assets, liabilities (absolute, accrued, contingent or otherwise), ownership or condition (financial or otherwise) or results of operations of the Corporation or would impair the ability of the Corporation to consummate the transactions contemplated hereby or to duly observe and perform any of its covenants or obligations contained in this Agreement;

(xx) the Enterprise Financial Statements fairly present, in accordance with IFRS, consistently applied, the financial position and condition of the Corporation at the dates thereof and the results of the operations of the Corporation for the periods then ended and reflect in accordance with generally accepted accounting principles in Canada, consistently applied, all material assets, liabilities or obligations (absolute, accrued, contingent or otherwise) of the Corporation as at the dates thereof;

(xxi) the Corporation has no liabilities, obligations, indebtedness or commitments, whether accrued, absolute, contingent or otherwise, which are not disclosed or referred to in the Enterprise Financial Statements or referred to or disclosed in the Prospectuses, other than liabilities, obligations, or indebtedness or commitments (i) incurred in the normal course of business; or (ii) which would not have a material adverse effect on the Corporation;

(xxii) there has not been any material change in the capital, assets, liabilities or obligations (absolute, accrued, contingent or otherwise) of the Corporation from the position set forth in the Documents except as disclosed in the Prospectuses and there has not been any adverse material change in the business, operations, capital, properties, assets, liabilities (absolute, accrued, contingent or otherwise), condition (financial or otherwise) or results of operations of the Corporation since December 31, 2012) except as disclosed in the Prospectuses; and since that date there have been no material facts, transactions, events or occurrences which could materially adversely affect the business, operations, capital, properties, assets, liabilities (absolute, accrued, contingent or otherwise), condition (financial or otherwise) or results of operations of the Corporation which have not been disclosed in the Prospectuses;

(xxiii) based upon representations made by the Corporation's auditors, Grant Thornton LLP are independent chartered accountants with respect to the Corporation as required by Applicable Securities Laws;

(xxiv) there has not been any reportable disagreement (within the meaning of Section 4.11 of National Instrument 51-102 of the Canadian Securities Administrators) with the Corporation's auditors and the Corporation has no current intention to change auditors;

(xxv) the Corporation maintains a system of internal accounting controls sufficient to provide reasonable assurance that transactions are recorded as necessary to facilitate preparation of financial statements in conformity with Canadian generally accepted accounting principles and to maintain accountability for assets;

(xxvi) the Corporation has its equipment, properties and assets insured against loss or damage by insurable hazards or risks on a replacement cost basis. Such insurance coverage is of a type and in an amount typical to the business in which the Corporation operates as conducted by a reasonably prudent person based on the advice of reputable insurance brokers consulted by such person. In the last twelve months the Corporation has not made any material claim on any policy of insurance other than in respect of litigation proceedings disclosed to the Underwriters or been refused any insurance coverage sought or applied for. The Corporation does not have any reason to believe that it will not be able to renew the existing insurance coverage of the Corporation as and when such coverage expires or obtain similar coverage from similar insurers as may be necessary to continue with its businesses at a cost that would not have a material adverse effect on the Corporation;

(xxvii) to the best of the Corporation's knowledge, information and belief, all material receivables recorded on the books of the Corporation are bona fide and are good and collectible without set off or counterclaim;

(xxviii) all material bonuses, commissions, salaries and other amounts owing to employees are reflected and have been accrued in the books of account of the Corporation;

(xxix) other than pursuant to this Agreement, the Corporation is not a party to or bound by any agreement of guarantee, indemnification (other than an indemnification of directors and officers in accordance with the by-laws of the Corporation and applicable laws, indemnification agreements or covenants that are entered into arising in the ordinary course of business, including operating and similar agreements, indemnification and contribution provisions in agency and underwriting agreements, transfer agency agreements and credit borrowing agreements) or any other like commitment of the obligations, liabilities (contingent or otherwise) of indebtedness of any other person;

(xxx) except as disclosed in the Enterprise Financial Statements, the Corporation does not have any loans or other indebtedness which have been made to or from any of its shareholders, officers, directors or employees or any other person not dealing at arm's length with the Corporation that are currently outstanding;

(xxxi) there are no actions, suits, proceedings or inquiries in existence or, to the knowledge of the Corporation, pending or threatened against or affecting the Corporation or any of its Material Subsidiaries at law or in equity or before or by any federal, provincial, municipal or other governmental department, commission, board, bureau, agency or instrumentality which in any way materially adversely affects, or may in any way materially adversely affect, the business, operations, capital, properties, assets, liabilities (absolute, accrued, contingent or otherwise), condition (financial or otherwise) or results of operations of the Corporation and its Material Subsidiaries (taken as a whole) or their properties or assets (taken as a whole) or which affects or may affect the distribution of the Offered Shares, the Compensation Warrants or the Compensation Warrant Shares or which would impair the ability of the Corporation to consummate the transactions contemplated by this Agreement or to duly observe and perform any of its covenants or obligations contained in this Agreement and the Corporation is not aware of any existing ground on which such action, suit, proceeding or inquiry might be commenced with any reasonable likelihood of success;

(xxxii) the information and statements set forth in the Documents and Disclosure Record were true, correct, and complete and did not contain any misrepresentation, as of the date of such information or statement, and the Corporation has not filed any confidential material change report still maintained on a confidential basis;

(xxxiii) the authorized capital of the Corporation consists of an unlimited number of Common Shares and an unlimited number of preferred shares, of which only 117,191,333 Common Shares and nil preferred shares are currently issued and outstanding, all of which shares are validly issued, fully paid and non assessable;

(xxxiv) as of March 7, 2014, no person, firm, corporation or other entity holds any securities convertible or exchangeable into securities of the Corporation or has any agreement, warrant, option, right or privilege (whether pre-emptive or contractual) being or capable of becoming an agreement, warrant, option or right (whether or not on condition(s)) for the purchase or other acquisition of any unissued securities of the Corporation except (i) 6,975,000 Common Shares issuable pursuant to options granted by the Corporation pursuant to its stock option plan at an average exercise price of $0.62; (ii) 1,250,100 Common Shares issuable pursuant to outstanding brokers' warrants; (iii) 10,417,500 Common Shares issued pursuant to outstanding Common Share purchase warrants; and (iv) 3,288,000 Common Shares issuable pursuant to outstanding convertible unsecured subordinated debentures;

(xxxv) none of the directors, officers or employees of the Corporation, or any person who owns, directly or indirectly, more than 10% of any class of securities of the Corporation, or any associate or affiliate of any of the foregoing, had or has any material interest, direct or indirect, in any material transaction or any proposed material transaction with the Corporation which, as the case may be, materially affects, is material to or will materially affect the Corporation other than as set out in the Documents;

(xxxvi) Valiant Trust Company, at its principal offices in the cities of Calgary, Alberta and Toronto, Ontario has been duly appointed registrar and transfer agent of the Common Shares;

(xxxvii) no Securities Commission, other securities commission or similar regulatory authority, the Exchange or other exchange in Canada or the United States has issued any order which is currently outstanding, preventing or suspending trading in any securities of the Corporation, no such proceeding is, to the knowledge of the Corporation, pending, contemplated or threatened and the Corporation is not in default of any material requirement of Applicable Securities Laws;

(xxxviii) the issued and outstanding Common Shares are listed and posted for trading on the Exchange and the Corporation is in compliance in all material respects with the by-laws, rules and regulations of the Exchange;

(xxxix) the Corporation is a reporting issuer in each of the Qualifying Provinces and is in compliance in all material respects with Applicable Securities Laws other than Applicable Securities Laws relating to the number of directors on the Corporation's audit committee;

(xl) to the knowledge of the Corporation, no insider of the Corporation has a present intention to sell any securities of the Corporation;

(xli) other than as provided for in this Agreement, the Corporation has not incurred any obligation or liability, contingent or otherwise, for brokerage fees, finder's fees, underwriter's or agent's commission or other similar forms of compensation with respect to the transactions contemplated hereby;

(xlii) the definitive form of certificates for the Common Shares have been duly approved and adopted by the Corporation and comply with all legal requirements relating thereto;

(xliii) the equipment, properties and assets of the Corporation and its Material Subsidiaries are free and clear of all mortgages, pledges, liens, charges and encumbrances other than those encumbrances that are standard in the oil and gas and construction industry, or which do not and will not have a material adverse effect on the ownership or operation of such assets and properties ("**Permitted Encumbrances**") and other than Permitted Encumbrances, the Corporation has not done any act or suffered or permitted any action to be done whereby any person has acquired or may acquire an interest in or to the material properties and assets of the Corporation, nor has it done any act, omitted to do any act or permitted any act to be done that may adversely affect or defeat its title to any of its material equipment, properties or assets;

(xliv) to the knowledge of the Corporation, none of its directors or officers are subject to an order or ruling of any securities regulatory authority or stock exchange prohibiting such individual from acting as a director or officer of a public company or of a company listed on a particular stock exchange;

(xlv) except as disclosed in the 2013 Circular, the Corporation is not a party to any written contracts of employment which may not be terminated on one month's notice or which provide for payments occurring on a change of control of the Corporation;

(xlvi) other than the amended and restated revolving credit and security agreement dated June 13, 2013 as amended effective January 3, 2014 between the Corporation and PNC Bank Canada Branch, agreements related to normal course rentals operations, and the agreements disclosed to the Underwriters in writing, there are no material contracts or agreements to which the Corporation is a party or by which it is bound or which are required by the Corporation to carry on its business as now conducted by it and presently proposed to be conducted by it, and each of such contracts and agreements constitute a legally valid and binding agreement of the Corporation enforceable in accordance with their respective terms and, to the knowledge of the Corporation, no party thereto is in default thereunder, which default may have a material adverse effect on the Corporation or its properties and assets (taken as a whole);

(xlvii) the Corporation is not a party to any Swaps or arrangements for Swaps;

(xlviii) the Due Diligence Responses will be true and correct where they relate to matters of fact, and in all material respects as at the time such responses are given and, to the knowledge of the Corporation, such responses taken as a whole shall not omit any fact or information necessary to make any of the responses not misleading in light of the circumstances in which such responses were given, and the Corporation and its directors and officers will have responded in a thorough and complete fashion. Where the Due Diligence Responses reflect the opinion or view of the Corporation or its directors or officers (including, Due Diligence Responses or portions of such Due Diligence Responses, which are forward looking or otherwise related to projections, forecasts or estimates of future performance or results (operating, financial or otherwise)) ("**Forward Looking Statements**"), such opinions or views are subject to the qualifications and provisions set forth in the Due Diligence Responses and will be honestly held and believed to be reasonable at the time they are given provided, however, it shall not constitute a breach of this paragraph solely if the actual results vary or differ from those contained in Forward-Looking Statements;

(xlix) the Corporation is not a party to any shareholder rights plan or any other form of plan, agreement, contract or instrument that shall trigger any rights to acquire Common Shares or other securities of the Corporation;

(l) neither the Corporation nor, to its knowledge, any of its shareholders is a party to any unanimous shareholders agreement, pooling agreement, voting trust or other similar type of arrangements in respect of outstanding securities of the Corporation;

(li) neither the Corporation nor, to the knowledge of the Corporation, any officer, director, employee or agent of the Corporation has, directly or indirectly (a) paid or delivered any fee, commission or other sum of money or item of property, however characterized, to any broker, finder, agent, client representative, employee, political party or campaign, government official or other person, which any officer, director, employee or agent of any the Corporation knew or had reason to believe, or ought to have known, was in violation of the *Corruption of Foreign Public Officials Act* (Canada), the United States *Foreign Corrupt Practices Act of 1977*, as amended, or any applicable law implementing the provisions of the *OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions*, or the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada); or (b) made or received a bribe, rebate, payoff, influence payment, kickback or other unlawful payment; and

(lii) the Corporation has not been, nor to the knowledge of the Corporation, has any director, officer, agent, employee, affiliate or person acting on behalf of the Corporation been or is currently subject to any United States sanctions administered by the Office of Foreign Assets Control of the United States Treasury Department ("**OFAC**"); and the Corporation will not directly or indirectly use any proceeds of the distribution of the Offered Shares, or lend, contribute or otherwise make available such proceeds to the Corporation or to any affiliated entity, joint venture partner or other person or entity, to finance any investments in, or make any payments to, any country or person targeted by any of the sanctions of the United States administered by OFAC.

8. Indemnity

(a) The Corporation shall indemnify and save each of the Underwriters, and each of the Underwriters' agents, directors, officers, partners, principals, shareholders and employees, harmless against and from all liabilities, claims, demands, losses (other than losses of profit), costs (including, without limitation, legal fees and disbursements on a full indemnity basis), damages and expenses to which the Underwriters, or any of the Underwriters' agents, directors, officers, shareholders or employees may be subject or which the Underwriters, or any of the Underwriters' agents, directors, officers, partners, principals, shareholders or employees may suffer or incur, whether under the provisions of any statute or otherwise, in any way caused by, or arising directly or indirectly from or in consequence of:

(i) any information or statement contained in the Preliminary Prospectus, the Prospectus, the Preliminary U.S. Placement Memorandum, the U.S. Placement Memorandum, any Supplementary Material, any part of the Disclosure Record or in any other document or material filed or delivered by or on behalf of the Corporation pursuant hereto (other than any information or statement relating solely to the Underwriters and furnished to the Corporation by the Underwriters expressly for inclusion in the Preliminary Prospectus, the Prospectus, the Preliminary U.S. Placement Memorandum, the U.S. Placement Memorandum or any Supplementary Material or such other document or material) which is or is alleged to be untrue or any omission or alleged omission to provide any information or state any fact (other than any information or fact relating solely to the Underwriters) the omission of which makes or is alleged to make any such information or statement untrue or misleading in light of the circumstances in which it was made;

(ii) any misrepresentation or alleged misrepresentation (except a misrepresentation which is based upon information relating solely to the Underwriters and furnished to the Corporation by the Underwriters in writing expressly for inclusion in the Preliminary Prospectus, Prospectus, Preliminary U.S. Placement Memorandum, U.S. Placement Memorandum, any Supplementary Material or in any document or other part of the Disclosure Record) contained in the Preliminary Prospectus, the Prospectus, the Preliminary U.S. Placement Memorandum, the U.S. Placement Memorandum, any Supplementary Material or in any other document or any other part of the Disclosure Record filed by or on behalf of the Corporation;

(iii) any prohibition or restriction of trading in the securities of the Corporation or any prohibition or restriction affecting the distribution of the Offered Shares, the Compensation Warrants or the Compensation Warrant Shares (not based solely upon the activities or the alleged activities of any of the Underwriters or their banking or Selling Dealer Group, if any) imposed by any competent authority if such prohibition or restriction is based on any misrepresentation or alleged misrepresentation of a kind referred to in subsection 8(a)(ii);

(iv) any order made or any inquiry, investigation (whether formal or informal) or other proceeding commenced or threatened by any one or more competent authorities (not based solely upon the activities or the alleged activities of the Underwriters or their banking or Selling Dealer Group members, if any) prohibiting, restricting, relating to or materially affecting the trading or distribution of the Offered Shares, the Compensation Warrants or the Compensation Warrant Shares;

(v) any breach of, default under or non-compliance by the Corporation with any requirements of the Applicable Securities Laws, the by-laws, rules or regulations of the Exchange or any representation, warranty, term or condition of this Agreement or in any certificate or other document delivered by or on behalf of the Corporation hereunder or pursuant hereto; or

(vi) the exercise by any subscriber for Offered Shares or any holder of Compensation Warrants or Compensation Warrant Shares of any contractual or statutory right of rescission or damages in connection with the purchase of the Offered Shares based on any misrepresentation or alleged misrepresentation of a kind referred to in subsection 8(a)(ii);

provided, however, no party who has engaged in any fraud, wilful misconduct, fraudulent misrepresentation or gross negligence shall be entitled, to the extent that a court of competent jurisdiction from which no appeals can be made has determined that the liabilities, claims, losses, costs, damages or expenses were caused directly and solely by such activity, to claim indemnification from any person who has not engaged in such fraud, wilful misconduct, fraudulent misrepresentation or gross negligence (provided that for greater certainty, the foregoing shall not disentitle an Underwriter from claiming indemnification hereunder to the extent that the gross negligence, if any, relates to the Underwriter's failure to conduct adequate "due diligence").

(b) If any claim contemplated by subsection 8(a) shall be asserted against any of the persons or corporations in respect of which indemnification is or might reasonably be considered to be provided for in such subsections, such person or corporation (the "**Indemnified Person**") shall notify the Corporation (provided that failure to so notify the Corporation of the nature of such claim in a timely fashion shall relieve the Corporation of liability hereunder only if and to the extent that such failure materially prejudices the Corporation's ability to defend such claim) as soon as possible of the nature of such claim and the Corporation shall be entitled (but not required) to assume the defense of any suit brought to enforce such claim, provided however, that the defense shall be through legal counsel selected by the Corporation and acceptable to the Indemnified Person acting reasonably and that no admission of liability or settlement may be made by the Corporation or the Indemnified Person without the prior written consent of the other, such consent not to be unreasonably withheld. The Indemnified Person shall have the right to retain its own counsel in any proceeding relating to a claim contemplated by subsection 8(a) if:

(i) the Indemnified Person has been advised by counsel that there may be a reasonable legal defense available to the Indemnified Person which is different from or additional to a defense available to the Corporation and that representation of the Indemnified Person and the Corporation by the same counsel would be inappropriate due to the actual or potential differing interests between them (in which case the Corporation shall not have the right to assume the defense of such proceedings on the Indemnified Person's behalf);

(ii) the Corporation shall not have taken the defense of such proceedings and employed counsel within ten (10) days after notice has been given to the Corporation of commencement of such proceedings; or

(iii) the employment of such counsel has been authorized by the Corporation in connection with the defense of such proceedings;

and, in any such event, the reasonable fees and expenses of such Indemnified Person's counsel (on a solicitor and his client basis) shall be paid by the Corporation, provided that the Corporation shall not, in connection with any one such action or separate but substantially similar or related actions in the same jurisdiction arising out of the same general allegations or circumstances, be liable for the fees and expenses of more than one separate law firm (in addition to any local counsel) for all such Indemnified Persons.

(c) The Corporation hereby waives its rights to recover contribution from the Underwriters with respect to any liability of the Corporation by reason of or arising out of any misrepresentation in the Preliminary Prospectus, the Prospectus, the Preliminary U.S. Placement Memorandum, the U.S. Placement Memorandum, any Supplementary Material or any other part of the Disclosure Record provided, however, that such waiver shall not apply in respect of liability caused or incurred by reason of any misrepresentation which is based upon information relating solely to the Underwriters contained in such document and furnished to the Corporation by the Underwriters expressly for inclusion in the Preliminary Prospectus, the Prospectus, the Preliminary U.S. Placement Memorandum, the U.S. Placement Memorandum or any Supplementary Material.

(d) If any legal proceedings shall be instituted against the Corporation in respect of the Preliminary Prospectus, the Prospectus, the Preliminary U.S. Placement Memorandum, the U.S. Placement Memorandum, any Supplementary Material or any other part of the Disclosure Record or the Offered Shares, the Compensation Warrants or the Compensation Warrant Shares or if any regulatory authority or stock exchange shall carry out an investigation of the Corporation in respect of the Preliminary Prospectus, the Prospectus, the Preliminary U.S. Placement Memorandum, the U.S. Placement Memorandum, any Supplementary Material or any other part of the Disclosure Record or the Offered Shares, Compensation Warrants and Compensation Warrant Shares and, in either case, any Indemnified Person is required to testify, or respond to procedures designed to discover information, in connection with or by reason of the services performed by the Underwriters hereunder, the Indemnified Persons may employ their own legal counsel and the Corporation shall pay and reimburse the Indemnified Persons for the reasonable fees, charges and disbursements (on a full indemnity basis) of such legal counsel, the other expenses reasonably incurred by the Indemnified Persons in connection with such proceedings or investigation and a fee at the normal per diem rate for any director, officer or employee of the Underwriters involved in the preparation for or attendance at such proceedings or investigation.

(e) The rights and remedies of the Indemnified Persons set forth in sections 8, 9 and 11 (in the case of the Underwriters) hereof are to the fullest extent possible in law, cumulative and not alternative and the election by any Underwriter or other Indemnified Person to exercise any such right or remedy shall not be, and shall not be deemed to be, a waiver of any other rights and remedies.

(f) The Corporation hereby acknowledges that the Underwriters are acting as agents for the Underwriters' respective agents, directors, officers, partners, principals, shareholders and employees under this section 8 and under section 9 with respect to all such agents, directors, officers, partners, principals, shareholders and employees.

(g) The Corporation waives any right it may have of first requiring an Indemnified Person to proceed against or enforce any other right, power, remedy or security or claim or to claim payment from any other person before claiming under this indemnity. It is not necessary for an Indemnified Person to incur expense or make payment before enforcing such indemnity.

(h) The rights of indemnity contained in this section 8 shall not apply if the Corporation has complied with the provisions of sections 3, 4 and 5 and the person asserting any claim contemplated by this section 8 was not provided with a copy of the Prospectus or any amendment to the Prospectus or other document which corrects any misrepresentation or alleged misrepresentation which is the basis of such claim and which was required, under Applicable Securities Laws, to be delivered to such person and which the Corporation has provided to the Underwriters to forward to such person.

(i) If the Corporation has assumed the defense of any suit brought to enforce a claim hereunder, the Indemnified Person shall provide the Corporation copies of all documents and information in its possession pertaining to the claim, take all reasonable actions necessary to preserve its rights to object to or defend against the claim, consult and reasonably cooperate with the Corporation in determining whether the claim and any legal proceeding resulting therefrom should be resisted, compromised or settled and reasonably cooperate and assist in any negotiations to compromise or settle, or in any defense of, a claim undertaken by the Corporation.

(j) None of the Compensation Warrants have been or will be offered or issued in the United States.

9. Contribution

In order to provide for just and equitable contribution in circumstances in which the indemnification provided for in this Agreement is due in accordance with its terms but is, for any reason, held by a court to be unavailable from the Corporation on grounds of policy or otherwise, the Corporation and the party or parties seeking indemnification shall contribute to the aggregate liabilities, claims, demands, losses (other than losses of profit), costs (including, without limitation, legal fees and disbursements on a full indemnity basis), damages and expenses (or claims, actions, suits or proceedings in respect thereof) to which they may be subject or which they may suffer or incur:

(a) in such proportion as is appropriate to reflect the relative benefit received by the Corporation on the one hand, and by the Underwriters on the other hand, from the offering of the Offered Shares; or

(b) if the allocation provided by subsection 9(a) above is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in subsection 9(a) above but also to reflect the relative fault of the Underwriters on the one hand, and the Corporation, on the other hand, in connection with the statements, commissions or omissions or other matters which resulted in such liabilities, claims, demands, losses, costs, damages or expenses, as well as any other relevant equitable considerations.

The relative benefits received by the Corporation, on the one hand, and the Underwriters, on the other hand, shall be deemed to be in the same proportion that the total proceeds of the offering received by the Corporation (net of fees but before deducting expenses) bear to the fees received by the Underwriters. In the case of liability arising out of the Preliminary Prospectus, the Prospectus, the Preliminary U.S. Placement Memorandum, the U.S. Placement Memorandum or any Supplementary Material, the relative fault of the Corporation, on the one hand, and of the Underwriters, on the other hand, shall be determined by reference, among other things, to whether the misrepresentation or alleged misrepresentation, order, inquiry, investigation or other matter or thing referred to in section 8 relates to information supplied or which ought to have been supplied by, or steps or actions taken or done on behalf of or which ought to have been taken or done on behalf of the Corporation or the Underwriters and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such misrepresentation or alleged misrepresentation, order, inquiry, investigation or other matter or thing referred to in section 8.

The amount paid or payable by an Indemnified Person as a result of liabilities, claims, demands, losses (other than losses of profit), costs, damages and expenses (or claims, actions, suits or proceedings in respect thereof) referred to above shall, without limitation, include any legal or other expenses reasonably incurred by the Indemnified Person in connection with investigating or defending such liabilities, claims, demands, losses, costs, damages and expenses (or claims, actions, suits or proceedings in respect thereof) whether or not resulting in any action, suit, proceeding or claim.

Each of the Corporation and the Underwriters agree that it would not be just and equitable if contributions pursuant to this Agreement were determined by pro rata allocation or by any other method of allocation which does not take into account the equitable considerations referred to in the immediately preceding sections. The rights to contribution provided in this section 9 shall be in addition to, and without prejudice to, any other right to contribution which the Underwriters or other Indemnified Persons may have.

Any liability of an Underwriter under this section 9 shall be limited to the amount actually received by the Underwriter under section 2.

10. Expenses

Whether or not the transactions contemplated herein shall be completed, all costs and expenses (including applicable GST) of or incidental to the transactions contemplated hereby including, without limitation, those relating to the distribution of the Offered Shares, shall be borne by the Corporation including, without limitation, all costs and expenses of or incidental to the preparation, filing and reproduction (including the commercial copies thereof) of the Preliminary Prospectus, the Prospectus, the Preliminary U.S. Placement Memorandum, the U.S. Placement Memorandum, any Supplementary Material, and the delivery thereof to the Underwriters, the fees and expenses of the Corporation's counsel, the fees and expenses of agent counsel retained by the Corporation or the Corporation's counsel, the fees and expenses of the Corporation's transfer agent, any auditors, engineers and other outside consultants, all stock exchange listing fees, and all other costs and expenses relating to this transaction including, without limitation, the legal fees and disbursements of Underwriters' counsel (which disbursements may include the fees and disbursements of U.S. and international counsel, if any) together with applicable GST and the reasonable out-of-pocket expenses of the Underwriters. All fees and expenses incurred by the Underwriters which are reimbursable hereunder shall be payable by the Corporation immediately upon receiving an invoice therefor from the Underwriters.

11. Termination

(a) In addition to any other rights or remedies available to the Underwriters, the Underwriters, or any of them, may, without liability, terminate their obligations hereunder, by written notice to the Corporation in the event that after the date hereof and at or prior to the Closing Time:

(i) any order to cease or suspend trading in any securities of the Corporation or prohibiting or restricting the distribution of any of the Offered Shares is made, or proceedings are announced, commenced or threatened for the making of any such order, by any securities commission or similar regulatory authority, the Exchange or any other competent authority, and such order or proceeding has not been rescinded, revoked or withdrawn;

(ii) any inquiry, action, suit, investigation or other proceeding (whether formal or informal) in relation to the Corporation or any of its directors or senior officers is announced, commenced or threatened by any securities commission or similar regulatory authority, the Exchange or any other competent authority or there is a change in law, regulation or policy or the interpretation or administration thereof, if, in the reasonable opinion of the Underwriters or any one of them, the change, announcement, commencement or threatening thereof adversely affects the trading or distribution of the Offered Shares or any other securities of the Corporation;

(iii) there shall have occurred or be discovered any adverse change, as determined by the Underwriters or any one of them in their sole discretion, acting reasonably, in the business, operations, capital or condition (financial or otherwise), business or business prospects of the Corporation or its properties, assets, liabilities or obligations (absolute, accrued, contingent or otherwise) which in the opinion of the Underwriters or any one of them, could reasonably be expected to have a material adverse effect on the market price or value or marketability of the Offered Shares or any other securities of the Corporation;

(iv) there should develop, occur or come into effect or existence any event, action, state, condition of any nature (including without limitation, terrorism or accident) or financial occurrence of national or international consequence or any law or regulation which, in the sole opinion of the Underwriters or any one of them, acting reasonably, seriously adversely affects or involves, or will seriously adversely affect or involve, the financial markets generally or the business, operations or affairs of the Corporation, or the market price or value of the Offered Shares or any other securities of the Corporation;

(v) the Underwriters shall become aware of any material information with respect to the Corporation which had not been publicly disclosed or disclosed in writing to the Underwriters at or prior to the date hereof and which in the sole opinion of the Underwriters or any one of them, acting reasonably, could be expected to have a material adverse effect on the market price or value or the marketability of the Offered Shares or any other securities of the Corporation; or

(vi) the Corporation shall be in breach of, default under or non-compliance with any representation, warranty, covenant, term or condition of this Agreement in any material respect; or

(b) The Underwriters, or any of them, may exercise any or all of the rights provided for in subsection 11(a) or sections 12 or 16 notwithstanding any material change, change, event or state of facts and (except where the Underwriter purporting to exercise any of such rights is in material breach of its obligations under this Agreement) notwithstanding any act or thing taken or done by the Underwriters or any inaction by the Underwriters, whether before or after the occurrence of any material change, change, event or state of facts including, without limitation, any act of the Underwriters related to the offering or continued offering of the Offered Shares for sale and any act taken by the Underwriters in connection with any amendment to the Prospectus (including the execution of any amendment or any other Supplementary Material) and the Underwriters shall only be considered to have waived or be estopped from exercising or relying upon any of their rights under or pursuant to subsection 11(a) or sections 12 or 16 if such waiver or estoppel is in writing and specifically waives or estops such exercise or reliance.

(c) Any termination pursuant to the terms of this Agreement shall be effected by notice in writing delivered to the Corporation with a copy to the other Underwriters provided that no termination shall discharge or otherwise affect any obligation of the Corporation under sections 8, 9, 10 or 17. The rights of the Underwriters to terminate their obligations hereunder are in addition to, and without prejudice to, any other rights or remedies they may have.

(d) If an Underwriter elects to terminate its obligation to purchase the Offered Shares as aforesaid, whether the reason for such termination is within or beyond the control of the Corporation, the liability of the Corporation hereunder with respect to such Underwriter shall be limited to the indemnity referred to in section 8, the contribution rights referred to in section 9 and the payment of expenses referred to in section 10.

12. Closing Documents

The obligations of the Underwriters hereunder to purchase the Offered Shares at the Closing Time shall be conditional upon all representations and warranties and other statements of the Corporation herein being, at and as of the Closing Time, true and correct in all material respects, the Corporation having performed in all material respects, at the Closing Time, all of its obligations hereunder theretofore to be performed and the Underwriters receiving at the Closing Time:

(a) favourable legal opinions of the Corporation's counsel addressed to the Underwriters, in form and substance reasonably satisfactory to the Underwriters, with respect to such matters as the Underwriters may reasonably request relating to the Corporation, the offering of the Offered Shares and the transactions contemplated hereby, including, without limitation, that:

(i) the Corporation and its Material Subsidiaries have been duly incorporated or continued and is validly subsisting and has all requisite corporate capacity, power and authority to carry on their business as now conducted by it and to own its properties and assets as described in the Prospectuses and is qualified to carry on business under the laws of each of the jurisdictions in which it carries on a material portion of its business;

(ii) the Corporation has full corporate power and authority to enter into this Agreement, to perform its obligations set out herein, and this Agreement has been duly authorized, executed and delivered by the Corporation and this Agreement constitutes legal, valid and binding obligation of the Corporation enforceable against the Corporation in accordance with its terms, except that the validity, binding effect and enforceability of the terms of agreements and documents are subject to the qualification that such validity, binding effect and enforceability may be limited by: (i) applicable bankruptcy, insolvency, moratorium, reorganization or other laws affecting creditors' rights generally; (ii) equitable remedies, including the remedies of specific performance and injunctive relief, being available only in the discretion of the applicable court; (iii) the statutory and inherent powers of a court to grant relief from forfeiture, to stay execution of proceedings before it and to stay executions on judgments; (iv) the applicable laws regarding limitations of actions; (v) enforceability of provisions which purport to sever any provision which is prohibited or unenforceable under applicable law without affecting the enforceability or validity of the remainder of such document would be determined only in the discretion of the court; (vi) enforceability of the provisions exculpating a party from liability or duty otherwise owed by it may be limited under applicable law; and (vii) the rights to indemnity, contribution and waiver under the documents which may be limited or unavailable under applicable law;

(iii) the execution and delivery of this Agreement and the fulfillment of the terms hereof by the Corporation, and the performance of and compliance with the terms of this Agreement by the Corporation does not and will not result in a breach of, or constitute a default under, and does not and will not create a state of facts which, after notice or lapse of time or both, will result in a breach of or constitute a default under: (a) any applicable laws of the Province of Alberta or the federal laws of Canada applicable therein; (b) any term or provision of the articles, by-laws or other constating documents, as applicable, of the Corporation; (c) of which counsel is aware, any resolutions of the shareholders or directors (or any committee thereof) of the Corporation; (d) of which counsel is aware, any indenture, mortgage, note, contract, agreement (written or oral), instrument, lease or other document to which the Corporation is a party or by which it is bound; or (e) of which counsel is aware, any judgment, decree or order, of any court, governmental agency or body or regulatory authority having jurisdiction over or binding the Corporation or its properties or assets;

(iv) the Corporation is a reporting issuer in each of the Qualifying Provinces and is not included in a list of defaulting reporting issuers maintained pursuant to Applicable Securities Laws, and is eligible to participate in NI 44-101 in each of the Qualifying Provinces;

(v) The Offering has been duly authorized by all necessary corporate action on the part of the Corporation;

(vi) the Offered Shares have been duly and validly issued as fully paid and non assessable securities of the Corporation and, when issued, the Compensation Warrants and Compensation Warrant Shares will be duly and validly issued securities of the Corporation;

(vii) the Compensation Warrant Shares have been reserved and allotted for issuance and when issued in accordance with the terms of the certificates representing the Compensation Warrants will be validly issued as fully paid and non-assessable Common Shares;

(viii) the attributes of the Offered Shares, the Compensation Warrants and the Compensation Warrant Shares conform in all material respects with the description thereof contained in the Prospectuses;

(ix) the Offered Shares are eligible investments as set out under the heading "Eligibility for Investment" in the Prospectuses;

(x) the statements in the Prospectuses under the heading "Eligibility for Investment" constitute a fair summary of the qualification of the Offered Shares as investments for certain deferred plans referred to therein;

(xi) all necessary documents have been filed, all necessary proceedings have been taken and all legal requirements have been fulfilled as required under the Applicable Securities Laws of each of the Qualifying Provinces in order to qualify the Offered Shares for distribution and sale to the public in each of such Qualifying Provinces by or through investment dealers and brokers duly registered under the Applicable Securities Laws who have complied with the relevant provisions of such Applicable Securities Laws and in order to qualify the distribution of the Compensation Warrants to the Underwriters;

(xii) no filing, proceeding, approval, consent or authorization is required to be made, taken or obtained by the Corporation under Applicable Securities Laws to permit the issuance by the Corporation of the Compensation Warrant Shares, provided that no commission or other remuneration is paid or given in respect of the distribution except for administrative or professional services or for services performed by a registered dealer;

(xiii) the first trade by a holder of Offered Shares or by a holder of Compensation Warrant Shares will not be subject to the prospectus requirements of Applicable Securities Laws and no filing, proceeding, approval, consent or authorization under Applicable Securities Laws will be required to permit the trading of such Common Shares in the Qualifying Provinces, provided that the trade is not a "control distribution" as such term is defined in National Instrument 45-102 ("**NI 45-102**") and the Corporation is a "reporting issuer" for the purposes of NI 45-102 at the time of such trade in the jurisdiction where such trade occurs;

(xiv) the Corporation has the necessary corporate power and authority to execute and deliver the Prospectuses and all necessary corporate action has been taken by the Corporation to authorize the execution and delivery by it of the Prospectuses and the filing thereof, as the case may be, in each of the Qualifying Provinces in accordance with Applicable Securities Laws;

(xv) the Offered Shares and Compensation Warrant Shares are conditionally approved for listing and, upon notification to the Exchange of the issuance and sale thereof and fulfillment of the conditions of the Exchange, will be listed and posted for trading on the Exchange;

(xvi) Valiant Trust Company, at its principal offices in Calgary, Alberta and Toronto, Ontario has been duly appointed the transfer agent and registrar for the Common Shares;

(xvii) the form and terms of the definitive certificates representing the Common Shares have been duly approved and adopted by the board of directors of the Corporation and comply with all legal requirements (including the requirements of the Exchange) relating thereto; and

(xviii) the authorized and issued capital of the Corporation.

It is understood that the respective counsel may rely on the opinions of local counsel acceptable to them as to matters governed by the laws of jurisdictions other than where they are qualified to practice law, and on certificates of officers of the Corporation, the transfer agent and the Corporation's auditors as to relevant matters of fact;

(b) if any Offered Shares are sold in the United States, a favourable legal opinion by Dorsey & Whitney LLP, the Corporation's special United States counsel, in form and substance reasonably satisfactory to the Underwriters, which opinion may be subject to usual and customary qualifications for opinions of this type, to the effect that no registration under the U.S. Securities Act is required for the offer and sale of the Offered Shares in the United States pursuant to and in accordance with the terms of this Agreement provided that customary representations and warranties with respect to such matters are provided to such counsel by the Corporation and the Underwriters;

(c) a certificate of the Corporation dated the Closing Date and Over-Allotment Option Closing Date (as applicable) addressed to the Underwriters and signed on behalf of the Corporation by the President and Chief Executive Officer and the Chief Financial Officer of the Corporation or such other officers of the Corporation satisfactory to the Underwriters, acting reasonably, certifying, on behalf of the Corporation and without personal liability, that:

(i) the Corporation has complied with and satisfied all terms and conditions of this Agreement on its part to be complied with or satisfied at or prior to the Closing Time;

(ii) the representations and warranties of the Corporation set forth in this Agreement are true and correct at the Closing Time, as if made at such time; and

(iii) no event of a nature referred to in subsection 6(a), 6(b), 11(a)(i), 11(a)(ii), 11(a)(iii) or 11(a)(vi) has occurred or to the knowledge of such officer is pending, contemplated or threatened (excluding any requirement to make any determination as to any Underwriter's opinion);

and each such statement shall be true and the Underwriters shall have no knowledge to the contrary;

(d) a comfort letter of the Corporation's auditors and those other auditors required to provide a "comfort letter" pursuant to subsection 4(c) addressed to the Underwriters and dated the Closing Date and Over-Allotment Option Closing Date (as applicable), satisfactory in form and substance to the Underwriters, acting reasonably, bringing the information contained in the comfort letters referred to in subsection 4(c) hereof up to the Closing Time, which comfort letters shall be not more than two Business Days prior to the Closing Date and Over-Allotment Option Closing Date (as applicable);

(e) evidence satisfactory to the Underwriters that the Corporation has obtained all necessary third party approvals and all necessary approvals of the Exchange for the issuance of the Offered Shares, the Compensation Warrants and the Compensation Warrant Shares, subject only to the filing of Prospectuses and ancillary documentation in respect of the Compensation Warrants and the Compensation Warrant Shares, and required documents which are in the possession of the Corporation on the Closing Date (and Over-Allotment Option Closing Date, as applicable) and payment of applicable fees; and

(f) such other certificates and documents as the Underwriters may request, acting reasonably.

13. Deliveries

(a) The sale of the Firm Shares to be purchased hereunder shall be completed at the Closing Time at the offices of the Corporation's counsel in Calgary, Alberta or at such other place as the Corporation and the Underwriters may agree. Subject to the conditions set forth in section 12, the Underwriters, on the Closing Date, shall pay to the Corporation, by wire transfer, the amount of $1.00 per Offered Share (being an aggregate amount of $24,000,000) against delivery by the Corporation of:

(i) the opinions, certificates and documents referred to in section 12;

(ii) subject to subsection 13(c) below, definitive certificates representing, in the aggregate, all of the Firm Shares which the Underwriters have elected to purchase hereunder registered, in the name of CDS & Co. or in such name or names as the Underwriters shall notify the Corporation in writing not less than 24 hours prior to the Closing Time; and

(iii) payment to Canaccord Genuity Corp., by certified cheque, bank draft or wire transfer or such other means as the Corporation and the Underwriters may agree, of the portion of the Underwriting Fee provided for in section 2 in respect of the Firm Shares; and

(iv) issuance to the Underwriters of the Compensation Warrants provided for in section 2 in respect of the Firm Shares.

The Underwriters may, in their discretion, deliver the amount in respect of the Firm Shares referred to above net of the Underwriting Fee referred to in paragraph 2 and the expenses of the Underwriters referred to in paragraph 10.

(b) The sale of the Option Shares, if any, shall be completed at the offices of the Corporation's counsel in Calgary, Alberta, or at such other place as the Corporation and the Underwriters may agree, on the Over-Allotment Closing Date and at the Over-Allotment Option Closing Time specified by the Underwriters in the written notice delivered to the Corporation which also shall specify the number of Option Shares in respect of which the Over-Allotment Option is being exercised (an "**Over-Allotment Option Notice**"); in no event shall the Over-Allotment Option Closing Date be earlier than three Business Days or later than seven Business Days after delivery of the Over-Allotment Option Notice unless the parties otherwise agree. The Underwriters, at the Over-Allotment Option Closing Time, shall pay the Corporation, by wire transfer or such other means as the Corporation and the Underwriters may agree, the amount of $1.00 per Option Share purchased (being an aggregate amount of $3,600,000 if the Over-Allotment Option is exercised in full), against delivery by the Corporation of:

(i) the opinions, certificates and documents referred to in section 12;

(ii) subject to subsection 13(c) below, definitive certificates representing, in the aggregate, all of the Option Shares which the Underwriters have elected to purchase hereunder registered, in the name of CDS & Co. or in such name or names as the Underwriters shall notify the Corporation in writing not less than 24 hours prior to the Closing Time;

(iii) payment to Canaccord Genuity Corp., by certified cheque, bank draft or wire transfer or such other means as the Corporation and the Underwriters may agree, of the portion of the Underwriting Fee provided for in section 2 in respect of the Option Shares; and

(iv) issuance to the Underwriters of the Compensation Warrants provided for in section 2 in respect of the Option Shares.

The Underwriters may, in their discretion, deliver the amount in respect of the Option Shares referred to above net of the Underwriting Fee referred to in paragraph 2 and the expenses of the Underwriters referred to in paragraph 10.

(c) If the Corporation determines to issue the Offered Shares as a book-entry only security in accordance with the rules and procedures of The Canadian Depository for Securities Limited ("**CDS**"), then, as an alternative to the Corporation delivering to the Underwriters definitive certificates representing the Offered Shares in the manner and at the times set forth in this section 13:

(i) the Underwriters will provide a direction to CDS with respect to the crediting of the Offered Shares to the accounts of the participants of CDS as shall be designated by the Underwriters in writing in sufficient time prior to the Closing Date (or Over-Allotment Option Closing Date, as applicable) to permit such crediting; and

(ii) the Corporation shall cause Valiant Trust Company as registrar and transfer agent of the Offered Shares, to deliver to CDS, on behalf of the Underwriters, one fully registered global certificate for the Offered Shares to be purchased hereunder (or such portion of the Offered Shares that are to be issued as a book entry only security), registered in the name of "CDS & Co." as the nominee of CDS, to be held by CDS as a book-entry only security in accordance with the rules and procedures of CDS; or issue electronically and register through the non-certificated inventory process, the Offered Shares (or such portion of the Offered Shares that are to be issued electronically), such electronic issuance being registered in the name of CDS & Co. (or in such other name as the Co-Lead Underwriters may direct).

(d) Offered Shares sold in the United States in accordance with Rule 144A will be deposited electronically by the Corporation with CDS or its nominee, "CDS & Co.", under a separate "restricted" CUSIP number, or, if requested by the Underwriters on behalf of such a purchaser, will be settled by the Corporation's delivery of an individual physical certificate on the Closing Date (or Over-Allotment Option Closing Date, as applicable), which certificate shall bear a legend describing applicable transfer restrictions under the U.S. Securities Act.

14. Restrictions on Offerings

The Corporation agrees that, from the date hereof and ending on the date that is 90 days following the Closing Date that it will not offer, or announce the offering of, or make or announce any agreement to issue, sell, or exchange Common Shares or securities convertible or exchangeable into Common Shares without the prior consent of the Co-Lead Underwriters, not to be unreasonably withheld, provided that notwithstanding the foregoing, the Corporation may, without such consent, (i) grant options to directors, officers, consultants or employees of the Corporation pursuant to the Corporation's board approved stock option plan, (ii) issue Common Shares on exercise of outstanding stock options granted under the Corporation's stock option plan and on exercise of outstanding warrants, (iii) issue common shares on valid exercise of outstanding warrants and; (iv) issue common shares on valid conversion of any other outstanding convertible securities of the Corporation.

15. Notices

Any notice or other communication to be given hereunder shall, in the case of notice to be given to the Corporation be addressed to the Corporation, c/o Mr. Leonard D. Jaroszuk, President and Chief Executive Officer, at the above address, Fax No. (780) 418-1941, with a copy to:

Borden Ladner Gervais LLP
1900, 520 – 3rd Ave S.W.
Calgary, Alberta T2P 0R3

Attention: Lloyd McLellan
Fax: (403) 266-1395

and, in the case of notice to be given to the Underwriters, be addressed to:

Canaccord Genuity Corp.
Suite 2200, 450 – 1st Street SW
Calgary, Alberta T2P 5P8

Attention: Andrew Birkby
Fax: (403) 266-4222

and to:

GMP Securities L.P.
145 King St West, Suite #300
Toronto, Ontario, M5H 1J8

Attention: Jason Robertson
Fax: (416) 943-6160

and to:

Jennings Capital Inc.
Suite 2700, 308 – 4th Avenue SW
Calgary, Alberta T2P 0H7

Attention: Michael Shumlich
Fax: (403) 292-0979

and to:

PI Financial Corp.
Suite 1560, -300 – 5th Avenue SW
Calgary, Alberta T2P 3C4

Attention: Arthur Kwan
Fax: (403) 543-2800

and to:

Salman Partners Inc.
Suite 1700, 1095 West Pender Street
Vancouver, BV V6E 2M6

Attention: Terrance K. Salman

Fax: (604) 685-2457

and a copy to:

Burnet, Duckworth & Palmer LLP
Suite 2400, 525 – 8th Avenue SW.
Calgary, Alberta T2P 1G1

Attention: Grant MacKenzie
Fax: (403) 260-0332

or to such other address as the party may designate by notice given to the other. Each communication shall be personally delivered to the addressee or sent by facsimile transmission to the addressee, and:

(a) a communication which is personally delivered shall, if delivered before 4:00 p.m. (local time at the place of delivery) on a Business Day, be deemed to be given and received on that day and, in any other case be deemed to be given and received on the first Business Day following the day on which it is delivered; and

(b) a communication which is sent by facsimile transmission shall, if sent on a Business Day before 4:00 p.m. (local time at the place of receipt), be deemed to be given and received on that day and, in any other case, be deemed to be given and received on the first Business Day following the day on which it is sent.

16. Conditions

All terms, covenants and conditions of this Agreement to be performed by the Corporation shall be construed as conditions, and any breach or failure to comply with any material terms and conditions which are for the benefit of the Underwriters shall entitle any of the Underwriters to terminate its obligations to purchase the Offered Shares, by written notice to that effect given to the Corporation prior to the Closing Time. The Underwriters may waive in whole or in part any breach of, default under or non-compliance with any representation, warranty, term or condition hereof, or extend the time for compliance therewith, without prejudice to any of their rights in respect of any other representation, warranty, term or condition hereof or any other breach of, default under or non-compliance with any other representation, warranty, term or condition hereof, provided that any such waiver or extension shall be binding on an Underwriter only if the same is in writing and signed by such Underwriter.

17. Survival of Representations and Warranties

All representations, warranties, terms and conditions herein (including, without limitation, those contained in section 7) or contained in certificates or documents submitted pursuant to or in connection with the transactions contemplated herein shall survive the payment by the Underwriters for the Offered Shares and the distribution of the Offered Shares, the Compensation Warrants and the Compensation Warrant Shares pursuant to the Prospectus and the U.S. Placement Memorandum and shall continue in full force and effect for the benefit of the Underwriters regardless of any investigation by or on behalf of the Underwriters with respect thereto.

18. Several Liability of Underwriters

The Underwriters' rights and obligations under this Agreement are several and not joint and several including, without limitation, that:

(a) each of the Underwriters shall be obligated to purchase only the percentage of the total number of Firm Shares at the Closing Time and, if applicable, the Option Shares at the Over-Allotment Option Closing Time, set forth opposite their names set forth in this paragraph 18; and

(b) if at the Closing Time, any one or more of the Underwriters shall fail or refuse to purchase its respective percentage set forth below of the aggregate number of the Firm Shares (other than in accordance with section 11) and the number of such Firm Shares which such defaulting Underwriter or Underwriters agreed but failed or refused to purchase is not more than 10% of the aggregate number of Firm Shares to be purchased on such date, the non-defaulting Underwriters shall be obligated severally, in the proportions represented by the respective percentage set forth below opposite the names of all such non-defaulting Underwriters, to purchase the Firm Shares which such defaulting Underwriter or Underwriters agreed but failed or refused to purchase at such time; and

(c) if any one or more of the Underwriters shall not purchase its applicable percentage of the Firm Shares at the Closing Time and the number of such securities which such defaulting Underwriter or Underwriters agreed but failed or refused to purchase is more than 10% of the aggregate number of Firm Shares to be purchased at such time, then the other Underwriters shall have the right, but not the obligation, to purchase all of the Firm Shares which would otherwise have been purchased by such one or more of the Underwriters; the Underwriters exercising such right shall purchase such Firm Shares pro rata to their respective percentages aforesaid or in such other proportions as they may otherwise agree. In the event such right is not exercised, the Underwriters which are not in default shall be entitled by written notice to the Corporation to terminate this Agreement without liability.

The applicable percentage of the total number of Firm Shares which each of the Underwriters shall be separately obligated to purchase is as follows:

Canaccord Genuity Corp.	40%
GMP Securities L.P.	40%
Jennings Capital Inc.	10%
PI Financial Corp.	5%
Salman Partners Inc.	5%

Nothing in this Agreement shall obligate the Corporation to sell less than all of the Firm Shares or shall relieve any Underwriter in default from liability to the Corporation or any non-defaulting Underwriter in respect of the defaulting Underwriter's default hereunder. In the event of a termination by the Corporation of its obligations under this Agreement there shall be no further liability on the part of the Corporation to the Underwriters except in respect of any liability which may have arisen or may thereafter arise under sections 8, 9 or 10.

19. Authority to Bind Underwriters

The Corporation shall be entitled to and shall act on any notice, waiver, extension or communication given by or on behalf of the Underwriters by the Co-Lead Underwriters, which shall represent the Underwriters, and which shall have the authority to bind the Underwriters in respect of all matters hereunder, except in respect of any settlement under section 8 or 9, any matter referred to in section 11 or section 16 or any agreement under section 18. While not affecting the foregoing, the Co-Lead Underwriters shall consult with the other Underwriters with respect to any such notice, waiver, extension or other communication.

20. Underwriters' Covenants

Each of the Underwriters covenants and agrees with the Corporation that it will:

(a) offer the Offered Shares in the accordance with Applicable Securities Laws and may, subject to the terms of this Agreement, offer them for sale and sell Offered Shares in the United States, all in accordance with applicable U.S. Securities Laws;

(b) conduct activities in connection with the proposed offer and sale of the Offered Shares in compliance with all the Applicable Securities Laws and/or the U.S. Securities Laws, and cause a similar covenant to be contained in any agreement entered into with any Selling Dealer Group established in connection with the distribution of the Offered Shares;

(c) use all reasonable efforts to complete the distribution of Offered Shares as soon as possible;

(d) not solicit subscriptions for the Offered Shares, trade in Offered Shares or otherwise do any act in furtherance of a trade of Offered Shares in any jurisdictions outside of the Qualifying Provinces or, to the extent permitted hereunder, the United States, or in such other jurisdictions outside of Canada and the United States provided that such sales are made in accordance with the applicable securities laws of such jurisdictions; and

(e) as soon as reasonably practicable after the Closing Date and any Over-Allotment Option Closing Date (as applicable) (and in any event within 30 days thereof) provide the Corporation with a breakdown of the number of Offered Shares sold in each of the Qualifying Provinces and, upon completion of the distribution of the Offered Shares, provide to the Corporation and to the Securities Commissions notice to that effect, if required by Applicable Securities Laws.

No Underwriter will be liable to the Corporation under this section 20 with respect to a default by any of the other Underwriters but will be liable to the Corporation only for its own default.

21. Severance

If one or more of the provisions contained herein shall, for any reason, be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Agreement, but this Agreement shall be construed as if such invalid, illegal or unenforceable provision or provisions had never been contained herein.

22. Relationship Between the Corporation and the Underwriters

The Corporation: (i) acknowledges and agrees that the Underwriters have certain statutory obligations as registrants under the Applicable Securities Laws and have relationships with their clients; (ii) acknowledge and agree that the Underwriters are neither the agents of the Corporation nor otherwise fiduciaries of the Corporation; and (iii) consents to the Underwriters acting hereunder while continuing to act for their clients. To the extent that the Underwriters' statutory obligations as registrants under the Applicable Securities Laws or relationships with their clients conflicts with their obligations hereunder the Underwriters shall be entitled to fulfil their statutory obligations as registrants under the Applicable Securities Laws and their duties to their clients. Nothing in this Agreement shall be interpreted to prevent the Underwriters from fulfilling their statutory obligations as registrants under the Applicable Securities Laws or duties to their clients.

23. Stabilization

In connection with the distribution of the Offered Shares, the Underwriters may effect transactions which stabilize or maintain the market price of the Offered Shares and Common Shares at levels other than those which might otherwise prevail on the open market, but in each case only as permitted by applicable law. Such stabilizing transactions, if any, may be discontinued at any time.

24. Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the Province of Alberta and the laws of Canada applicable therein. Each of the Corporation and the Underwriters hereby attorn to the non-exclusive jurisdiction of the courts of the Province of Alberta.

25. Time of the Essence

Time shall be of the essence of this Agreement.

26. Counterpart Execution

This Agreement may be executed in one or more counterparts each of which so executed shall constitute an original and all of which together shall constitute one and the same agreement. Delivery of counterparts may be effected by facsimile transmission.

27. Further Assurances

Each party to this Agreement covenants and agrees that from time to time, it will, at the request of the requesting party, execute and deliver all such documents and do all such other acts and things as any party hereto, acting reasonably, may from time to time request be executed or done in order to better evidence or perfect or effectuate any provision of this Agreement or of any agreement or other document executed pursuant to this Agreement or any of the respective obligations intended to be created hereby or thereby.

28. Use of Proceeds

The Corporation agrees to use the proceeds from the issuance and sale of the Offered Shares in accordance with the disclosure in the Prospectuses, subject to the qualifications set forth therein.

29. Compliance with U.S. Securities Laws

(a) If any Offered Shares are offered or sold in the United States, that at the Closing Time and, if applicable, the Over-Allotment Closing Time, the Corporation, each Underwriter and each member of the Selling Dealer Group shall deliver a certificate containing representations, warranties and covenants as to United States matters that are customarily provided by issuers and underwriters in Underwriting Agreements prepared in connection with transactions of the nature of the offer and sale of the Offered Shares.

(b) Each Underwriter represents and warrants that it is not in the United States, was not offered the Compensation Warrants in the United States, did not place its order to acquire the Compensation Warrants in the United States, and did not sign this Agreement in the United States; and further acknowledges that it is aware that the Compensation Warrants may be exercised only in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act and any applicable state securities laws.

(c) The Corporation and the Underwriters agree that any offers and sales or purchases of the Offered Shares: (a) will be made in accordance with Rule 144A or Rule 903 of Regulation S under the U.S. Securities Act; (b) will be conducted in accordance with U.S. Securities Laws and in such a manner so as not to require registration thereof under the U.S. Securities Act or any applicable state securities laws; and (c) will be conducted through an affiliate of an Underwriter that is duly registered as a securities broker or dealer under the U.S. Exchange Act and in each state where such registration is required, and in compliance with all other United States federal and state securities laws sand regulatory authority rules.

30. Entire Agreement

It is understood that the terms and conditions of this Agreement supersede any previous verbal or written agreement between the Underwriters and the Corporation.

[The remainder of this page was intentionally left blank.]

If the foregoing is in accordance with your understanding and is agreed to by you, please confirm your acceptance by signing the enclosed copies of this letter at the place indicated and by returning the same to Canaccord Genuity Corp.

CANACCORD GENUITY CORP.

Per: *(signed) "Andrew D. Birkby"*

GMP SECURITIES L.P.

Per: *(signed) "Jason Robertson"*

JENNINGS CAPITAL INC.

Per: *(signed) "Michael Shumlich"*

PI FINANCIAL CORP.

Per: *(signed) "Arthur Kwan"*

SALMAN PARTNERS INC.

Per: *(signed) "Terrance K. Salman"*

ACCEPTED AND AGREED to as of the date of this Agreement.

ENTERPRISE GROUP, INC.

Per: *(signed) "Warren Cabral"*
Authorized Signatory