AGENCY AGREEMENT

February 3, 2010

NuLoch Resources Inc.
2200, 444 - 5th Avenue S.W.
Calgary, Alberta
T2P 2T8

Attention: **R. Glenn Dawson**
President and Chief Executive Officer

Dear Sirs:

Re: **Private Placement of Special Warrants**

Genuity Capital Markets ("**Genuity**" or the "**Lead Agent**") and Wellington West Capital Markets Inc. (together with the Lead Agent, the "**Agents**") understand that NuLoch Resources Inc. ("**NuLoch**" or the "**Corporation**") proposes to issue and sell 13,800,000 Special Warrants (as defined herein) (the "**Base Special Warrants**") at a price of $1.45 per Special Warrant, for aggregate gross proceeds of $20,010,000 (the "**Offering**"). Each Special Warrant will entitle the holder thereof to receive, subject to adjustment in certain events, one Special Warrant Share (as defined herein) on the exercise or deemed exercise of the Special Warrant. The Special Warrants will be exercisable by the holder at any time after the Closing Time (as defined herein) for no additional consideration, and each Special Warrant will be deemed to be exercised for no additional consideration and without any further action on the part of the holder on the date which is the earlier of: (i) the first Business Day (as defined herein) following the Qualification Date (as defined herein); and (ii) the date which is four (4) months and one day after the Closing Date (as defined herein). The Corporation will use its commercially reasonable efforts to prepare and file, in accordance with the terms hereof, the Prospectus (as defined herein) and all other documents necessary to qualify the distribution of the Special Warrant Shares in each of the Designated Provinces (as defined herein).

In consideration for the Agents acting as agents for the offering of the Base Special Warrants, the Corporation hereby grants to the Agents the option (the "**Agents' Option**") to offer for sale up to an additional 2,070,000 Special Warrants (the "**Option Special Warrants**" and, together with the Base Special Warrants, the "**Offered Special Warrants**") on the same terms as the Base Special Warrants. The Agents' Option may be exercised, in whole or in part, at any time up to 24 hours prior to the Closing Time upon written notice to the Corporation by the Lead Agent specifying the number of Option Special Warrants to be sold.

Subject to the terms and conditions hereof, the Agents agree to act as, and the Corporation appoints the Agents as, the sole and exclusive agents of the Corporation to offer the Offered Special Warrants for sale on the Closing Date in the Designated Provinces on a private placement basis at a price of $1.45 per Offered Special Warrant, and the Agents agree to use their commercially reasonable efforts to secure subscriptions therefor, provided that, for greater certainty, the Agents shall not be required to purchase any of the Offered Special Warrants as principal. The Agents, acting through a United States registered broker-dealer affiliate in accordance with Schedule "C" hereto, may also offer Offered Special Warrants for sale in the United States to Accredited Investors (as defined in Schedule "C" hereto) in accordance with Rule 506 of Regulation D (as defined in Schedule "C" hereto).

In connection with the offering and sale of the Offered Special Warrants, the Agents 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 Special Warrants from other registered securities dealers. The fee payable to such sub-agents shall be for the account of the Agents and shall not exceed the fee payable to the Agents hereunder.

In consideration for their services hereunder in respect of the issue of the Offered Special Warrants and advising on the terms and conditions of the Offering, the Agents shall be entitled to the fees provided for in paragraph 12, which fee shall be payable by the Corporation in the manner and at the time specified in paragraph 12. For greater certainty, the services provided by the Agents pursuant to this Agreement will not be subject to the Goods and Services Tax provided for in the *Excise Tax Act* (Canada) and taxable supplies will be incidental to the exempt financial services provided.

Terms and Conditions

1. In this Agreement:

(a) "**Agency Fee**" has the meaning set forth in paragraph 12;

(b) "**Agents' counsel**" means Burnet, Duckworth & Palmer LLP or such other legal counsel as the Agents, with the consent of the Corporation, may retain;

(c) "**AJM**" means AJM Petroleum Consultants;

(d) "**Applicable Securities Laws**" means all applicable corporate and securities and other laws, rules, regulations, notices, policies and instruments;

(e) "**ASC**" means the Alberta Securities Commission;

(f) "**Business Day**" means a day which is not Saturday or Sunday or a legal holiday in the City of Calgary, Alberta;

(g) "**Class A Shares"** means the Class A common shares in the capital of the Corporation as constituted as of the date hereof;

(h) "**Class B Shares**" means the Class B common shares in the capital of the Corporation as constituted as of the date hereof;

(i) "**Closing Date**" means March 3, 2010 or such other date as the Agents and the Corporation may agree;

(j) "**Closing Time**" means 9:00 a.m. (Calgary time) or such other time, on the Closing Date, as the Agents and the Corporation may agree;

(k) "**Corporation's counsel**" means Borden Ladner Gervais LLP or such other legal counsel as the Corporation, with the consent of the Agents, may retain;

(l) "**Designated Provinces**" means each of the provinces of Canada (other than Quebec) in which the Offered Special Warrants are sold;

(m) "**Documents**" means, collectively:

(i) the Financial Statements;

(ii) the annual information form of the Corporation for the year ended December 31, 2008, dated January 29, 2010;

(iii) the material change report of the Corporation dated February 12, 2010;

(iv) the material change report of the Corporation dated November 5, 2009;

(v) the material change report of the Corporation dated October 16, 2009;

(vi) the material change report of the Corporation dated August 21, 2009;

(vii) the material change report of the Corporation dated July 10, 2009;

(viii) management's discussion and analysis of the Corporation for the nine months ended September 30, 2009;

(ix) management's discussion and analysis of the Corporation for the year ended December 31, 2008;

(x) all press releases of the Corporation released since December 31, 2008;

(xi) Form 51-101F1 - Statement of Reserves Data and Other Oil and Gas Information of the Corporation dated March 24, 2009 and effective December 31, 2008; and

(xii) the management information circular of the Corporation dated April 21, 2009 in respect of the annual and special meeting of shareholders of the Corporation held on May 27, 2009;

(n) "**Due Diligence Session**" has the meaning ascribed thereto in paragraph 9(a) hereof;

(o) "**Exchange**" means the TSX Venture Exchange;

(p) "**Final Receipt**" means a receipt for the Prospectus issued or deemed to be issued by each of the Securities Commissions in accordance with the Passport System;

(q) "**Financial Statements**" means, collectively, the audited comparative financial statements of the Corporation as at and for the years ended December 31, 2008 and 2007 and the auditors' report thereon, and the unaudited comparative financial statements of the Corporation as at and for the three and nine month periods ended September 30, 2009 and 2008, in each case together with the notes thereto;

(r) "**Material Agreements**" means this Agreement, the Subscription Agreements and the Special Warrant Indenture;

(s) "**NI 44-101**" means National Instrument 44-101 of the Canadian Securities Administrators, entitled "Short Form Prospectus Distributions";

(t) "**Passport System**" means the system and procedures for prospectus filing and review under Multilateral Instrument 11-102 of the Canadian Securities Administrators, entitled "Passport System", and National Policy 11-202 of the Canadian Securities Administrators, entitled "Process for Prospectus Reviews in Multiple Jurisdictions";

(u) "**Preliminary Prospectus**" means a preliminary short form prospectus of the Corporation and any amendments thereto, qualifying the distribution of the Special Warrant Shares upon the exercise and/or deemed exercise of the Offered Special Warrants, including the documents incorporated by reference therein;

(v) "**Preliminary Receipt**" means a receipt for the Preliminary Prospectus issued or deemed to be issued by each of the Securities Commissions in accordance with the Passport System;

(w) "**Prospectus**" means a (final) short form prospectus of the Corporation and any amendments thereto, qualifying the distribution of the Special Warrant Shares upon the exercise and/or deemed exercise of the Offered Special Warrants, including the documents incorporated by reference therein;

(x) "**Prospectuses**" means, collectively, the Preliminary Prospectus and the Prospectus;

(y) "**Public Record**" means all information filed by or on behalf of the Corporation with the Securities Commissions, including without limitation, the Documents, the Prospectuses, any Supplementary Material and any other information filed by or on behalf of the Corporation with any Securities Commission in compliance, or intended compliance, with any Applicable Securities Laws of the Designated Provinces;

(z) "**Qualification Date**" means the date of the Final Receipt;

(aa) "**Reserve Report**" means the report dated March 24, 2009 prepared by AJM, evaluating the Corporation's crude oil, natural gas and natural gas products reserves effective December 31, 2008;

(bb) "**Responses**" means the written responses delivered on behalf of the Corporation by certain officers of the Corporation at or prior to the Due Diligence Session as supplemented by any of management's verbal responses at the Due Diligence Session;

(cc) "**Securities**" means, collectively, the Offered Special Warrants and the Special Warrant Shares;

(dd) "**Securities Commissions**" means the securities commissions or similar regulatory authorities in the Designated Provinces;

(ee) "**Selling Dealer Group**" means the dealers and brokers other than the Agents who participate in the offer and sale of the Special Warrants pursuant to this Agreement;

(ff) "**Selling Jurisdictions**" means each of the provinces of Canada (other than Quebec), the United States, to the extent permitted herein, and such other foreign jurisdictions in which there are Subscribers and upon which the Agents and the Corporation may mutually agree;

(gg) "**Special Warrant Indenture**" means the indenture to be dated as of the Closing Date and made among the Corporation and the Trustee governing the terms and conditions of the Special Warrants;

(hh) "**Special Warrant Shares**" means the Class A Shares issuable on the exercise or deemed exercise of the Special Warrants;

(ii) "**Special Warrants**" means the special warrants having the rights and entitlements set forth in this Agreement and otherwise being as provided in the Special Warrant Indenture;

(jj) "**Subscriber**" means any person who executes a Subscription Agreement that is accepted by the Corporation;

(kk) "**Subscription Agreements**" means the agreements (including the schedules and representation forms attached to and forming part thereof) to be entered into between each Subscriber and the Corporation in respect of the Subscriber's subscription for, and purchase of, Offered Special Warrants;

(ll) "**subsidiaries**" has the meaning ascribed thereto in the *Business Corporations Act* (Alberta);

(mm) "**Supplementary Material**" means, collectively, any amendment to the Preliminary Prospectus or Prospectus, any amended or supplemental Preliminary Prospectus or Prospectus or any ancillary documents required to be filed with any of the Securities Commissions in connection with the distribution or qualification of the Special Warrant Shares;

(nn) "**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);

(oo) "**Trustee**" means Valiant Trust Company or such other party appointed with the consent of the Agents, acting reasonably, as trustee pursuant to the Special Warrant Indenture;

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

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

"**misrepresentation**", "**material change**" and "**material fact**" shall have the meanings ascribed thereto under the Applicable Securities Laws of the Designated Provinces, "**distribution**" means "**distribution**" or "**distribution to the public**", as the case may be, as defined under the Applicable Securities Laws of the Designated Provinces in Canada and "**distribute**" has a corresponding meaning; and

"**to the best of the knowledge of**", "**to the best of its knowledge**" or "**to its knowledge**" means, unless otherwise expressly stated, a statement of the declarant's knowledge of the facts or circumstances to which such phrase related, after having made due inquiries and investigations in connection with such facts and circumstances; and "**to the best of the knowledge of the Corporation**" or "**to the best of the Corporation's knowledge**" means, unless otherwise expressly stated, a statement as to the best knowledge of each of the senior officers of the Corporation about the facts or circumstances to which such phrase related, after such officers having made due inquiries and investigations in connection with such facts and circumstances that would ordinarily be made in the discharge of each such officer's duties.

2. The Corporation agrees:

(a) that the Offered Special Warrants will be duly and validly created, authorized and issued pursuant to the terms of the Special Warrant Indenture, which Special Warrant Indenture will provide for the rights and entitlements of the Offered Special Warrants as described in this Agreement and the Subscription Agreements;

(b) to use its commercially reasonable efforts to duly, punctually and faithfully perform all of the obligations to be performed by it and all of its covenants and agreements, under and pursuant to the Offered Special Warrants, the Subscription Agreements and the Special Warrant Indenture;

(c) to deliver to the Agents as many copies of the Documents as the Agents may reasonably request and such delivery shall constitute the Corporation's authorization of the Agents to use the Documents in connection with the offering of the Offered Special Warrants for sale in the Selling Jurisdictions;

(d) as soon as reasonably possible, and in any event by the Closing Date, to take such reasonable steps as may be necessary to enable the Offered Special Warrants to be offered for sale and sold on a private placement basis in the Selling Jurisdictions through the Agents or any other investment dealers or brokers registered in accordance with Applicable Securities Laws in any of the Selling Jurisdictions by way of the exemptions under Applicable Securities Laws of the Selling Jurisdictions in Canada and in the other Selling Jurisdictions as contemplated hereby, and on the basis that the "hold period" in the Designated Provinces applicable to the Offered Special Warrants and Special Warrant Shares issued as contemplated hereunder shall not exceed four months and a day from the Closing Date;

(e) to make all necessary arrangements for the delivery (at the cost of the Corporation) of the definitive certificates representing Special Warrant Shares issued in accordance with the terms of the Offered Special Warrants and the Special Warrant Indenture, registered in such name or names as the holder may direct at any time and from time to time prior to the Qualification Date; and

(f) that the Corporation grants to each Subscriber the contractual right of action for rescission and/or damages as described in the Subscription Agreements in respect of any Offered Special Warrants purchased by the Subscriber, which contractual right of action shall be assignable to and enforceable by any subsequent assignee of such Offered Special Warrants.

3. The Corporation represents and warrants to the Agents and covenants and agrees that:

(a) as of the Closing Date the Corporation will be qualified to file a prospectus in the form of a short form prospectus under NI 44-101 for the qualification of the distribution of the Special Warrant Shares upon the exercise or deemed exercise, as the case may be, of the Offered Special Warrants;

(b) the Corporation shall comply in all material respects with the Passport System, and shall use its commercially reasonable efforts to:

(i) as soon as is reasonably practicable:

(A) prepare and file the Preliminary Prospectus and other documents required under Applicable Securities Laws with the Securities Commissions and designate the ASC as the principal regulator under the Passport System; and

(B) obtain from the ASC and the Ontario Securities Commission a Preliminary Receipt evidencing that a receipt has been issued for the Preliminary Prospectus in each Designated Province;

(ii) forthwith after any comments with respect to the Preliminary Prospectus have been received from the Securities Commissions and the Agents and the Agents' counsel pursuant to paragraph 3(c):

(A) prepare and file the Prospectus and other documents required under Applicable Securities Laws with the Securities Commissions; and

(B) obtain from the ASC and the Ontario Securities Commission a Final Receipt evidencing that a receipt has been issued for the Prospectus in each Designated Province, or otherwise obtained a receipt for the Prospectus from each Securities Commission;

and otherwise fulfill all legal requirements to qualify the distribution of the Special Warrant Shares upon the exercise and/or deemed exercise of the Offered Special Warrants; and

(iii) until the completion of the distribution of the Special Warrant Shares upon the exercise and/or deemed exercise of the Offered Special Warrants, promptly take all additional steps and proceedings that from time to time may be required under the Applicable Securities Laws in each Designated Province to continue to qualify such distribution or, in the event that the Special Warrant Shares have, for any reason, ceased to so qualify, to again qualify such distribution of the Special Warrant Shares;

(c) prior to the filing of the Prospectuses or any Supplementary Material, the Corporation shall have allowed the Agents and the Agents' counsel to participate fully in the preparation of, and to approve the form of, such documents and to have reviewed any documents incorporated by reference therein; and

(d) 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 distribution of the Special Warrant Shares upon the exercise and/or deemed exercise of the Offered Special Warrants in the Designated Provinces.

4. The Corporation further agrees that:

(a) the Corporation shall deliver or cause to be delivered without charge to the Agents and Agents' counsel the documents set out below at the respective times indicated:

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

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

(B) copies of any documents incorporated by reference therein which are not available on SEDAR and have not previously been delivered to the Agents;

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

(iii) prior to the filing of the Prospectus (or any subsequent Supplementary Material or any other relevant document) with the Securities Commissions, a "comfort letter" from the Corporation's auditors, dated the date of the Prospectus, addressed to the Agents and reasonably satisfactory in form and substance to the Agents and Agents' counsel, 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 and have found such information and percentages to be in agreement, which comfort letter shall be based on the Corporation's auditors' review having a cut-off date of not more than two Business Days prior to the date of the Prospectus (or any subsequent Supplementary Material or any other relevant document, as the case may be);

(iv) 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 the filing of the Preliminary Prospectus or the Prospectus, as the case may be, with the Securities Commissions 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 Agents, without charge, commercial copies of the Preliminary Prospectus, the Prospectus or such Supplementary Material, in such numbers and in such cities as the Agents may reasonably request by written instructions to the Corporation, the Corporation's counsel or the printer thereof, given no later than the time when the Corporation authorizes the printing of the commercial copies of such documents; and

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

(b) on or before the Qualification Date, the Corporation shall deliver to the Agents a legal opinion addressed to the Agents, from counsel to the Corporation in form and content satisfactory to the Agents, acting reasonably, with respect to such matters as the Agents may reasonably request, including but not limited to the following:

(i) all necessary corporate action has been taken by the Corporation to authorize the execution and delivery of the Preliminary Prospectus, Prospectus and any Supplementary Material and the filing thereof with the Securities Commissions; and

(ii) all approvals, permits, consents, orders and authorizations under Applicable Securities Laws in force in the Designated Provinces have been obtained, all necessary documents have been filed, all proceedings have been taken and all other legal requirements have been fulfilled to qualify the issuance of the Special Warrant Shares to the public in the Designated Provinces;

It is understood that the Corporation's counsel may rely on the opinions of local counsel acceptable to them as to matters governed by the laws of jurisdictions other than Alberta, British Columbia and Ontario;

(c) on or before the Qualification Date, the Corporation shall deliver to the Agents a certificate addressed to the Agents, and signed by the President and Chief Financial Officer of the Corporation, or such other officers of the Corporation as the Agents may reasonably accept, certifying for and on behalf of the Corporation that:

(i) no order, ruling or determination having the effect of ceasing or suspending trading in any securities of the Corporation has been issued and, to the knowledge of the persons signing the certificate, no proceedings for such purpose are pending or threatened;

(ii) the Corporation has complied with all covenants and satisfied all terms and conditions of the Material Agreements on its part to be complied with or satisfied up to the Qualification Date in all material respects; and

(iii) without bringing forward any date expressly referenced in a specific representation, the representations and warranties of the Corporation contained in this Agreement are true and correct as of the Qualification Date with the same force and effect as if made at and as of the Qualification Date, in all material respects; and

(d) within one Business Day after the date on which Final Receipt is issued by the ASC, the Corporation shall send written notice by prepaid registered mail or courier to each holder of Offered Special Warrants appearing in the register of Special Warrants maintained pursuant to the Special Warrant Indenture advising of the issuance of the Final Receipt, the deemed exercise and cancellation of their Offered Special Warrants and a copy of the Prospectus (and, if applicable, any Supplementary Material).

5. Each of the Agents agree, on a several basis, to conduct activities in connection with the proposed offer and sale of the Offered Special Warrants in compliance with all Applicable Securities Laws in the Selling Jurisdictions and cause a similar covenant to be contained in any agreement entered into with any Selling Dealer Group member in connection with the distribution of the Offered Special Warrants.

6. Each of the Agents further represent, warrant, covenant and agree, on a several basis, that:

(a) one of the Agents is duly registered in accordance with Applicable Securities Laws in each of the Designated Provinces;

(b) other than in accordance with this Agreement, it will not solicit subscriptions for Offered Special Warrants, trade in Offered Special Warrants or otherwise do any act in furtherance of a trade of Offered Special Warrants outside of the Selling Jurisdictions in Canada, except as contemplated in Schedule "C" attached hereto and in any other jurisdiction in compliance with the applicable laws thereof; provided that an Agent may so solicit, trade or act within such other jurisdiction if such solicitation, trade or act is in compliance with Applicable Securities Laws in such jurisdiction and does not: (i) obligate the Corporation to take any action to qualify any of its securities or any trade of any of its securities; (ii) obligate the Corporation to establish or maintain any office or director or officer in such jurisdiction; or (iii) subject the Corporation to any reporting or other requirement in such jurisdiction;

(c) timely perform all other obligations required to be performed by the Agent hereunder; and

(d) it will not advertise the proposed sale of the Offered Special Warrants in printed media of general and regular paid circulation (or other printed public media), radio, television or telecommunications or other form of advertisement (including electronic display) nor provide nor make available to prospective purchasers of Offered Special Warrants any document or material which would constitute an offering memorandum as defined under Applicable Securities Laws in the Selling Jurisdictions (other than any document or material provided by the Corporation to the Agents for delivery to prospective purchasers).

7. The Agents agree to obtain from each Subscriber an executed Subscription Agreement and deliver such Subscription Agreements to the Corporation. In addition, the Agents agree to obtain from each Subscriber such forms as may be required by the Exchange or the Securities Commissions and supplied by the Corporation to the Agents for delivery hereunder and provide to the Corporation all information necessary in respect of the Agents and the Subscribers to allow the Corporation to file with the Securities Commissions, if required, a report of trade in accordance in all material respects with Applicable Securities Laws within 10 days of the Closing Date.

8. The Corporation represents and warrants to the Agents and the Subscribers, and acknowledges that the Agents and the Subscribers are relying upon such representations and warranties, that:

(a) the delivery by the Corporation to the Agents of the Preliminary Prospectus, the Prospectus or any Supplementary Material shall constitute the Corporation's representation and warranty to the Agents that:

(i) the Preliminary Prospectus, Prospectus or Supplementary Material, as the case may be, contains, at the date of such document, no misrepresentation and constitutes full, true and plain disclosure of all material facts relating to the Corporation, the Offered Special Warrants and the Special Warrant Shares;

(ii) no material fact has been omitted from the Preliminary Prospectus, Prospectus or Supplementary Material, as the case may be, which is required to be stated or which is necessary to make any statements or information contained therein not misleading in light of the circumstances in which they are made; and

(iii) the Preliminary Prospectus, Prospectus or Supplementary Material, as the case may be, complies in all material respects with the requirements of the Applicable Securities Laws in the Designated Provinces;

provided that, in each case, the Corporation makes no representation or warranty with respect to statements contained in or omissions from the Preliminary Prospectus, Prospectus or Supplementary Material, as the case may be, relating solely to and provided in writing by, or consented to, by the Agents;

(b) each of the Corporation and NuLoch America Corp. has been duly incorporated and organized and is valid and subsisting under the laws of the jurisdiction of its incorporation and has all requisite corporate authority and power to carry on its business, as now conducted and as presently proposed to be conducted by it, and to own its properties and assets;

(c) each of the Corporation and NuLoch America Corp. is qualified to carry on business under the laws of each jurisdiction in which it carries on its business;

(d) the Corporation has no subsidiaries other than NuLoch America Corp. and the Corporation is not affiliated with, nor is it a holding corporation of, any other body corporate, nor is the Corporation a partner in any partnership;

(e) the Corporation is the legal and beneficial owner of all of the outstanding shares and other securities of NuLoch America Corp. free and clear of all mortgages, liens, charges, pledges, security interests, encumbrances, claims or demands whatsoever, and no person, firm, corporation or other entity holds any securities convertible or exchangeable into securities of such subsidiary or has any agreement, warrant, option, right or privilege (whether pre-emptive or contractual) being or capable of becoming an agreement for the purchase, subscription or issuance of any issued or unissued shares or other securities of such subsidiary;

(f) the Corporation has full corporate power and authority to issue the Offered Special Warrants and, at the Closing Date the Offered Special Warrants will be duly and validly authorized, allotted and reserved for issuance and will, upon receipt of the full consideration therefor, be validly issued as fully paid and non-assessable;

(g) the Corporation has full corporate power and authority to issue the Special Warrant Shares and, at the Closing Date, the Special Warrant Shares will be duly and validly authorized, allotted and reserved for issuance and, upon exercise or deemed exercise of the Offered Special Warrants, will be validly issued as fully paid and non-assessable shares;

(h) 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 and the other Material Agreements and the performance of any of the transactions contemplated hereby and thereby by the Corporation, do not and will not result in any breach of, or constitute a default under, and do 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, any applicable laws or any term or provision of the articles, by-laws or resolutions of the directors (including committees thereof) or shareholders of the Corporation or any mortgage, note, indenture, contract, agreement (written or oral), instrument, lease or other document to which the Corporation or NuLoch America Corp. is a party or by which it is bound, or any judgment, decree, order, statute, rule or regulation applicable to the Corporation or NuLoch America Corp., which default or breach might reasonably be expected to materially adversely affect the business, operations, capital or condition (financial or otherwise) of the Corporation and NuLoch America Corp. or their properties or assets;

(i) the Corporation has full corporate power and authority to enter into this Agreement and the other Material Agreements and to perform its obligations set out herein and therein, and this Agreement has been, and each of the other Material Agreements will, on the Closing Date, be duly authorized, executed and delivered by the Corporation, and this Agreement is, and the other Material Agreements will be, on the Closing Date, legal, valid and binding obligations of the Corporation enforceable against the Corporation in accordance with their respective terms subject to the general qualifications that:

   (i) the enforceability may be limited by bankruptcy, insolvency, moratorium, reorganization, arrangement or winding-up laws or other similar laws of general application affecting creditors' rights generally;

   (ii) equitable remedies, including the remedies of specific performance and injunctive relief, are available only in the discretion of the applicable court;

   (iii) the equitable or statutory powers of the courts in Canada having jurisdiction to grant relief from forfeiture, to stay proceedings before them and to stay the execution of judgments;

   (iv) rights to indemnity and contribution hereunder may be limited under applicable law and may or may not be ordered by a court on grounds of public policy and may therefore not be available in particular instances;

   (v) the validity, binding nature and enforceability of provisions in any of the agreements which purport to sever therefrom any provision which is unenforceable or invalid under applicable law without affecting the enforceability or validity of the remainder of such agreements would be determined in the discretion of the court;

   (vi) the failure to exercise a right of action within a period prescribed in the applicable legislation governing the limitation of actions may act as a bar to enforcement of such rights at any time thereafter; and

   (vii) the costs of and incidental to proceedings authorized to be taken in court or before a judge are within the discretion of the court or judge before which such proceedings are brought and a court or judge has full power to determine by whom and to what extent the costs of such proceedings will be paid;

(j) there has not been any material change in the assets, liabilities or obligations (absolute, contingent or otherwise) of the Corporation from the position set forth in the Financial Statements other than as disclosed in the Public Record and publicly disseminated and there has not been any adverse material change in the business, operations, capital or condition (financial or otherwise) or results of the operations of the Corporation and NuLoch America Corp.; and there have been no material facts, transactions, events or occurrences which could materially adversely affect the capital, assets, liabilities (absolute, accrued, contingent or otherwise), business, operations or condition (financial or otherwise) or results of the operations of the Corporation and NuLoch America Corp. which have not been disclosed in the Public Record;

(k) the Financial Statements (including the officer certifications of the Financial Statements) fairly present, in accordance with generally accepted accounting principles in Canada, consistently applied, the financial position and condition of the Corporation and NuLoch America Corp. (taken as a whole) 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, all assets, liabilities or obligations (absolute, accrued, contingent or otherwise) of the Corporation and NuLoch America Corp. (taken as a whole) as at the dates thereof;

(l) there are no actions, suits, proceedings or inquiries, including, to the best of the Corporation's knowledge, pending or threatened against or affecting the Corporation or NuLoch America Corp. at law or in equity or before or by any federal, state, 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 assets, business, operations or condition (financial or otherwise) of the Corporation or NuLoch America Corp. or which affects or may affect the distribution of the Securities 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;

(m) neither the Corporation or NuLoch America Corp. is a party to or bound by any agreement of indemnification (other than in accordance with agreements entered into in the ordinary course of business) or guarantee of obligations of any third party;

(n) neither the Corporation or NuLoch America Corp. has any loans or other indebtedness outstanding 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 or NuLoch America Corp. that are currently outstanding;

(o) the information and statements set forth in the Public Record, as they relate to the Corporation and NuLoch America Corp., were true, correct, and complete and did not contain any misrepresentation, as of the respective dates of such information or statements, and the Corporation has not filed any confidential material change reports which continue to be confidential;

(p) the Corporation is in compliance in all material respects with the filing and certification requirements of each of National Instrument 51-102 (Continuous Disclosure Obligations) and National Instrument 52-109 (Certificate of Disclosure in Issuers' Annual and Interim Filings);

(q) the authorized capital of the Corporation consists of an unlimited number of Class A Shares, an unlimited number of Class B Shares, and an unlimited number of Class C preferred shares issuable in series of which, as at the date hereof, 78,472,798 Class A Shares, 652,500 Class B Shares and nil Class C common shares of the Corporation are currently issued and outstanding, which shares are validly issued, fully paid and non assessable;

(r) other than pursuant to the provisions of this Agreement and other than options to purchase an aggregate of 7,403,000 Class A Shares held by directors, officers, employees and consultants of the Corporation, as at the date hereof, 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 for the purchase, subscription or issuance of any unissued shares, securities (including convertible securities) or warrants of the Corporation;

(s) each of the Corporation and NuLoch America Corp. has duly and 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 re-assessments and all other taxes, governmental charges, penalties, interest and other fines due and payable by it and which are 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 NuLoch America Corp. and, to the knowledge of the Corporation as of the date of this Agreement, there are no actions, suits, proceedings, investigations or claims threatened or pending against the Corporation or NuLoch America Corp. 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;

(t) all filings by the Corporation and NuLoch America Corp. pursuant to which either the Corporation or NuLoch America Corp. has received, or is entitled to receive, government incentives have been made in accordance with all applicable legislation and other requirements relating thereto and contained no misrepresentations of material fact nor omitted to state a material fact which could cause any amount previously paid to the Corporation or NuLoch America Corp. or previously accrued on the accounts thereof to be recovered or disallowed;

(u) the issued and outstanding Class A Shares and Class B Shares are listed and posted for trading on the Exchange and the Corporation is in compliance with the rules and regulations of the Exchange in all material respects;

(v) the minute book of each of the Corporation and NuLoch America Corp. is true and correct in all material respects and contains the minutes of all meetings and all the resolutions of directors (including committees of directors) and shareholders thereof;

(w) the Corporation is a "reporting issuer" in the provinces of Alberta, British Columbia, Saskatchewan, Ontario and Québec within the meaning of the Applicable Securities Laws in such provinces and is not in default in any material respect of any requirements of Applicable Securities Laws thereof;

(x) Valiant Trust Company at its principal office in the City of Calgary is the duly appointed registrar and transfer agent of the Corporation with respect to the Class A Shares and Class B Shares;

(y) each of the Corporation and NuLoch America Corp. has conducted and is conducting its business in compliance in all material respects with all applicable laws, rules and regulations and, in particular, all applicable 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 material and necessary or desirable to carry on its business, as now conducted and as presently proposed to be conducted, and all such licenses, registrations or qualifications are valid and existing and in good standing and none of such licenses, 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 or affairs of the Corporation or NuLoch America Corp., as now conducted or proposed to be conducted;

(z) the books of account and other records of each of the Corporation and NuLoch America Corp., whether of a financial or accounting nature or otherwise, have been maintained in all material respects in accordance with prudent business practices;

(aa) any and all operations of the Corporation and NuLoch America Corp., and to the best of the Corporation's knowledge, any and all operations by third parties, on or in respect of the assets and properties of the Corporation and NuLoch America Corp., have been conducted in accordance with good oilfield practices;

(bb) in respect of the assets and properties of the Corporation (including NuLoch America Corp.) that are operated by it, the Corporation or NuLoch America Corp. holds all valid licenses, permits and similar rights and privileges that are material and required and necessary under applicable law to operate such assets and properties as presently operated or as proposed to be operated except where the failure to so hold such licences and permits would not have a material adverse effect on the Corporation and NuLoch America Corp.;

(cc) except to the extent that any violation or other matter referred to in this subparagraph does not have a material adverse effect on the Corporation and NuLoch America Corp., in respect of each of the Corporation and NuLoch America Corp.:

(i) it is not in violation of any applicable federal, state, provincial, municipal or local laws, regulations, orders, government decrees or ordinances with respect to environmental, health or safety matters (collectively, "**Environmental Laws**");

(ii) it has operated its business at all times and has received, handled, used, stored, treated, shipped and disposed of all contaminants without violation of Environmental Laws;

(iii) 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 NuLoch America Corp. that have not been remedied;

(iv) 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 NuLoch America Corp.;

(v) it has not failed to report to the proper federal, state, 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

(vi) it holds all licenses, 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 licenses, permits and approvals are in full force and effect, and except for notifications and conditions of general application applicable to its assets and notifications relating to reclamation obligations under the *Environmental Protection and Enhancement Act* (Alberta), it has not received any notification pursuant to any Environmental Laws that any work, repairs, constructions or capital expenditures are required to be made by it as a condition of continued compliance with any Environmental Laws, or any license, permit or approval issued pursuant thereto, or that any license, permit or approval referred to above is about to be reviewed, made subject to limitation or conditions, revoked, withdrawn or terminated;

(dd) no Securities Commission, the Exchange or any other securities commission or similar regulatory authority has issued any order preventing or suspending trading of any securities of the Corporation, the Corporation is not in default of any material requirement of Applicable Securities Laws of the Designated Provinces that would have a material adverse effect on this Offering or the Corporation and the Corporation is entitled to avail itself of the applicable prospectus exemptions available under such Applicable Securities Laws of the Designated Provinces in respect of the trades in the Offered Special Warrants and Special Warrant Shares to Subscribers as contemplated by this Agreement;

(ee) to the best of knowledge of the Corporation, no insider of the Corporation has a present intention to sell any securities of the Corporation held by it;

(ff) the Corporation made available to AJM, prior to the issuance of the Reserve Report, for the purpose of preparing the Reserve Report, all information requested by AJM, which information did not contain any misrepresentation at the time such information was provided. The Corporation has no knowledge of a material adverse change in any information provided to AJM since the date that such information was so provided. The Corporation believes that the Reserve Report reasonably presented the quantity and pre-tax present worth values of oil and gas reserves of the Corporation as at December 31, 2008 based upon information available at the time the Reserve Report was prepared and the assumptions as to commodity prices and costs contained therein and the Corporation has not retained AJM or any other independent evaluator to conduct an independent evaluation of its reserves since the date of the Reserve Report;

(gg) although it does not warrant title, the Corporation is not aware of any defects, failures or impairments in the title of the Corporation or NuLoch America Corp. to its oil and gas properties subject always to the terms of applicable leases, agreements, laws, regulations, orders and directives of general application and other permitted encumbrances arising in the ordinary course of business, whether or not an action, suit, proceeding or inquiry is pending or threatened and whether or not discovered by any third party, which in aggregate could have a material adverse effect on: (A) the quantity and pre-tax present worth values of the oil and gas reserves of the Corporation shown in the Reserve Report; (B) the current production of the Corporation; or (C) the current cash-flow of the Corporation;

(hh) although it does not warrant title, the Corporation does not have reason to believe that either the Corporation or NuLoch America Corp. does not have title to or the irrevocable right to produce and sell its petroleum, natural gas and related hydrocarbons (for the purposes of this clause, the foregoing, are referred to as the "**Interests**") and does represent and warrant that the Interests are free and clear of material adverse claims created by, through or under the Corporation or NuLoch America Corp., except as disclosed in the Public Record, related to bank financing or those arising in the ordinary course of business, and, to the knowledge of the Corporation after due inquiry, the Corporation or NuLoch America Corp., as the case may be, holds its Interests under valid and subsisting leases, licenses, permits, concessions, concession agreements, contracts, subleases, reservations or other agreements except where the failure to so hold the Interest would not have a material adverse effect upon the Corporation and NuLoch America Corp.;

(ii) the Responses will be true and correct where they relate to matters of fact, and the Corporation and its directors and officers will have responded in as thorough and complete fashion as possible. Where the Responses reflect the opinion or view of the Corporation or its directors or officers (including, as regards Responses or portions of such Responses, which are forward looking or otherwise relate 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 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 subparagraph 8(ii) solely if the actual results vary or differ from those contained in Forward Looking Statements;

(jj) other than as set forth in **Schedule "A"** hereto, there are no contracts or agreements that are material to the Corporation or NuLoch America Corp. to which either is a party or by which it is bound, or which contain, create or may create any material obligation of the Corporation or NuLoch America Corp. or from which either of the Corporation or NuLoch America Corp. derives or could derive any material benefit or which are required by the Corporation or NuLoch America Corp. to carry on its business as now conducted or proposed to be conducted by it. For the purposes of this subparagraph, contracts shall be deemed to be material to the Corporation and NuLoch America Corp. if they: (i) are not entered into in the ordinary course of business; or (ii) will, or may reasonably be expected to, result in a requirement of the Corporation or NuLoch America Corp. to expend more than an aggregate of $250,000 or receive or be entitled to receive revenue of more than $250,000 in either case in the next 12 months;

(kk) neither the Corporation or NuLoch America Corp. is 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;

(ll) **Schedule "B"** hereto sets forth all of the Swaps that the Corporation or NuLoch America Corp. currently has outstanding, together with the details thereof;

(mm) no officer, director, employee or any other person not dealing at arm's length with the Corporation or NuLoch America Corp. or, to the knowledge of the Corporation, any associate or affiliate of any such person, owns, has or is entitled to any royalty, net profits interest, carried interest or any other encumbrances or claims of any nature whatsoever which are based on production from the Corporation's or NuLoch America Corp.'s properties or assets or any revenue or rights attributed thereto;

(nn) no consent, approval, authorization, order, filing, registration or qualification of or with any court, governmental authority or body or regulatory authority in Canada or the United States is required except such as shall have been made or obtained at or before the Closing Time, for the execution, delivery and performance by the Corporation of its obligations under the Material Agreements and the consummation by the Corporation of the transactions contemplated therein, other than filings required to be made under Applicable Securities Laws following the closing of the Offering contemplated hereby;

(oo) the Corporation has not incurred any obligation or liability, contingent or otherwise, for brokerage fees, finder's fees, agents' commission or other forms of compensation with respect to the transactions contemplated herein for which the Corporation will have any liability or obligation except as provided herein;

(pp) the Corporation does not have in place a shareholder rights protection plan;

(qq) to its knowledge, neither the Corporation nor 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;

(rr) upon issuance in accordance with the terms hereof and the Special Warrant Indenture, the Offered Special Warrants and the Special Warrant Shares may be resold in accordance with, and subject to, National Instrument 45-102;

(ss) neither the Corporation nor NuLoch America Corp. has, directly or indirectly:

(i) made or authorized any contribution, payment or gift of funds or property to any official, employee or agent of any governmental agency, authority or instrumentality of any jurisdiction; or

(ii) made any contribution to any candidate for public office, in either case, where either the payment or the purpose of such contribution, payment or gift was, is, or would be prohibited under the *Canada Corruption of Foreign Public Officials Act* (Canada) or the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada) or the rules and regulations promulgated thereunder or under any other legislation of any relevant jurisdiction covering a similar subject matter applicable to the Corporation or NuLoch America Corp. and their respective operations and have instituted and maintained policies and procedures designed to ensure, and which are reasonably expected to continue to ensure, continued compliance with such legislation;

(tt) neither the Corporation nor NuLoch America Corp., or to the best knowledge of the Corporation, any director, officer, agent, employee, affiliate or person acting on behalf of the Corporation and/or NuLoch America Corp., has 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 Special Warrants, or lend, contribute or otherwise make available such proceeds to NuLoch America Corp. 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 currently subject to any of the sanctions of the United States administered by OFAC;

(uu) neither the Corporation nor NuLoch America Corp., or to the best knowledge of the Corporation, any director, officer, agent, employee, affiliate or person acting on behalf of the Corporation and/or NuLoch America Corp., is aware of or has taken any action, directly or indirectly, that would result in a violation by such persons of:

(i) the Foreign Corrupt Practices Act of 1977, as amended, and the rules and regulations thereunder (the "**FCPA**"), including, without limitation, making use of the mails or any means or instrumentality of interstate commerce corruptly in furtherance of an offer, payment, promise to pay or authorization of the payment of any money, or other property, gift, promise to give, or authorization of the giving of anything of value to any "foreign official" (as such term is defined in the FCPA) or any foreign political party or official thereof or any candidate for foreign political office, in contravention of the FCPA; or

(ii) any provision of equivalent laws of any other jurisdiction in which the Corporation or NuLoch America Corp. conducts its business or operations,

and, to the best knowledge of the Corporation, its affiliates have conducted their businesses in compliance with the FCPA and such other equivalent laws and have instituted and maintain policies and procedures designed to ensure, and which are reasonably expected to continue to ensure, continued compliance therewith;

(vv) the operations of the Corporation and NuLoch America Corp. are and have been conducted at all times in compliance with all applicable anti-money laundering laws, regulations, rules and guidelines in its jurisdiction of incorporation and in each other jurisdiction in which such entity, as the case may be, conducts business (collectively, the "**Money Laundering Laws**") and no action, suit or proceeding by or before any court or governmental or regulatory agency, authority or body or any arbitrator involving the Corporation or NuLoch America Corp. with respect to any of the Money Laundering Laws is pending or, to the best knowledge of the Corporation, threatened or contemplated;

(ww) the Corporation has not taken and will not take, directly or indirectly, any action independent of actions that may be undertaken by the Agents on the Corporation's behalf designed to, or that might reasonably be expected to cause or result in, stabilization and manipulation of the price of the Offered Special Warrants or Class A Shares;

(xx) other than as set forth in the Public Record, neither the Corporation nor NuLoch America Corp. has approved, entered into any agreement in respect of, or received any written notice with respect to, (i) the purchase of any material property or assets or any interest therein or the sale, transfer or other disposition of any material property or assets or any interest therein currently owned, directly or indirectly, by the Corporation or NuLoch America Corp. whether by asset sale, transfer of shares or otherwise; (ii) the change of control of the Corporation or NuLoch America Corp. (whether by sale or transfer of shares or sale of all or substantially all of the property and assets of the Corporation or NuLoch America Corp. or otherwise); or (iii) a proposed or planned disposition of Class A Shares by any shareholder who owns, directly or indirectly, 10% or more of the outstanding Class A Shares of the Corporation; and

(yy) each of the Corporation and NuLoch America Corp. maintain such policies of insurance as are appropriate to its operations, property and assets, in such amounts and against such risks as are customarily carried and insured against by owners of comparable businesses and assets. All such policies of insurance will at or prior to the Closing Time be in full force and effect and neither the Corporation nor NuLoch America Corp. is in default, as to the payment of premiums or otherwise, under the terms of any such policy.

9. The Corporation further covenants and agrees as follows:

(a) during the period from the date hereof and ending on the conclusion of the distribution of the Special Warrant Shares, it shall allow the Agents the opportunity to conduct due diligence and in particular, the Corporation shall allow the Agents and Agents' counsel to conduct all due diligence which the Agents may reasonably require in order to confirm the Public Record is accurate, complete and current in all material respects and to fulfill the Agents' obligations as a registrant; and, in this regard, without limiting the scope of the due diligence inquiries the Agents may conduct, the Corporation shall make available its directors and senior management and shall use its reasonable commercial efforts to make available its auditor and independent engineers to answer any questions which the Agents may have and to participate in one or more due diligence sessions to be held prior to the Closing Date (the "**Due Diligence Session**"); the Agents 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 and shall use its reasonable commercial efforts to have its auditor and independent engineers provide written responses to such questions, in each case, in advance of the Due Diligence Session, which shall be in addition to any verbal responses provided at the Due Diligence Session;

(b) it will use its reasonable commercial efforts to obtain, prior to the Closing Time, all necessary third party, corporate and Exchange approvals for the issuance of the Offered Special Warrants and the issuance and listing of the Special Warrant Shares, subject only to the Exchange's standard conditions, and will comply with all requirements of the Exchange in connection with the issuance of the Offered Special Warrants and the issuance and listing of the Special Warrant Shares on the Exchange including filing of all necessary documentation in accordance with the requirements of the Exchange;

(c) it will duly, punctually and faithfully perform and comply with all the obligations to be performed by it, and all of its covenants and agreements, under and pursuant to the Material Agreements;

(d) during the period commencing on the date hereof and ending on the conclusion of the distribution of the Special Warrant Shares, it will promptly provide to the Agents, for review by the Agents and the Agents' counsel, prior to filing or issuance of the same, any proposed disclosure document which is or may be deemed to be part of or become part of the Public Record, including without limitation, any financial statements of the Corporation, report to shareholders, information circular or any press release or material change report or annual information form and further agrees that any press release or other disclosure in respect of the offering of the Offered Special Warrants as contemplated herein shall include such legends as may be necessary under Applicable Securities Laws;

(e) during the period commencing on the date hereof and ending on the conclusion of the distribution of the Special Warrant Shares, it will promptly inform the Agents of the full particulars of:

(i) any material change (actual, anticipated or threatened) in the business, operations, capital or condition (financial or otherwise) of the Corporation or NuLoch America Corp. or their respective properties or assets;

(ii) 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 any of the Responses, the Documents or any part of the Public Record, or information regarding the Corporation or NuLoch America Corp. previously provided to the Agents by the Corporation, untrue, false or misleading in a material respect;

(B) result in a misrepresentation in any of the Responses, the Documents or any part of the Public Record, or information regarding the Corporation or NuLoch America Corp. previously provided to the Agents by the Corporation; or

(C) result in any part of the Public Record not complying with Applicable Securities Laws;

provided that if the Corporation is uncertain as to whether a material change, occurrence or event of the nature referred to in this subparagraph has occurred, the Corporation shall promptly inform the Agents of the full particulars of the occurrence giving rise to the uncertainty and shall consult with the Agents as to whether the occurrence is of such a nature;

(f) during the period commencing with the date hereof and ending on the conclusion of the distribution of the Special Warrant Shares, the Corporation will promptly inform the Agents of the full particulars of:

(i) any request of any Securities Commission, the Exchange or other securities commission or similar regulatory authority for any amendment to any part of the Public Record, or for any additional information;

(ii) the issuance by any Securities Commission or other securities commission or similar regulatory authority, the Exchange or by 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;

(iii) the receipt by the Corporation of any communication from any Securities Commission or other securities commission or similar regulatory authority, the Exchange or any other competent authority relating to any part of the Public Record, or the distribution of the Offered Special Warrants or the Special Warrant Shares; or

(iv) any material contracts or agreements entered into or proposed to be entered into by the Corporation other than contracts in the ordinary course of the Corporation's business;

(g) during the period commencing with the date hereof and ending on the conclusion of the distribution of the Special Warrant Shares, it will promptly, and in any event within any applicable time limitation, comply to the reasonable satisfaction of the Agents and the Agents' counsel with Applicable Securities Laws of the Designated Provinces with respect to any material change, occurrence or event of the nature referred to in subparagraphs 9(e) and 9(f) above, and, without limiting the generality of the foregoing, the Corporation will prepare and file promptly at the Agents' request, acting reasonably, any amendment to any part of the Public Record which in the Agents' opinion, acting reasonably, may be necessary in order to comply with Applicable Securities Laws of the Designated Provinces and the Corporation shall consult with the Agents with respect to the form and content of any amendment to any part of the Public Record proposed to be filed by the Corporation and shall provide the Agents an opportunity to review any such amendment prior to filing;

(h) it will use the proceeds from the issuance and sale of the Offered Special Warrants to fund the exploration and development activities of the Corporation and for general corporate purposes;

(i) it will file all necessary forms and reports in connection with the issuance of the Offered Special Warrants and the Special Warrant Shares hereunder with the appropriate Securities Commissions and other regulatory authorities (including the Exchange);

(j) to promptly issue a press release announcing the deemed exercise of the Offered Special Warrants in accordance with the Special Warrant Indenture; and

(k) the Corporation shall use commercially reasonable efforts to maintain its status as a reporting issuer not in default of any Applicable Securities Laws in a jurisdiction of Canada and the listing or quotation, as the case may be, of its Common Shares on the Exchange for a period of 12 months following the Closing Date.

The Corporation acknowledges that monetary damages would not be a sufficient remedy for its breach of Section 9 of this Agreement, and therefore the Corporation agrees that the Agents, in its capacity as such and not in its capacity as a Subscriber or shareholder, is entitled to equitable relief, including injunctive relief and specific performance, to prevent breaches of the Material Agreements, and to specific enforcement of the terms and provisions of Section 9 of this Agreement in addition to any other remedy to which the Agents may be entitled to under this Agreement, at law or in equity.

10. The obligations of the Agents hereunder shall be conditional upon the Agents receiving, and the Agents shall have the right on the Closing Date on behalf of Subscribers to withdraw all Subscription Agreements delivered and not previously withdrawn by Subscribers unless the Agents receives, at the Closing Time:

(a) legal opinions of the Corporation's counsel addressed to the Agents, the Agents' counsel and the Subscribers in form and substance satisfactory to the Agents, acting reasonably, with respect to such matters as the Agents may reasonably request relating to the offering of the Offered Special Warrants including, without limitation, that:

(i) the Corporation has been duly incorporated, is validly subsisting and has all requisite corporate power and authority to carry on its business as now conducted by it and to own its properties and assets and is duly registered to carry on business in all jurisdictions in which it carries on business or owns any material assets;

(ii) NuLoch America Corp. has been duly incorporated, is validly subsisting and has all requisite corporate power and authority to carry on its business as now conducted by it and to own its properties and assets and is duly registered to carry on business in all jurisdictions in which it carries on business or owns any material assets;

(iii) the Corporation has full corporate power and authority to enter into this Agreement and the other Material Agreements and to perform its obligations set out herein and therein, and this Agreement and the other Material Agreements have been duly authorized, executed and delivered by the Corporation and constitute legal, valid and binding obligations of the Corporation enforceable against the Corporation in accordance with their respective terms, subject to normal qualifications including those set out in paragraph 8(i) hereof;

(iv) the execution and delivery of this Agreement and the other Material Agreements and the fulfilment of the terms hereof and thereof by the Corporation, and the performance of and compliance with the terms of this Agreement and the other Material Agreements by the Corporation do not and will not result in a breach of, or constitute a default under, and do 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, (i) any applicable laws in force in the Province of Alberta; (ii) any term or provision of the articles, by-laws or resolutions of the directors, committees of directors or shareholders of the Corporation, or (iii) of which counsel is aware, any mortgage, note, indenture, contract, agreement (written or oral), instrument, lease or other document to which the Corporation or NuLoch America Corp. is a party or by which it is bound on the Closing Date or any judgment, decree, order, statute, rule or regulation applicable to the Corporation or NuLoch America Corp., which default or breach might reasonably be expected to materially adversely affect the business, operations, capital or condition (financial or otherwise) of the Corporation and NuLoch America Corp. and their respective properties and assets;

(v) the Special Warrant Shares have been reserved and allotted for issuance pursuant to the Offered Special Warrants and, when issued in accordance with the terms of the Offered Special Warrants and the Special Warrant Indenture, will be validly issued as fully paid and non-assessable shares;

(vi) the Offered Special Warrants have been duly authorized, issued and executed by the Corporation and constitute legal, valid and binding obligations of the Corporation enforceable in accordance with their terms and the Subscribers are entitled to the benefits of the Special Warrant Indenture;

(vii) the offering, sale and delivery of the Offered Special Warrants and the Special Warrant Shares by the Corporation to Subscribers is exempt from the prospectus requirements of Applicable Securities Laws in the Designated Provinces, assuming, in the case of the Offered Special Warrants, distribution by registrants who comply with the relevant provisions of Applicable Securities Laws;

(viii) the form of definitive certificate representing the Class A Shares has been approved and adopted by the board of directors of the Corporation and complies with all legal requirements relating thereto, including the requirements of the Exchange;

(ix) the issuance of the Offered Special Warrants and the Special Warrant Shares has been conditionally approved by the Exchange and the Special Warrant Shares have been accepted for listing upon the Exchange subject to applicable filing requirements;

and additionally, relating to:

(x) the authorized and issued capital of each of the Corporation and NuLoch America Corp.;

(xi) the first trade in the Offered Special Warrants and the Special Warrant Shares;

and as to all other legal matters as the Agents or Agents' counsel may reasonably request.

It is understood that the Corporation's counsel may rely on the opinions of local counsel acceptable to them as to matters governed by the laws of jurisdictions other than Alberta, British Columbia and Ontario, and on certificates of officers of the Corporation, the auditors of the Corporation, governmental authorities and the registrar and transfer agent of the Class A Shares as to relevant matters of fact;

(b) if any Offered Special Warrants are sold in the United States, a legal opinion of Dorsey & Whitney LLP, the Corporation's special United States legal counsel, addressed to the Agents, in form and substance acceptable to the Agents and its counsel, acting reasonably, to the effect that registration will not be required under the U.S. Securities Act in connection with the offer and sale of the Offered Special Warrants in the United States provided that such offers and sales are made in accordance with Schedule "C" to this Agreement;

(c) a certificate of the Corporation dated the Closing Date, addressed to the Agents and signed on the Corporation's behalf by its Chief Executive Officer and Chief Financial Officer, certifying 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;

(iii) the Responses provided by directors and officers of the Corporation at the Due Diligence Session, subject to the qualifications and provisos set forth in such Responses, are true and correct in all material respects as at the Closing Time, as if made at such time;

(iv) no event of a nature referred to in subparagraphs 16(a), (b), (c), or (d) has occurred or to the knowledge of such officers is pending, contemplated or threatened; and

(v) the Corporation has made and/or obtained on or prior to the Closing Time, all necessary filings, approvals, consents and acceptances of applicable regulatory authorities and under any applicable agreement or document to which the Corporation is a party or by which it is bound, required for the execution and delivery of this Agreement, the offering and sale of the Offered Special Warrants and the consummation of the other transactions contemplated hereby, including, without limiting the generality of the foregoing, the issuance of the Special Warrant Shares (subject to completion of filings with and payment of any fees to the Exchange and certain regulatory authorities following the Closing Date);

(d) an executed copy of the Special Warrant Indenture;

(e) definitive certificates representing, in the aggregate, all of the Offered Special Warrants issued on the Closing Date registered in such name or names as the Agents shall notify the Corporation in writing not less than 24 hours prior to the Closing Time;

(f) evidence satisfactory to the Agents that the Corporation has obtained all necessary approvals of the Exchange for the issuance of the Offered Special Warrants and the listing of the Special Warrant Shares on the Exchange, subject only to the filing of documents and the payment of fees which may be required by the Exchange; and

(g) executed copies of the Subscription Agreements, each in form and substance reasonably satisfactory to the Agents and the Agents' counsel.

The foregoing conditions are for the sole benefit of the Agents and may be waived in whole or in part by the Agents at any time and without limitation, the Agents shall have the right, on behalf of potential subscribers, to withdraw all Subscription Agreements delivered and not previously withdrawn or rescinded by such persons. If any of the foregoing conditions are not met, the Agents may terminate its obligations under this Agreement without prejudice to any other remedies it may have.

11. The issue and sale of the Offered Special Warrants 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 Agents may agree. Subject to the conditions set forth in paragraph 10, the Agents, on the applicable Closing Date, shall deliver to the Corporation:

(a) all duly executed and properly completed Subscription Agreements;

(b) all completed forms as required by the Exchange and any other documentation required by the Exchange, the Securities Commissions or the Corporation and provided by the Corporation to the Agents for such purpose; and

(c) a wire transfer, certified cheque or bank draft payable to the Corporation at par in Calgary in an amount equal to $1.45 for each Special Warrant issued hereunder (or effect payment in such other manner as the Corporation and the Agents may agree) unless the Agents shall have elected to deliver the wire transfer, certified cheque or bank draft net of the Agents' expenses and the Agency Fee,

against delivery by the Corporation of the certificates referred to in subparagraph 10(e) to be delivered at the Closing Time and a cheque for the Agency Fee contemplated by paragraph 12 hereof (unless the Agents has elected to deliver a net wire transfer, certified cheque or bank draft, as applicable, in respect thereof). The Corporation may not reject any properly completed Subscription Agreement unless the number of Offered Special Warrants subscribed for pursuant to the Subscription Agreements and tendered by the Agents exceed the maximum number of Offered Special Warrants to be sold under this Agreement or unless the distribution cannot be completed in accordance with Applicable Securities Laws.

12. In consideration for the services of the Agents hereunder, the Corporation agrees to pay to the Lead Agent, on behalf of the Agents, a fee (the "**Agency Fee**") equal to 6.0% of the gross proceeds of the Offering (including for any Special Warrants purchased by the Agents as principal), provided that the Agents may elect to set off the Agency Fee against the amounts payable to the Corporation pursuant to subparagraph 11(c) hereof. The Agency Fee shall be paid at the Closing Time.

13. Whether or not specifically contemplated in this Agreement, all provisions of this Agreement shall apply in the same manner and upon the same terms and conditions in respect of any Option Special Warrants as would apply to the Base Special Warrants issued and sold pursuant to this Agreement.

14. Whether or not the transactions contemplated herein shall be completed, all costs and expenses of or incidental to the creation, issuance and distribution of the Offered Special Warrants shall be borne by the Corporation, including, without limitation, the Exchange listing fees, the fees payable pursuant to Applicable

Securities Laws, the fees and expenses of the Corporation's counsel, the fees and expenses of agent counsel retained by the Corporation's counsel, the fees and expenses of the Corporation's auditors, transfer agents, engineers and other outside consultants, the reasonable fees and expenses of Agents' counsel (to a maximum of $60,000 together with reasonable disbursements plus applicable GST) and the reasonable out-of-pocket expenses of the Agents relating to this transaction and all other costs and expenses relating to this transaction.

15. The Agents may waive in whole or in part any breach of, default under or non-compliance with any representation, warranty, term or condition hereof on the part of the Corporation, or extend the time for compliance therewith, without prejudice to any of its 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 the Agents only if the same is in writing.

16. Each Agent may terminate its obligations hereunder, by written notice to the Corporation, in the event that after the date hereof and at or prior to the Closing Time:

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

(b) any material inquiry, investigation (whether formal or informal) or other proceeding in relation to the Corporation or NuLoch America Corp. or any of their respective directors or senior officers is announced or commenced by any securities commission or similar regulatory authority, the Exchange or by any other competent authority (unless based on the activities or alleged activities of the Agent or it's agents), or there is any change of law, regulation or policy or the interpretation or administration thereof which, in the opinion of the Agent, acting reasonably, materially adversely affects, or may materially adversely affect, the Corporation and NuLoch America Corp. or the trading or distribution of any of the Securities;

(c) there should develop, occur or come into effect or existence any event, action, state, condition or financial occurrence of national or international consequence, acts of hostility or escalation thereof, or any other calamity or crisis or any change or development involving a prospective change in national or international political, financial or economic conditions, or any governmental action, law, regulation, inquiry or other occurrence of any nature whatsoever or change in the financial markets which in the opinion of the Agent, acting reasonably, materially adversely affects or involves, or will materially adversely affect or involve, the financial markets or the business, operations or affairs of the Corporation and NuLoch America Corp. or the marketability of the Offered Special Warrants;

(d) there should occur any material change, change of a material fact, occurrence or event of the nature referred to in subparagraph 9(e) or any development that could result in a material change or a change of a material fact with respect to the Corporation and NuLoch America Corp. which, in the opinion of the Agent, as determined by the Agent in its sole discretion, acting reasonably, could reasonably be expected to have a material adverse effect on the business, operations or affairs of the Corporation and NuLoch America Corp. or the market price or value or the marketability of any of the Securities;

(e) the state of the financial markets is such that the Offered Special Warrants cannot, in the opinion of the Agents be successfully or profitably marketed;

(f) the Corporation shall be in breach of, default under or non compliance with any material representation, warranty, term or condition of the Material Agreements; or

(g) the Agent shall become aware, as a result of its due diligence review or otherwise, of any adverse material change with respect to the Corporation and NuLoch America Corp. (in the sole opinion of the Agent), which had not been disclosed in the Public Record or disclosed to the Agents prior to the date hereof and which would have a material adverse effect on the market price or value of any of the Securities or the Class A Shares of the Corporation;

in any of which cases, each Agent shall be entitled, at its option, to terminate and cancel its obligations to the Corporation under this Agreement and the obligations of any purchaser under any Subscription Agreement by written notice to that effect given to the Corporation and the other Agent prior to the Closing Time. In the event of any such termination pursuant to the provisions of this paragraph 16 by any one of the Agents, the other Agent shall be deemed contemporaneously to have terminated its obligations under this agreement unless such other Agent shall, within 24 hours after notice of termination is given, notify the Corporation to the effect that it is assuming the obligations of the Agent terminating its obligations. In the event of any such termination, the Corporation's liabilities to the Agent(s) who has so terminated shall be at an end except for any liability of the Corporation provided for in this Agreement which by its terms survives termination.

17. The Agents may exercise any or all of the rights provided for in paragraphs 10, 15 or 16 notwithstanding any material change, change, event or state of facts and notwithstanding any act or thing taken or done by the Agents or any inaction by the Agents, whether before or after the occurrence of any material change, change, event or state of facts including, without limitation, any act of the Agents related to the offering or continued offering of the Offered Special Warrants for sale and any act taken by the Agents shall only be considered to have waived or be estopped from exercising or relying upon any of its rights under or pursuant to paragraphs 8, 15 or 16 if such waiver or estoppel is in writing and specifically waives or estops such exercise or reliance.

18. Any termination pursuant to the terms of this Agreement shall be effected by notice in writing delivered to the Corporation prior to the Closing Date, provided that no termination shall discharge or otherwise affect any obligation of the Corporation under paragraphs 14 and 20 through 29 inclusive. The rights of the Agents to terminate its obligations hereunder are in addition to, and without prejudice to, any other remedies it may have.

19. It is understood that all representations, warranties, terms and conditions herein or contained in certificates or documents submitted pursuant to or in connection with the transactions contemplated herein shall survive the payment by the Agents for the Offered Special Warrants and shall continue in full force and effect for the benefit of the Agents regardless of any investigation by or on behalf of the Agents with respect thereto.

20. The Corporation (the "**Indemnitor**") shall indemnify and save harmless the Agents and their respective affiliates, shareholders, directors, officers, partners, employees, advisors and agents (collectively the "**Indemnified Parties**") from and against all actual or threatened claims, actions, suits, investigations and proceedings (collectively "**Proceedings**") and all losses (other than loss of profits), expenses, fees, damages, obligations, payments and liabilities (collectively "**Liabilities**") (including without limitation all statutory duties and obligations, all amounts paid to settle any action or to satisfy any judgment or award and all legal fees and disbursements actually incurred) which now or any time hereafter are suffered or incurred by reason of any event, act or omission in any way connected, directly or indirectly, with:

(a) any information or statement contained in the Subscription Agreements or the Public Record, any information provided by and relating to the Corporation to any Subscribers or any information provided by the Corporation to the Agents for delivery to any Subscribers in connection with the Offering hereunder (other than any information or statement relating solely to the Agents and furnished to the Corporation by the Agents expressly for inclusion in the Subscription Agreements or the Public Record, or such other information provided to Subscribers), which is or is alleged to be untrue or any omission or alleged omission to provide any information or state any fact 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;

(b) any misrepresentation or alleged misrepresentation (except a misrepresentation which is based upon information relating to the Agents and furnished to the Corporation by the Agents expressly for inclusion in the Subscription Agreements or the Public Record or such other information) contained in the Subscription Agreements or the Public Record, any information provided by and relating to the Corporation to any Subscribers or any information provided by the Corporation to the Agents for delivery to any Subscribers in connection with the Offering hereunder;

(c) any misrepresentation or alleged misrepresentation contained in any of the Responses provided to the Agents by the Corporation or its directors, officers or employees in the Due Diligence Session;

(d) any prohibition or restriction of trading in the securities of the Corporation or any prohibition or restriction affecting the distribution of the Offered Special Warrants, the Special Warrant Shares or the Class A Shares (not based solely upon the activities or alleged activities of the Agents or their banking or selling group members, 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 subparagraph 20(b);

(e) 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 Agents or its banking or selling group members, if any) relating to or materially affecting the trading or distribution of the Offered Special Warrants, the Special Warrant Shares or the Class A Shares; or

(f) any breach of, default under or non-compliance by the Corporation with any representation, warranty, term or condition of this Agreement, the other Material Agreements or any requirement of Applicable Securities Laws;

provided that in the event and to the extent that a court of competent jurisdiction in a final judgment from which no appeal can be made, or a regulatory authority in a final ruling from which no appeal can be made, shall determine that such Proceedings or Liabilities resulted solely from the gross negligence, fraud or wilful misconduct of the Indemnified Party claiming indemnity, this indemnity shall not apply.

21. The Indemnitor hereby waives its right to recover contribution from the Agents with respect to any liability of the Indemnitor by reason of or arising out of any misrepresentation in the Public Record provided, however, that such waiver shall not apply in respect of liability caused or incurred by reason of or arising out of any misrepresentation which is based upon information relating solely to the Agents contained in such document and furnished to the Indemnitor by the Agents expressly for inclusion in such document.

22. If any Proceeding is brought, instituted or threatened in respect of any Indemnified Party which may result in a claim for indemnification under this Agreement, such Indemnified Party shall promptly after receiving notice thereof notify the Indemnitor, in writing, and the Indemnitor shall be entitled (but not required) to assume conduct of the defence thereof and retain counsel on behalf of the Indemnified Party who is satisfactory to the Indemnified Party, acting reasonably, to represent the Indemnified Party in such Proceeding and the Indemnitor shall pay the fees and disbursements of such counsel and all other expenses of the Indemnified Party relating to such Proceeding as incurred. Failure to so notify the Indemnitor shall not relieve the Indemnitor from liability except and only to the extent that the failure materially prejudices the Indemnitor. If the Indemnitor assumes conduct of the defence for an Indemnified Party, the Indemnified Party shall, subject to a situation involving a conflict of interest as described in subparagraph 23(a) wherein counsel to the Indemnified Party advises that such action would be prejudicial to the interests of the Indemnified Party, fully cooperate in the defence including without limitation the provision of documents, appropriate directors, officers, employees and agents to give witness statements, attend examinations for discovery, make affidavits, meet with counsel, testify and divulge all information reasonably required to defend or prosecute the Proceedings.

23. In any such Proceeding the Indemnified Party shall have the right to employ separate or additional counsel and to participate in the defence thereof, provided that the fees and disbursements of such counsel shall be paid by the Indemnified Party, unless:

(a) the Indemnified Party has been advised in writing by counsel that there may be a reasonable legal defence available to the Indemnified Party that is different from or in addition to those available to the Indemnitor or that a conflict of interest exists which makes representation by counsel chosen by the Indemnitor not advisable;

(b) the Indemnitor has not assumed the defence of the Proceeding and employed counsel therefor satisfactory to the Indemnified Party, acting reasonably, within ten (10) days after receiving notice thereof; or

(c) employment of such other counsel has been authorized by the Indemnitor in connection with the defence of such Proceeding;

in which event the fees and disbursements of such counsel (on a solicitor and his client basis) shall be paid by the Indemnitor. It being understood, however, that the Indemnitor 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 reasonable fees and expenses of more than one separate law firm in each jurisdiction for all such Indemnified Parties.

24. No admission of liability and no settlement of any Proceeding shall be made without the consent of the Indemnified Parties affected, such consent not to be unreasonably withheld. No admission of liability shall be made by an Indemnified Party without the consent of the Indemnitor, such consent not to be unreasonably withheld, and the Indemnitor shall not be liable for any settlement of any Proceeding made without its consent, such consent not to be unreasonably withheld.

25. 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 (in whole or in part), for any reason, held by a court to be unavailable from the Indemnitor on grounds of policy or otherwise, each of the Indemnitor and the party or parties seeking indemnification shall contribute to the aggregate Liabilities (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 Indemnitor on the one hand and by the Agents on the other hand from the Offering of the Offered Special Warrants; or

(b) if the allocation provided by subparagraph (a) above is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in subparagraph (a) above but also to reflect the relative fault of the party or parties seeking indemnity, on the one hand, and the parties from whom indemnity is sought, on the other hand, in connection with the statement, omission, misrepresentation or alleged misrepresentation, order, inquiry, investigation or other matter or thing which resulted in such Liabilities, as well as any other relevant equitable considerations.

The relative benefits received by the Indemnitor, on the one hand, and the Agents, on the other hand, shall be deemed to be in the same proportion that the total proceeds of the Offering received by the Indemnitor (net of fees paid to the Agents hereunder but before deducting expenses) bear to the fees received by the Agents hereunder. The relative fault of the Indemnitor, on the one hand, and of the Agents, 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 referred to in paragraph 20 hereof 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 Indemnitor or the Agents 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 referred to in paragraph 20 hereof.

The amount paid or payable by the Indemnitor as a result of any Proceedings or Liabilities shall, without limitation, include any legal or other expenses reasonably incurred by the Indemnified Party in connection with investigating or defending such Liabilities (or Proceedings in respect thereof), whether or not resulting in any action, suit, proceeding or claim.

The Indemnitor and the Agents 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 paragraphs.

Any liability of the Agents under this paragraph 25 shall be limited to the amount of the cash fees paid to the Agents pursuant to paragraph 12 hereof.

26. The rights to indemnity and right of contribution provided in the foregoing paragraphs shall be in addition to and not in derogation of any other right to contribution which the Indemnified Parties may have by statute or otherwise at law or in equity. Subject to paragraphs 21 and 25, the Indemnitor waives all rights of contribution that it may have against any Indemnified Party relating to any Liability in respect of and to the extent to which the Indemnitor has agreed to indemnify the Indemnified Parties hereunder.

27. It is the intention of the Corporation to constitute the Agents as trustee for the Indemnified Parties for the purposes of paragraphs 20 to 26 inclusive and the Agents shall be entitled, as trustee, to enforce such covenants on behalf of any other Indemnified Party.

28. If any Proceeding is brought in connection with the transactions contemplated by this Agreement and an Agent is required to testify in connection therewith or is required to respond to procedures designed to discover information relating thereto, the Agent shall have the right to employ its own counsel in connection therewith, and the reasonable fees and disbursements of such counsel in connection therewith as well as its normal per diem rate for its directors, officers, employees and agents involved in preparation for and attendance at such Proceeding or in so responding (unless such Proceeding shall be brought solely as a result of any gross negligence, fraud or wilful misconduct of an Indemnified Party) and any other reasonable costs and out-of-pocket expenses incurred by it in connection therewith will be paid by the Corporation as they are incurred.

29. The obligations under the indemnity and right of contribution provided herein shall apply whether or not the transactions contemplated by this Agreement are completed and shall survive the completion of the transactions contemplated under this Agreement and the termination of this Agreement

30. Any notice or other communication to be given hereunder shall, in the case of notice to be given to the Corporation, be addressed to:

NuLoch Resources Inc.
2200, 444 - 5th Avenue S.W.
Calgary, Alberta
T2P 2T8

Attention: R. Glenn Dawson
Telecopy No.: (403) 920-0457

and a copy to:

Borden Ladner Gervais LLP
1000, 400 – 3rd Avenue SW
Calgary, Alberta T2P 4H2

Attention: Bruce Lawrence
Telecopy No.: (403) 266-1395

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

Genuity Capital Markets
1700, 300 – 5th Avenue SW
Calgary, Alberta T2P 3C4

Attention: Mr. Tony Loria
Telecopy No.: (403) 266-1755

Wellington West Capital Markets Inc.
300, 129 – 8th Avenue SW
Calgary, Alberta T2P 1B4

Attention: Mr. Jeff Reymer
Telecopy No.: (403) 781-2719

and a copy to:

Burnet, Duckworth & Palmer LLP
1400, 350 – 7th Avenue S.W.
Calgary, Alberta T2P 3N9

Attention: Chris von Vegasack
Telecopy No.: (403) 260-0332

or to such other address as the party may designate by notice given to the others. 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 4:30 p.m. (Calgary time) 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 4:30 p.m. (Calgary time), 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.

31. The Corporation agrees that, from the date hereof and ending on the date that is 120 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 Class A Shares or securities convertible or exchangeable into Class A Shares without the prior consent of Genuity, not to be unreasonably withheld, provided that notwithstanding the foregoing, the Corporation may issue the Special Warrant Shares and Class A Shares on exercise of stock options outstanding on date hereof and as represented herein and grant options to directors, officers, consultants or employees of the Corporation and issue Class A Shares on exercise thereof subject to board approved option incentive programs, without such consent.

32. The Corporation: (i) acknowledges and agrees that each of the Agents has certain statutory obligations as a registrant under the Applicable Securities Laws and has fiduciary relationships with its clients; and (ii) consents to each of the Agents acting hereunder while continuing to act for its clients. To the extent that an Agent's statutory obligations as a registrant under Applicable Securities Laws or fiduciary relationships with its clients conflicts with its obligations hereunder, the Agent shall be entitled to fulfil its statutory obligations as a registrant under Applicable Securities Laws and its duties to its clients. Nothing in this Agreement shall be interpreted to prevent an Agent from fulfilling its statutory obligations as a registrant under Applicable Securities Laws or to act as a fiduciary of its clients.

33. Each of the Agents makes the representations, warranties and covenants applicable to it in Schedule "C" hereto and agrees, on behalf of itself and its United States registered broker-dealer affiliate, for the benefit of the Corporation, to comply with the U.S. selling restrictions imposed by the laws of the United States and set forth in Schedule "C" hereto, which forms part of this Agreement.

34. The Corporation makes the representations, warranties and covenants applicable to it in Schedule "C" hereto, which forms part of this Agreement.

35. The Corporation acknowledges and agrees that it is the intention of the parties hereto and the Corporation hereby constitutes the Agents as trustee for each of the Subscribers in respect of each of the covenants,

agreements and representations and warranties of the Corporation contained herein and the Agents shall be entitled, as trustee, in addition to any rights of the Subscribers, to enforce such covenants, agreements and representations and warranties on behalf of the Subscribers.

36. 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.

37. 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.

38. Time shall be of the essence of this Agreement.

39. 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.

40. It is understood that the terms and conditions of this Agreement supersede any previous verbal or written agreement between the Agents and the Corporation in respect of the offer for sale by the Corporation of the Offered Special Warrants, including the letter agreement dated February 3, 2010 between the Lead Agent and the Corporation.

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 returning same to Genuity.

GENUITY CAPITAL MARKETS

Per: *"Signed"*
Name: Tony Loria
Title: Principal and Head, Oil & Gas

WELLINGTON WEST CAPITAL MARKETS INC.

Per: *"Signed"*
Name: Jeff Reymer
Title: Managing Director, Investment Banking

ACCEPTED AND AGREED to as of the date first written above.

NULOCH RESOURCES INC.

Per: *"Signed"*
Name: R. Glenn Dawson
Title: President and Chief Executive Officer

SCHEDULE "A"

LIST OF MATERIAL CONTRACTS

1. BP Canada Energy Company gas sales contract dated October 21, 2009

2. The Corporation's office lease, as amended effective November 13, 2008

3. The Participation Agreement by and between NuLoch America Corp. and Samson Resources Company dated January 12, 2010 related to the purchase, sale and further participation in oil and gas activities within certain lands in North Dakota, U.S.A.

SCHEDULE "B"

SWAPS

Nil.

SCHEDULE "C"

TERMS AND CONDITIONS FOR UNITED STATES OFFERS AND SALES

1. For the purposes of this Schedule "C", the following terms will have the meanings indicated:

(a) "**Accredited Investor**" means those "accredited investors" specified in Rule 501(a) of Regulation D;

(b) "**Agency Agreement**" means the Agency Agreement to which this Schedule "C" is attached;

(c) "**Directed Selling Efforts**" means "directed selling efforts" as defined in Regulation S and, without limiting the foregoing, but for greater clarity, it means, subject to the exclusions from the definition of directed selling efforts contained in Regulation S, any activity undertaken for the purpose of, or that could reasonably be expected to have the effect of, conditioning the market in the United States for the Offered Special Warrants, and includes the placement of any advertisement in a publication with a general circulation in the United States that refers to the offering of the Offered Special Warrants;

(d) "**Foreign Issuer**" means a foreign issuer as that term is defined in Regulation S. Without limiting the foregoing, but for greater clarity in this Schedule "C", it means any issuer that is (a) the government of any country, or of any political subdivision of a country, other than the United States; or (b) a corporation or other organization incorporated under the laws of any country other than the United States, except an issuer meeting the following conditions as of the last business day of its most recently completed second fiscal quarter: (1) more than 50 percent of the outstanding voting securities of such issuer are directly or indirectly owned of record by residents of the United States; and (2) any of the following: (i) the majority of the executive officers or directors are United States citizens or residents, (ii) more than 50 percent of the assets of the issuer are located in the United States, or (iii) the business of the issuer is administered principally in the United States.

(e) "**General Solicitation**" and "**General Advertising**" mean "general solicitation" and "general advertising", respectively, as used in Rule 502(c) under the U.S. Securities Act, including, without limitation, advertisements, articles, notices or other communications published on the internet or in any newspaper, magazine or similar media or broadcast over radio or television, or any seminar or meeting whose attendees had been invited by general solicitation or general advertising;

(f) "**Regulation D**" means Regulation D promulgated under the U.S. Securities Act;

(g) "**Regulation S**" means Regulation S promulgated under the U.S. Securities Act;

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

(i) "**SEC**" means the United States Securities and Exchange Commission;

(j) "**Securities**" means the Offered Special Warrants and the Special Warrant Shares;

(k) "**Selling Dealer Group**" means the dealers and brokers other than the Agents who participate in the offer and sale of the Special Warrants pursuant to the Agency Agreement;

(l) "**Substantial U.S. Market Interest**" means "substantial U.S. market interest" as defined in Regulation S;

(m) "**United States**" or "**U.S.**" means the United States of America, its territories and possessions, any state of the United States and the District of Columbia;

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

(o) "**U.S. Placement Agent**" means the U.S. registered broker-dealer affiliate of the Agent that makes offers or sales of the Offered Special Warrants in the United States;

(p) "**U.S. Securities Act**" means the United States Securities Act of 1933, as amended; and

(q) "**U.S. Subscription Agreement**" means, collectively, the subscription agreement(s) prepared for use in connection with offers and sales of Offered Special Warrants in the United States, in the form(s) agreed by the Corporation and the Agents.

Capitalized terms used in this Schedule "C" but not defined herein have the meanings ascribed to them in the Agency Agreement to which this Schedule "C" is attached.

2. The Agents may offer and sell the Offered Special Warrants within the United States on the terms and subject to the conditions of this Schedule "C". In connection therewith, the Corporation represents, warrants and covenants that:

(a) the Corporation is a Foreign Issuer and reasonably believes there is no Substantial U.S. Market Interest in its Class A common shares or the Offered Special Warrants;

(b) none of the Corporation, its affiliates or any person acting on their behalf (other than the Agents, U.S. Placement Agents, and any members of the Selling Dealer Group as to whom the Corporation makes no representation, warranty or covenant), has engaged or will engage in any Directed Selling Efforts with respect to the Offered Special Warrants;

(c) the Corporation is not, and following the application of the proceeds of the sale of the Offered Special Warrants will not be registered or required to be registered under Section 8 of the United States Investment Company Act of 1940, as amended;

(d) none of the Corporation, its affiliates or any person acting on their behalf (other than the Agents, U.S. Placement Agents, and any members of the Selling Dealer Group, as to whom the Corporation makes no representation, warranty or covenant), has engaged or will engage in any form of General Solicitation or General Advertising or in any conduct involving a public offering within the meaning of Section 4(2) of the U.S. Securities Act in connection with any offer or sale of the Offered Special Warrants or any security convertible or exchangeable into securities of the Corporation in the United States within the period commencing six months prior to the commencement of the offering of the Offered Special Warrants, nor has the Corporation offered or sold any securities in the United States in a manner that would be integrated with the offer and sale of the Offered Special Warrants and cause the exemption from registration provided by Rule 506 of Regulation D to become unavailable for the offer and sale of the Offered Special Warrants;

(e) so long as any of the Securities are outstanding and are "restricted securities" within the meaning of Rule 144(a)(3) under the U.S. Securities Act and cannot be sold pursuant to Rule 144(b)(1) under the U.S. Securities Act, the Corporation will, if it is not subject to the reporting requirements of Section 13 or Subsection 15(d) of the U.S. Exchange Act or the information furnishing requirements of Rule 12g3-2(b) thereunder or if it is subject to such reporting requirements and fails to comply therewith, provide to any holder of those restricted securities, or to any prospective purchaser of those restricted securities designated by a holder, upon the request of that holder or prospective purchaser, at or prior to the time of sale, the information required to be provided by Rule 144A(d)(4) under the U.S. Securities Act (so long as that requirement is necessary in order to permit holders of the restricted securities to effect resales under Rule 144A);

(f) none of the Corporation, its affiliates or any person acting on its or their behalf (other than the Agents, U.S. Placement Agents, and any members of the Selling Dealer Group, as to whom the Corporation makes no representation, warranty or covenant), have taken, or will take, any action that would cause any applicable exemptions or exclusions from registration, including those available under Rule 903 of Regulation S and

Rule 506 of Regulation D, to be unavailable for the offer and sale of the Offered Special Warrants pursuant to this Agreement;

(g) the Corporation will, within prescribed time periods, prepare and file any forms or notices required under the U.S. Securities Act or applicable blue sky laws;

(h) in connection with offers and sales of Offered Special Warrants outside the United States, the Corporation, its affiliates and any person acting on its or their behalf (other than the Agents, U.S. Placement Agents, and any members of the Selling Dealer Group, as to whom the Corporation makes no representation, warrant or covenant) have complied and will comply with the requirements for an "offshore transaction", as such term is defined in Regulation S;

(i) the Corporation will notify Valiant Trust Company as soon as practicable upon it becoming a "domestic issuer", as defined in Regulation S;

(j) none of the Corporation or any of its predecessors or affiliates have been subject to any order, judgment, or decree of any court of competent jurisdiction temporarily, preliminary or permanently enjoining such person for failure to comply with Rule 503 under Regulation D; and

(k) the Corporation will not pay or give any commission or other remuneration, directly or indirectly, for soliciting the exercise of the Offered Special Warrants for Special Warrant Shares.

3. The Agents acknowledge that the Offered Special Warrants have not been and will not be registered under the U.S. Securities Act or any state securities laws and may be offered and sold only in transactions exempt from or not subject to the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, each of the Agents represents, warrants and covenants, on a several basis, and will cause its U.S. Placement Agent to comply with such representations, warranties and covenants, that:

(a) it has not offered or sold, and will not offer or sell, any (i) Offered Special Warrants within the United States except as provided in this Schedule "C", or (ii) Offered Special Warrants outside of the United States except in accordance with Rule 903 of Regulation S. Accordingly, neither it nor any of its affiliates nor any person acting on its or their behalf, including its U.S. Placement Agent, has engaged or will engage in: (i) any offer to sell or any solicitation of an offer to buy, any Offered Special Warrants to any person in the United States, (ii) any sale of Offered Special Warrants to any purchaser unless, at the time the buy order was or will have been originated, the purchaser was outside the United States, or such Agent, affiliate or person acting on behalf of either reasonably believed that such purchaser was outside the United States, or any Directed Selling Efforts with respect to the Offered Special Warrants, except as permitted in this Schedule "C";

(b) neither it nor any of its affiliates nor any person acting on its or their behalf, including its U.S. Placement Agent, has engaged or will engage in any form of General Solicitation or General Advertising or in any conduct involving a public offering within the meaning of Section 4(2) of the U.S. Securities Act in connection with its offers or sales of the Offered Special Warrants in the United States;

(c) all offers and sales of the Offered Special Warrants in the United States will be effected through its U.S. Placement Agent duly registered under the U.S. Exchange Act and all applicable state securities laws, in accordance with all applicable United States state and federal securities (including broker-dealer) laws;

(d) any offer, sale or solicitation of an offer to buy Offered Special Warrants that has been made or will be made in the United States was or will be made only to a person it reasonably believed or believes at the time of such offer to be an Accredited Investor who is acquiring the Offered Special Warrants (i) for its own account or (ii) for the account of an Accredited Investor with respect to which it is acting as fiduciary or agent, in a transaction that is exempt from registration under the U.S. Securities Act pursuant to Rule 506 of Regulation D;

(e) immediately prior to soliciting offerees in the United States, the Agent had reasonable grounds to believe and did believe that each offeree was an Accredited Investor;

(f) prior to completion of any sale of Offered Special Warrants in the United States or to any person that was offered Offered Special Warrants in the United States (each such purchaser, a "U.S. Purchaser"), it will cause each such U.S. Purchaser to sign a U.S. Subscription Agreement;

(g) the Agency Agreement to which this Schedule "C" is attached was not executed on its behalf within the United States; and

(h) neither it nor any of its affiliates nor any person acting on its or their behalf, including its U.S. Placement Agent, will solicit the exercise of Offered Special Warrants for Special Warrant Shares or will pay or give any commission or other remuneration, directly or indirectly, for soliciting the exercise of Offered Special Warrants for Special Warrant Shares.

4. Each of the Agents agrees, on a several basis, that:

(a) prior to the Closing Date, it will request its U.S. Placement Agent to provide Valiant Trust Company with a list of all purchasers of the Offered Special Warrants in the United States and all purchasers of Offered Special Warrants who were offered Offered Special Warrants in the United States;

(b) at Closing Time, it, together with its U.S. Placement Agent offering or selling Offered Special Warrants in the United States, will provide a certificate, substantially in the form of Exhibit A to this Schedule "C", relating to the manner of the offer and sale of the Offered Special Warrants in the United States, or will be deemed to have represented that neither it nor its U.S. Placement Agent offered or sold Offered Special Warrants in the United States;

(c) if the Agent authorizes any member of the Selling Dealer Group (if any) to offer or sell Offered Special Warrants in the United States through the U.S. Placement Agent, the Agent will require each such firm to acknowledge in writing, for the benefit of the Corporation, its agreement to be bound by the provisions of this Schedule "C" in connection with all offers and sales of the Offered Special Warrants in the United States. The Agent has not and will not make any other contractual arrangement for the distribution of the Offered Special Warrants in the United States without the prior written consent of the Corporation;

(d) it understands that all Offered Special Warrants sold in the United States as part of this offering, and all Special Warrant Shares issued upon exercise and deemed exercise thereof, will bear a legend to the effect contained in the U.S. Subscription Agreement.

5. It is understood and agreed by each of the Agents that the Offered Special Warrants may only be offered in the United States by the Agents and members of the Selling Dealer Group, acting through a U.S. Placement Agent, for sale directly by the Corporation to purchasers who are, or are reasonably believed by the Agent, its U.S. Placement Agent and members of the Selling Dealer Group to be, Accredited Investors, in transactions meeting the requirements of Rule 506 of Regulation D and in compliance with any applicable state securities laws of the United States.

EXHIBIT A

AGENTS' CERTIFICATE

In connection with the private placement in the United States of special warrants (the "**Securities**") of NuLoch Resources Inc. (the "**Corporation**") pursuant to the agency agreement, dated February 3, 2010, among the Corporation, Genuity Capital Markets and Wellington West Capital Markets Inc. (the "**Agency Agreement**"), each of the undersigned does hereby certify in favour of the Corporation as follows:

1. **[INSERT NAME OF US PLACEMENT AGENT]** (the "**U.S. Placement Agent**") is, on the date hereof, and was, on the date of each offer and sale made by it in the United States, a duly registered broker or dealer under the U.S. Exchange Act and all applicable state securities laws and a member of and in good standing with the Financial Industry Regulatory Authority, Inc., and all offers and sales of Securities in the United States have been and will be effected by the U.S. Placement Agent in accordance with all U.S. state and federal (including broker-dealer) laws;

2. immediately prior to our transmitting the U.S. Subscription Agreement and any other offering documents to offerees in the United States, we had reasonable grounds to believe and did believe that each offeree was, and continue to believe that each purchaser of Securities who is in the United States or who was offered Securities in the United States, is an "accredited investor" as defined in Rule 501(a) of Regulation D under the U.S. Securities Act (an "**Accredited Investor**");

3. no form of general solicitation or general advertising (as those terms are used in Regulation D under the U.S. Securities Act) was used by us, including, without limitation, advertisements, articles, notices or other communications published on the internet or in any newspaper, magazine or similar media or broadcast over radio or television, or any seminar or meeting whose attendees had been invited by general solicitation or general advertising;

4. prior to any sale of Securities to an Accredited Investor in the United States or who was offered Securities in the United States, we caused each such purchaser to execute a U.S. Subscription Agreement;

5. neither we nor any member of the Selling Dealer Group nor any of our or their affiliates, have taken or will take any action that would constitute a violation of Regulation M under the U.S. Exchange Act; and

6. the offering of the Securities has been conducted by us in accordance with the terms of the Agency Agreement.

Unless otherwise defined, terms used in this certificate have the meanings given to them in the Agency Agreement.

Dated March 3, 2010.

[INSERT NAME OF AGENT]	**[INSERT NAME OF US PLACEMENT AGENT]**
By: ______________________	By: ______________________
Name:	Name
Title:	Title: