# AGENCY AGREEMENT

Dated effective November 22, 2016

Manitok Energy Inc.
Suite 2600, 585 - 8th Avenue S.W.
Calgary, Alberta T2P 1G1

**Attention:** **Massimo M. Geremia**
**President and Chief Executive Officer**

Dear Sirs:

**Re: Offering of Common Shares and Flow-Through Shares**

Integral Wealth Securities Limited and Raymond James Ltd. (collectively, the "**Lead Agents**") and GMP Securities L.P. and Industrial Alliance Securities Inc. (collectively with the Lead Agents, the "**Agents**") understand that Manitok Energy Inc. (the "**Corporation**") proposes to issue and sell to the public (the "**Offering**") in each of the provinces of Canada, except Québec (collectively, the "**Qualifying Jurisdictions**"), up to 7,663,125 common shares in the capital of the Corporation (the "**Common Shares**"), at a price of $0.13 per Common Share, up to 4,755,250 common shares in the capital of the Corporation on a flow-through basis in respect of Canadian development expense under the Tax Act (as defined in section 1) (the "**CDE Shares**"), at a price of $0.14 per CDE Share, and up to 23,710,750 common shares in the capital of the Corporation on a flow-through basis in respect of Canadian exploration expense under the Tax Act (the "**CEE Shares**"), at a price of $0.145 per Flow-Through Share, for aggregate gross proceeds of up to $5,100,000.

Subject to the terms of this agreement, the Corporation hereby appoints the Agents, and the Agents hereby agree to act, as the Corporation's exclusive agents, to offer for sale the Common Shares, the CDE Shares, and the CEE Shares (collectively, the "**Offered Shares**") on a "best efforts" agency basis, without underwriter liability, pursuant to the prospectus supplement to be filed by the Corporation (such prospectus supplement, including the documents incorporated by reference therein, the "**Prospectus Supplement**"), which, together with the Shelf Prospectus (as defined in section 1), will qualify the distribution of the Offered Shares under Canadian Securities Laws (as defined in section 1) in the Qualifying Jurisdictions. The Agents shall not offer or sell any of the Offered Shares in the United States (as defined in section 1) or to, or for the account or benefit of, U.S. Persons (as defined in section 1).

The Agents understand that the Corporation has prepared and filed under and as required by Canadian Securities Laws with the Securities Regulators (as defined in section 1, a (final) short form base shelf prospectus dated September 28, 2016 (such short form base shelf prospectus, including the documents incorporated by reference therein, the "**Shelf Prospectus**"), and a preliminary draft form of prospectus supplement dated November 17, 2016 (such preliminary draft form of prospectus supplement, including the documents incorporated by reference therein, the "**Preliminary Prospectus Supplement**"). The Company shall use the net proceeds received by it from the sale of the Offered Shares in the manner specified in the Prospectus Supplement.

In consideration of the services to be provided by the Agents in connection with the Offering, the Corporation shall pay to the Agents on the Closing Date the Agents' Fees (as defined in section 1). The obligation of the Corporation to pay the Agents' Fees will arise on the Closing Date and the Agents will have fully earned the Agents' Fees upon the completion of the Offering. For greater certainty, the Agents' Fees payable pursuant to this agreement will not be subject to the Goods and Services Tax ("**GST**") provided for in the *Excise Tax Act* (Canada) and taxable supplies will be incidental to the exempt financial services provided. If the Canada Revenue Agency assesses or reassesses GST on the Agents' Fees, the Corporation shall pay the amount of GST forthwith upon receipt of an invoice for the same from the Agents. The Agents shall cooperate with the Corporation in filing any objections and/or appeals, at the Corporation's sole discretion and expense, of such an assessment or reassessment, and shall reimburse the Corporation forthwith for the amount of GST paid upon receipt of a refund or payment from the Canada Revenue Agency in respect of the same. Whether or not the Offering is completed, the Corporation will pay those expenses as stated in section 18.

**1.0 Definitions**

1.1 In this agreement, the following definitions apply:

(a) "**2015 Offering**" means the offering of 39,740,462 common shares in the capital of the Corporation and 36,249,500 flow-through common shares in the capital of the Corporation in reliance on exemptions from the prospectus requirement in Canadian Securities Laws, which offering closed on December 31, 2015, and February 16, 2016.

(b) "**Affiliate**" has the meaning ascribed to the term "affiliate" in Canadian Securities Laws.

(c) "**Agents**" has the meaning ascribed to that term on the first page of this agreement.

(d) "**Agents' Counsel**" means Shea Nerland LLP or such other legal counsel as the Agents, with the consent of the Corporation, may appoint.

(e) "**Agents' Fees**" has the meaning ascribed to that term in section 17.

(f) "**Associate**" has the meaning ascribed to the term "associate" in Canadian Securities Laws.

(g) "**Business**" means, collectively, the business presently and heretofore carried on by the Corporation as a going concern, all operations related thereto and the intangible goodwill Associated therewith and any and all interests of whatsoever kind and nature related thereto.

(h) "**Business Day**" means a day which is not Saturday or Sunday or a statutory holiday in the City of Calgary, Alberta.

(i) "**Canadian Development Expense**" or "**CDE**" means Canadian development expense as defined in subsection 66.2(5) of the Tax Act, excluding amounts which are prescribed to constitute "Canadian exploration and development overhead expense" under the Tax Act, any amount of assistance described in paragraphs 66(12.62)(a) of the Tax Act and any expense described in paragraph 66(12.62)(b.1) of the Tax Act.

(j) "**Canadian Exploration Expense**" or "**CEE**" means, in respect of expenses incurred on or before December 31, 2016, expenses described in the definition of "Canadian exploration expense" in subsection 66.1(6) of the Tax Act, and in respect of expenses incurred after December 31, 2016, those expenses described in paragraphs (a), (d), or (f) of the definition of "Canadian exploration expense" in subsection 66.1(6) of the Tax Act or that would be described in paragraph (h) of such definition if the reference therein to "paragraphs (a) to (d) and (f) to (g.1)" was a reference to "paragraphs (a), (d), and (f)", in all cases excluding amounts which are prescribed to constitute "Canadian exploration and development overhead expense" under the Tax Act, the amount of any assistance described in paragraph 66(12.6)(a) of the Tax Act and any expense described in paragraph 66(12.6)(b.1) of the Tax Act.

(k) "**Canadian Securities Laws**" means all securities laws, rules, regulations, notices, instruments, blanket orders and published policies in the Qualifying Jurisdictions.

(l) "**CDE Commitment Amount**" means an amount equal to $0.14 multiplied by the aggregate number of CDE Shares subscribed and paid for pursuant to the CDE Subscription Agreements.

(m) "**CDE Expenditure Period**" means the period commencing on the date of the Corporation's acceptance of the CDE Subscription Agreements and ending on December 31, 2016.

(n) "**CDE Qualifying Expenditures**" means expenses that are CDE as at the date they are incurred.

(o) "**CDE Subscriber**" has the meaning ascribed thereto in the CDE Subscription Agreements.

(p) "**CDE Subscription Agreements**" means, collectively, the agreements to be entered into between the Corporation and one or more of the Agents as agent for subscribers of CDE Shares on or prior to the Closing Date, in form and substance satisfactory to the Corporation and the Agents and substantially in the form attached as schedule A or such other form agreed to by the Corporation and the Agents.

(q) "**CEE Commitment Amount**" means an amount equal to $0.145 multiplied by the aggregate number of CEE Shares subscribed and paid for pursuant to the CEE Subscription Agreements.

(r) "**CEE Expenditure Period**" means the period commencing on the date of the Corporation's acceptance of the CEE Subscription Agreements and ending on December 31, 2017.

(s) "**CEE Qualifying Expenditures**" means expenses that are CEE as at the date they are incurred.

(t) "**CEE Subscriber**" has the meaning ascribed thereto in the CEE Subscription Agreements.

(u) "**CEE Subscription Agreements**" means, collectively, the agreements to be entered into between the Corporation and one or more of the Agents as agent for subscribers of CEE Shares on or prior to the Closing Date, in form and substance satisfactory to the Corporation and the Agents and substantially in the form attached as schedule B or such other form agreed to by the Corporation and the Agents.

(v) "**Closing Date**" means November 29, 2016 or such other date as the parties may agree.

(w) "**Closing Time**" means 6:30 a.m. (Calgary time) or such other time, on the Closing Date, as the Agents and the Corporation may agree.

(x) "**Corporation**" has the meaning ascribed to that term on the first page of this agreement and, when the context requires or permits, includes the Subsidiary.

(y) "**Corporation's Financial Statements**" means: (a) the annual audited financial statements of the Corporation as at and for the years ended December 31, 2015 and December 31, 2014; (b) the unaudited condensed interim financial statements of the Corporation as at June 30, 2016, and for the three and sixth month periods ended June 30, 2016, and June 30, 2015, and in each case including the notes thereto, management's discussion and analysis in respect thereof and, where applicable, the auditor's report thereon.

(z) "**Corporation's auditor**" means KPMG LLP, Chartered Professional Accountants, Calgary, Alberta.

(aa) "**Corporation's Counsel**" means Gowling WLG (Canada) LLP or such other legal counsel as the Corporation, with the consent of the Agents, may appoint.

(bb) "**distribution**" has the meaning ascribed to that term in Canadian Securities Laws.

(cc) "**Engagement Letter**" means the engagement letter dated November 16, 2016, between the Lead Agents and the Corporation.

(dd) "**Exchange**" means TSX Venture Exchange Inc.

(ee) "**Flow-Through Shares**" means, collectively, the CDE Shares and the CEE Shares.

(ff) "**Government Authority**" means (i) any federal, provincial, state, local, municipal, national or international government or governmental authority, regulatory or administrative agency, governmental commission, department, board, bureau, agency or instrumentality, court, tribunal, arbitrator or arbitral body (public or private); (ii) any self-regulatory organization; or (iii) any political subdivision of any of the foregoing.

(gg) "**Lead Agents**" has the meaning ascribed to that term on the first page of this agreement.

(hh) “**Marketing Documents**” means, collectively, all (i) Standard Term Sheets; and (ii) Marketing Materials (including any template version, revised template version or limited use version thereof) provided to a prospective purchaser in connection with the Offering.

(ii) “**Marketing Materials**” has the meaning ascribed to “marketing materials” in NI 41-101.

(jj) “**Material Adverse Change**” or “**Material Adverse Effect**” means, when used in connection with the Corporation, any change or effect (or any condition, event or development involving a prospective change or effect) in or on the business, operations, results of operations, affairs, assets, capitalization, financial condition, rights or liabilities, whether contractual or otherwise, of the Corporation which is materially adverse to the business, operations or financial condition of the Corporation taken as a whole, other than a change or effect (i) resulting from general economic, financial, currency exchange, securities or commodity market conditions in Canada, the United States and elsewhere; or (ii) resulting from a change in commodity prices.

(kk) **“material change**” has the meaning ascribed to that term in Canadian Securities Laws.

(ll) “**material fact**” has the meaning ascribed to that term in Canadian Securities Laws.

(mm) “**May 2016 Offering**” means the offering of 8,435,945 common shares in the capital of the Corporation and 7,994,980 flow-through common shares in the capital of the Corporation in reliance on exemptions from the prospectus requirement in Canadian Securities Laws, which offering closed on May 19, 2016.

(nn) “**misrepresentation**” has the meaning ascribed to that term in Canadian Securities Laws.

(oo) “**NI 41-101**” means National Instrument 41-101 – *General Prospectus Requirements* of the Canadian Securities Administrators, as amended or replaced.

(pp) “**NI 44-101**” means National Instrument 44-101 – *Short Form Prospectus Distributions* of the Canadian Securities Administrators, as amended or replaced.

(qq) **NI 44-102**” means National Instrument 44-102 – *Shelf Distributions* of the Canadian Securities Administrators, as amended or replaced.

(rr) “**NI 51-102**” means National Instrument 51-102 – *Continuous Disclosure Obligation*s of the Canadian Securities Administrators, as amended or replaced.

(ss) “**October 2016 Offering**” means the short form shelf prospectus offering of 212,071 units of the Corporation, each such unit consisting of one $100 principal amount senior secured note due 2021 and 164 common share purchase warrants, which offering closed on October 27, 2016.

(tt) “**Offered Shares**” has the meaning ascribed to that term on the first page of this agreement.

(uu) "**Offering**" has the meaning ascribed to that term on the first page of this agreement.

(vv) "**Prospectus Supplement**" has the meaning ascribed to that term on the second page of this agreement.

(ww) "**Prospectus Review Procedures**" means the procedures of prospectus review in multiple jurisdictions under National Policy 11-202 – *Process for Prospectus Reviews in Multiple Jurisdictions* and Multilateral Instrument 11-102 – *Passport System* (other than in Ontario).

(xx) "**Public Record**" means all information filed by or on behalf of the Corporation with the Securities Regulators and accessible at www.sedar.com since January 1, 2015, including without limitation, the Documents, the Prospectus Supplement, any Supplementary Material and any other information filed with any Securities Regulators in compliance, or intended compliance, with any Canadian Securities Laws.

(yy) "**Qualifying Expenditures**" means, collectively, CDE Qualifying Expenditures and CEE Qualifying Expenditures.

(zz) "**Qualifying Jurisdictions**" means all of the provinces of Canada, except Québec.

(aaa) "**Raimount**" means Raimount Oil and Gas Inc., a corporation duly incorporated pursuant to the ABCA and a wholly-owned subsidiary of the Corporation.

(bbb) "**Responses**" means the written responses delivered on behalf of the Corporation by certain directors and officers of the Corporation at the Due Diligence Session.

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

(ddd) "**Selling Dealer Group**" means the dealers and brokers other than the Agents who participate in the distribution of the Offered Shares pursuant to this agreement.

(eee) "**Shelf Procedures**" has the meaning ascribed to that term in NI 44-102.

(fff) "**Sproule**" means Sproule Associates Limited.

(ggg) "**Sproule Reserves Report**" means the independent engineering evaluation of certain of the Corporation's oil and natural gas interests and the net present values of such reserves prepared by Sproule dated March 29, 2016, and effective December 31, 2015.

(hhh) "**Standard Term Sheet**" has the meaning ascribed to the term "standard term sheet" in NI 41-101.

(iii) "**Subscription Agreements**" means, collectively, the CDE Subscription Agreements and the CEE Subscription Agreements.

(jjj) "**Subsidiary**" means a subsidiary of the Corporation within the meaning of the *Securities Act* (Alberta) and includes, without limitation, Raimount.

(kkk) “**Supplementary Material**” means, collectively, any amendment to the Base Shelf Prospectus, Preliminary Prospectus Supplement or Prospectus Supplement, any amended or supplemented Base Shelf Prospectus, Preliminary Prospectus Supplement or Prospectus Supplement or any ancillary material, information, evidence, return, report, application, statement or document which may be filed by or on behalf of the Corporation under Canadian Securities Laws in connection therewith.

(lll) “**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).

(mmm) “**Shelf Prospectus**” has the meaning ascribed to that term on the first page of this agreement.

(nnn) “**Tax Act**” means the *Income Tax Act* (Canada), together with any and all regulations promulgated thereunder, as amended from time to time;

(ooo) “**United States**” or “**U.S.**” means the United States of America, its territories and possessions, any state of such jurisdiction, and the District of Columbia.

**2.0 Agents’ Appointment**

2.1 Subject to the terms of this agreement, the Corporation hereby appoints the Agents as the Corporation’s exclusive agents, to offer for sale the Offered Shares to the public in the Qualifying Jurisdictions on a “best efforts” agency basis, without underwriter liability, pursuant to the Prospectus Supplement, and the Agents hereby accept such appointment.

2.2 The Agents hereby reserve the right, subject to the prior approval of the Corporation, such approval not to be unreasonably withheld, to form a Selling Dealer Group consisting of other registered dealers including, with limitation, sub-agents, upon such terms as the Agents deem appropriate. The Agents shall pay any and all fees charged by such registered dealers.

2.3 The parties acknowledge that the Agents will not at any time be obligated to purchase any of the Offered Shares.

2.4 The Agent shall effect all sales of the Offered Shares in the Qualifying Jurisdictions in compliance with Canadian Securities Laws, and shall use its commercially reasonable efforts to cause all members of any Selling Dealer Group that it forms to sell the Offered Shares in the Qualifying Jurisdictions only through persons lawfully entitled to sell the same and otherwise in compliance with Canadian Securities Laws.

2.5 The Corporation will use its commercially reasonable efforts to file, or cause to be filed, all forms that the Corporation is required to file in connection with the issue and sale of the Offered

Shares so that the distribution of the Offered Shares may lawfully occur in the Qualifying Jurisdictions, and the Agents shall use their commercially reasonable efforts to cause the Purchasers to complete (as a condition of closing in favour of the Corporation) any forms required by law. All fees payable in connection with such filings as are required to be made by the Corporation shall be at the expense of the Corporation.

2.6 The Corporation shall cooperate in all respects with the Agents to allow and assist the Agents to participate fully in the preparation of the Prospectus Supplement and any Supplementary Material, and shall allow the Agents' Counsel to conduct all due diligence investigations which the Agents may reasonably require to satisfy the Agents' obligations as agents under applicable law or as otherwise may be required in order to enable them to execute the certificate required to be executed by them in the Prospectus Supplement or any Supplementary Material.

**3.0 Distribution Arrangements**

3.1 The Agents shall offer for sale the Common Shares at a price of $0.13 per Common Share, the CDE Shares at a price of $0.14 per CDE Share, and the CEE Shares at a price of $0.145 per CEE Share.

3.2 The Agents acknowledge that the Corporation may accept or reject any subscription for the Offered Shares, in whole or in part, at its discretion.

3.3 The Agents acknowledge that none of the Offered Shares have been or will be registered under the United States Securities Act of 1933, as amended, or the securities laws of any state of the United States.

3.4 The Agents hereby represent and warrant that they have not made, and hereby covenant that they will not make, any offer or sale of the Offered Shares in the United States.

**4.0 Qualification of Offered Shares**

4.1 The Corporation hereby represents that it has prepared and filed the Shelf Prospectus with the Securities Regulators, omitting only such information as is permitted to be omitted for such document pursuant to Canadian Securities Laws, and has obtained a receipt for the Shelf Prospectus from and on behalf of the Alberta Securities Commission in its capacity as principal regulator in accordance with the Prospectus Review Procedures deeming that a receipt has been issued by each of the Securities Regulators; and has performed all of the obligations that it is required to perform, including the filing of all continuous disclosure materials required to be filed in Canada pursuant to Canadian Securities Laws, but excluding the preparation and filing of the Prospectus Supplement, to enable the Offered Shares to be offered for sale and sold to the public in all of the Qualifying Jurisdictions through registrants who have complied with the relevant provisions of Canadian Securities Laws.

4.2 The Corporation shall, as soon as reasonably practicable following the execution of this agreement, and in any event not later than the date of this agreement, prepare and file the Prospectus Supplement in form and substance satisfactory to the Agents, and file all other documents required under Canadian Securities Laws, in each of the Qualifying Jurisdictions with the Securities Regulators, and the Corporation shall promptly take all other steps that may be necessary in order to qualify the Offered Shares for distribution in each of the Qualifying Jurisdictions by the Agents and other persons who are registered in a category permitting them to distribute the Offered Shares under Canadian Securities Laws.

4.3 Until the distribution of the Offered Shares has been completed, the Corporation shall promptly take or cause to be taken all additional steps that may from time to time be required under applicable Securities Laws to continue to qualify the Offered Shares for distribution in the Qualifying Jurisdictions.

**5.0 Delivery of Documents**

5.1 Before the filing of the Prospectus Supplement, the Corporation shall deliver or cause to be delivered to the Agents the following documents:

(a) the Prospectus Supplement and any Supplementary Material that the Corporation is required to file under Canadian Securities Laws, in each case in form and substance satisfactory to the Agents, acting reasonably;

(b) a copy of any other document that the Corporation is required to file under Canadian Securities Laws in connection with the filing of the Prospectus Supplement for the distribution of the Offered Shares; and

(c) a comfort letter from the Auditor dated as of the date of this agreement addressed to the Agents and Agents' Counsel, in form and substance satisfactory to the Agents, acting reasonably, verifying the accuracy of the financial information contained in the Shelf Prospectus Supplement.

**6.0 Marketing Materials**

6.1 During the distribution of the Offered Shares:

(a) the Corporation shall prepare, in consultation with the Agents, and approve in writing, prior to such time marketing materials are provided to prospective purchasers, any marketing materials reasonably requested to be provided by the Agents to any potential subscriber for Offered Shares, such marketing materials to comply with Canadian Securities Laws and to be acceptable in form and substance to the Agents and its counsel, acting reasonably, and approved in writing by the Agents as contemplated by Canadian Securities Laws;

(b) the Corporation shall file a template version with the Securities Regulators as soon as reasonably practicable after such marketing materials are so approved in writing by it and the Agents and in any event on or before the day the marketing materials are first provided to any prospective purchasers of the Offered Shares;

(c) the Corporation shall remove any "comparables" (as defined in NI 41-101) from the template version in accordance with NI 44-101 prior to filing such template version with the applicable Securities Regulators, and shall deliver a complete template version containing such comparables and any disclosure relating to the comparables, if any, to the Securities Regulators; and

(d) following the approvals stated in this subsection 6.1, the Agents may provide a limited-use version (as defined in NI 41-101) of such marketing materials to prospective purchasers of Offered Shares in accordance with Canadian Securities Laws.

6.2 During the distribution of the Offered Shares, the Corporation and the Agents shall not:

(a) provide any prospective purchaser of Offered Shares with any marketing materials unless a template version of such marketing materials the Corporation files such marketing materials with the Securities Regulators on or before the day such marketing materials are first provided to any prospective purchaser of Offered Shares; and

(b) provide any prospective purchaser with any disclosure about the distribution of the Offered Shares or the Corporation other than marketing materials that have been approved and filed in accordance with subsection 6.1 and standard term sheets (as defined in NI 41-101) that have approved in writing by the Corporation and the Agents.

**7.0 Commercial Copies**

7.1 The Corporation shall cause to be delivered, without charge, to the Agents, as soon as possible, and shall use its commercially reasonable efforts to cause to be delivered as soon as practicable (and, in any event, on the day following the date the Prospectus Supplement is filed), such number of commercial copies of the Shelf Prospectus and the Prospectus Supplement to be delivered in the Qualifying Jurisdictions as the Agents reasonably require. The Agents shall, on or before the filing of the Prospectus Supplement, confirm in writing to the Corporation such number of commercial copies of the Shelf Prospectus and the Prospectus Supplement and the names and addresses, and the number of copies for each, of the members of the Selling Dealer Group that is participating in the Offering.

**8.0 Supplementary Material**

8.1 If Canadian Securities Laws require the Corporation to prepare and file Supplementary Material, the Corporation shall prepare such Supplementary Material, in form and substance satisfactory to the Agents and the Agents' Counsel, acting reasonably, and the Corporation shall deliver a final copy (signed as required) to the Agents' Counsel promptly before filing. Concurrently with the delivery to the Agents of any Supplementary Material, the Corporation shall deliver to the Agents with respect to such Supplementary Material, the applicable documents referred to in subsection 5.1 with any changes required by the context. Sections 5 and 6 will apply, with any changes required by the context, to any Supplementary Material, copies of which are required by law to be delivered on request or otherwise to a purchaser of the Offered Shares.

**9.0 Material Changes**

9.1 The Corporation shall promptly notify the Agents in writing of the full particulars of:

(a) any material change (whether actual, anticipated, contemplated, threatened, proposed or prospective and whether financial or otherwise) in the business, affairs, operations, assets or liabilities (contingent or otherwise) or capital or ownership of the Corporation and the Subsidiary, taken as a whole;

(b) any change (whether actual, anticipated, contemplated, threatened, proposed or prospective and whether financial or otherwise) in any material fact contained in the Shelf Prospectus as supplemented by the Prospectus Supplement or any Supplementary Material;

(c) any legislative, regulatory or administrative policy or guideline changes which, if implemented could have a material effect upon the operations of the Corporation and the Subsidiary, taken as a whole; and

(d) any material fact which would have been required to be stated in the Shelf Prospectus as supplemented by the Prospectus Supplement or any Supplementary Material had it occurred as at the respective dates thereof (whether actual, anticipated, contemplated or threatened).

9.2 The Corporation shall in good faith discuss with the Agents any change in circumstances (whether actual, anticipated, contemplated or threatened) which is of such a nature as to give rise to a reasonable doubt as to whether notice should be given to the Agents pursuant to this section 9 and, where it has been determined to be appropriate, promptly and in any event within the statutory limitation periods therefore, comply with all applicable filing and other requirements under Canadian Securities Laws. The Agents shall give the Corporation notice when the distribution of the Offered Shares has been completed and shall use all commercially reasonable efforts to complete the distribution of the Offered Shares on, or as soon as possible after, the date on which the Corporation filed the Prospectus Supplement.

9.3 During the distribution of the Offered Shares, the Corporation shall advise the Agents promptly, and forthwith provide the Agents with copies (where applicable), of any communications relating to:

(a) the issuance by any Securities Regulator or any other securities regulatory authority of any order suspending or preventing the use of the Shelf Prospectus, the Prospectus Supplement or any Supplementary Material in the Qualifying Jurisdictions or any cease-trading or stop order or any halt in trading relating to the common shares in the capital of the Corporation or the institution or threat of any proceedings for that purpose; and

(b) the Shelf Prospectus, the Prospectus Supplement, any Supplementary Material or the Offering from any Securities Regulator or any other securities regulatory authority or other authority or the Exchange.

The Corporation shall use its commercially reasonable efforts to prevent the issuance of any such cease trading or stop order and, if issued, shall forthwith take all reasonable steps that it is able to take and which may be necessary or desirable in order to obtain the withdrawal thereof as soon as possible.

## 10.0 Qualifying Expenditures

10.1 The Corporation shall:

(a) use the gross proceeds from the issuance of the Flow-Through Shares to fund ongoing exploration activities eligible for renunciation as CEE to CEE Subscribers and ongoing development activities eligible for renunciation as CDE to CDE Subscribers;

(b) keep proper books, records and accounts of all Qualifying Expenditures and all transactions affecting the CDE Commitment Amount and CEE Commitment Amount and the applicable Qualifying Expenditures, provide reasonable access to such books, records and accounts for review by or on behalf of the Subscribers for the sole purpose of responding to the demand or proposal of the Canada Revenue Agency;

(c) incur, during the CDE Expenditure Period, CDE Qualifying Expenditures in such amount as enables the Corporation to renounce to each CDE Subscriber, CDE Qualifying Expenditures in an amount equal to the CDE Commitment Amount of such CDE Subscriber;

(d) incur, during the CEE Expenditure Period, CEE Qualifying Expenditures in such amount as enables the Corporation to renounce to each CEE Subscriber, CEE Qualifying Expenditures in an amount equal to the CEE Commitment Amount of such CEE Subscriber;

(e) renounce to each CDE Subscriber, effective on or before December 31, 2016, CDE Qualifying Expenditures to be incurred during the CDE Expenditure Period as required under the Tax Act in an amount equal to the CDE Commitment Amount of such CDE Subscriber;

(f) renounce to each CEE Subscriber, effective on or before December 31, 2016, CEE Qualifying Expenditures to be incurred during the CEE Expenditure Period as required under the Tax Act in an amount equal to the CEE Commitment Amount of such CEE Subscriber;

(g) deliver to each Subscriber within the time periods required by the Tax Act, and in any event not later than March 1, 2017, a statement (T-101 slip) setting forth the aggregate amounts of such CDE Qualifying Expenditures or CEE Qualifying Expenditures, as applicable, renounced to each such Subscriber;

(h) cause all CDE Qualifying Expenditures renounced to the CDE Subscribers pursuant to the CDE Subscription Agreements to be CDE Qualifying Expenditures incurred by the Corporation that, but for the renunciation to the CDE Subscribers, the Corporation would be entitled to deduct in computing its income for the purposes of Part I of the Tax Act.

(i) cause all CEE Qualifying Expenditures renounced to the CEE Subscribers pursuant to the CEE Subscription Agreements to be CEE Qualifying Expenditures incurred by the Corporation that, but for the renunciation to the CEE Subscribers, the Corporation would be entitled to deduct in computing its income for the purposes of Part I of the Tax Act;

(j) subject to the requirements of the Tax Act, not reduce the amount renounced to the Subscribers pursuant to the Subscription Agreements and, in the event the amount renounced to the Subscribers pursuant to the Subscription Agreements is reduced pursuant to subsection 66(12.73) of the Tax Act (except as a result of any amendment to the Tax Act) or if the Corporation fails to renounce CEE Qualifying Expenditures incurred during the CEE Expenditure Period to the CEE Subscribers in an amount or amounts which in aggregate are equal to the CEE Commitment Amount and with an effective date or dates of not later than the effective date specified in the applicable CEE Subscription Agreements, or if the Corporation fails to renounce CDE Qualifying Expenditures incurred during the CDE Expenditure Period to the CDE Subscribers in an amount or amounts which in aggregate are equal to the CDE Commitment Amount and with an effective date or dates of not later than the effective date specified in the applicable CDE Subscription Agreements: (i) as the sole recourse of the CEE Subscribers for such event, the Corporation shall indemnify the CEE Subscribers in an amount equal to the amount of any tax payable under the Tax Act (and under any corresponding provincial tax legislation) by the CEE Subscribers (and if the CEE Subscriber is a partnership, by any member thereof) as a consequence of such failure to renounce or such reduction, as the case may be; and (ii) as the sole recourse of the CDE Subscribers for such event, the Corporation shall indemnify the CDE Subscribers in an amount equal to the amount of any tax payable under the Tax Act (and under any corresponding provincial tax legislation) by the CDE Subscribers (and if the CDE Subscriber is a partnership, by any member thereof) as a consequence of such failure to renounce or such reduction, as the case may be;

(k) maintain its status as a principal business corporation throughout all periods relevant for the purposes of the Tax Act and the Subscription Agreements;

(l) file all prescribed forms required under the Tax Act with respect to the issuance of the Flow-Through Shares as “flow-through shares” as defined in subsection 66(15) of the Tax Act or that are necessary to renounce, effective on or before December 31, 2016, CDE Qualifying Expenditures equal to the CDE Commitment Amount to the CDE Subscribers and to renounce, effective on or before December 31, 2016, CEE Qualifying Expenditures equal to the CEE Commitment Amount to the CEE Subscribers in accordance with the Subscription Agreements and to provide the Subscribers with a copy of all such forms as are required to be provided thereto, all on a timely basis;

(m) cause the Corporation not to be subject to the provisions of subsection 66(12.67) of the Tax Act in a manner which impairs its ability to renounce CDE Qualifying Expenditures to the CDE Subscribers in an amount equal to the CDE Commitment Amount and CEE Qualifying Expenditures to the CEE Subscribers in an amount equal to the CEE Commitment Amount;

(n) cause Qualifying Expenditures to be renounceable to the Subscribers in accordance with the Tax Act;

(o) not enter into any agreements or transactions, take deductions or make any tax elections or designations which would otherwise reduce its "cumulative Canadian development expense" (as defined in the Tax Act) to an extent which would preclude a renunciation of CDE Qualifying Expenditures hereunder in an amount equal to the CDE Commitment Amount in accordance with the Subscription Agreements;

(p) not enter into any agreements or transactions, take deductions or make any tax elections or designations which would otherwise reduce its "cumulative Canadian exploration expense" (as defined in the Tax Act) to an extent which would preclude a renunciation of CEE Qualifying Expenditures hereunder in an amount equal to the CEE Commitment Amount in accordance with the Subscription Agreements; and

(q) in the event that the Corporation cannot renounce to Subscribers Qualifying Expenditures equal to 100% of the CEE Commitment Amount or CDE Commitment Amount, as the case may be, renounce such lesser amount as is permitted and, to the extent the Corporation has incurred expenses which are capable of renunciation, but which are not Qualifying Expenditures, the Corporation shall, if agreed to by the Subscribers, renounce such expenses to the Subscribers, without any prejudice to any other rights the Subscribers may have under the Subscription Agreements.

**11.0 Communications During Distribution**

11.1 During the distribution of the Offered Shares, the Corporation shall obtain prior approval of the Agents as to the form and content of any press release or other communication relating to the Offering, such approval not to be unreasonably withheld.

**12.0 Corporation's Representations and Warranties**

12.1 The Corporation hereby represents and warrants to the Agents as follows, and will be deemed to have so represented again at the time it files the Prospectus Supplement, as follows:

(a) the disclosure (except disclosure provided by and relating solely to the Agents) contained in each of the Base Shelf Prospectus, the Preliminary Prospectus Supplement, the Prospectus Supplement, and any Supplementary Material:

(i) is, at the date of such document, accurate in all material respects;

(ii) contains no misrepresentation; and

(iii) constitutes full, true and plain disclosure of all material facts relating to the Corporation and the Offered Shares as required under Canadian Securities Laws;

(b) the Base Shelf Prospectus, the Preliminary Prospectus Supplement, the Prospectus Supplement, and any Supplementary Material complies in all material respects with Canadian Securities Laws including, without limitation, NI 44-102 and the Shelf Procedures; and

(c) except as is disclosed in the Public Record, there has been no intervening material change (whether financial or otherwise), from the date of the Base Shelf Prospectus, the Preliminary Prospectus Supplement, the Prospectus Supplement, and any Supplementary Material, to the time of delivery of such document, in the business, operations, revenues, capital, properties, assets, liabilities (absolute, accrued, contingent or otherwise), condition (financial or otherwise) or results of operations of the Corporation and the Subsidiary (taken as a whole).

12.2 In addition to the representations and warranties contained in subsection 12.1, the Corporation hereby represents and warrants to the Agents, and will be deemed to have so represented and warranted again at the Closing, as follows:

(a) each of the Corporation and the Subsidiary has been duly amalgamated or incorporated (as the case may be) and is organized and validly subsisting under the laws of the jurisdiction of its incorporation and has all requisite corporate authority and capacity to carry on the Business as now conducted and as presently proposed to be conducted, and to own, lease and conduct operations as now conducted and presently proposed to be conducted on its properties and assets and no proceedings have been instituted, or to the knowledge of the Corporation or the Subsidiary, are pending for the dissolution, liquidation or winding-up of the Corporation or the Subsidiary;

(b) the Corporation has no Subsidiaries other than Raimount;

(c) each of the Corporation and the Subsidiary has conducted and is conducting the Business in compliance in all material respects with all applicable laws, rules and regulations and, in particular, all applicable licensing and environmental legislation, regulations or by-laws or other lawful requirements of any governmental or regulatory bodies applicable to it in each jurisdiction in which it carries on a material portion of its Business (as the case may be), and the Corporation and the Subsidiary holds all licenses, registrations and qualifications in all jurisdictions in which it carries on a material portion of its Business which are necessary or desirable to carry on the Business as now conducted and as presently proposed to be conducted, except where the failure to so conduct the Business or to hold such licenses, registrations and qualifications would not have a Material Adverse Effect upon the Corporation or the Subsidiary (as the case may be) and all such licenses, registrations or qualifications are valid and existing and in good standing and each of the Corporation and the Subsidiary has not received any notice of non-compliance, or knows of, or has any reasonable grounds to know of, any facts that could give rise to a notice of non-compliance with any such laws, rules and regulations; 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 as now conducted or as presently proposed to be conducted;

(d) the Corporation is not a holding corporation of any other body corporate and is not Affiliated with any other body corporate (as defined in the *Securities Act* (Alberta)) other than, in each case, Raimount;

(e) all of the issued and outstanding common shares in the capital of Raimount are validly issued as fully paid and non-assessable, the Corporation is, directly or indirectly, the beneficial holder of all such issued and outstanding common shares and holds such common shares free and clear of any liens, pledges, charges, encumbrances, security interests or other adverse claims whatsoever (other than bank security) and no person, firm, corporation or other entity holds any securities convertible or exchangeable into shares of Raimount or has any agreement, warrant, option, right or privilege (whether pre-emptive or contractual) being or capable of becoming an agreement, warrant, option or right (whether or not on condition(s)) for the purchase or other acquisition of any unissued shares, securities (including convertible securities) or warrants of Raimount;

(f) the Corporation has no material shareholdings in any corporation, partnership or business organization other than Raimount;

(g) the minute books and record books, as applicable, of the Corporation and the Subsidiary as made available for review to Agents' Counsel are true, correct and materially up-to-date and contain the minutes of all meetings and all other resolutions of directors and shareholders of the Corporation and the Subsidiary, as applicable, as of the date of such review by Agents' Counsel;

(h) other than disclosed in the Public Record, no event of material default has occurred which has not been waived or cured under any agreement or instrument pursuant to which indebtedness of the Corporation or the Subsidiary has been issued, and no event which with the giving of notice or the passage of time or both would constitute an event of material default under any such agreement or instrument has occurred and is continuing;

(i) each of the Corporation and the Subsidiary has duly and on a timely basis filed all tax returns required to be filed, has paid all taxes due and payable and has paid all assessments and reassessments and all other taxes, governmental charges, penalties, interest and other fines due and payable and which are claimed by any Government 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 such member and, to the knowledge of the Corporation, there are no actions, suits, proceedings, investigations or claims threatened or pending against the Corporation or the Subsidiary in respect of taxes, governmental charges or assessments or any matters under discussion with any Government Authority relating to taxes, governmental charges or assessments asserted by any Government Authority, except as otherwise disclosed to the Agents and Agents' Counsel;

(j) except to the extent that any violation or other matter referred to in this subsection 12.2(j) does not have a Material Adverse Effect on the Corporation and the Subsidiary (taken as a whole):

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

(ii) each of the Corporation and the Subsidiary has operated the Business at all material times in accordance with all applicable laws, rules and regulations, including Environmental Laws 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 the Subsidiary 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;

(v) neither the Corporation nor the Subsidiary have failed to report to the proper Government Authority the occurrence of any event which is required to be so reported by any Environmental Law; and

(vi) the Corporation and the Subsidiary hold all licenses, permits and approvals required under any Environmental Laws in connection with the operation of the Business and the ownership and use of their properties and assets, all such licenses, permits and approvals are in full force and effect, and neither the Corporation nor the Subsidiary have received any notification pursuant to any Environmental Laws that any work, repairs, constructions or capital expenditures are required to be made by it as a condition of continued compliance with any Environmental Laws, or any 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;

(k) the Corporation has full corporate capacity, power and authority to enter into this agreement and to perform its obligations in this agreement (including, without limitation, to create, issue and sell the Offered Shares), this agreement has been duly authorized, executed and delivered by the Corporation, and will be as applicable, a legal, valid and binding obligation of the Corporation enforceable against the Corporation in accordance with its respective terms, subject to laws relating to creditors' rights generally and except as rights to indemnity may be limited by applicable law;

(l) the Corporation has the necessary corporate power and authority to execute, deliver and file the Prospectus Supplement and, prior to the filing of the Prospectus Supplement, all requisite action will have been taken by the Corporation to authorize the execution, delivery and filing of the Prospectus Supplement in accordance with Canadian Securities Laws;

(m) the attributes and characteristics of the Offered Shares conform in all material respects to the attributes and characteristics of described in the Prospectus Supplement;

(n) at the Closing Time, the Offered Shares will be issued as fully paid and non-assessable common shares in the capital of the Corporation;

(o) neither the Corporation nor the Subsidiary is in default or breach of, and the execution and delivery of, and the performance of and compliance with the terms of this agreement, or any of the transactions contemplated hereby, does not and will not result in any breach of, or constitute a default under, and does not and will not create a state of facts which, after notice or lapse of time or both, will result in a breach of or constitute a default under, any applicable laws which are material to the Corporation, the Subsidiary or the Business or any term or provision of the articles, by-laws or resolutions of the directors or shareholders of the Corporation or the Subsidiary (as the case may be), or any mortgage, note, indenture, contract, agreement (written or oral), instrument, lease or other document to which the Corporation or the Subsidiary is a party or by which it is bound, or any judgment, decree, order, statute, rule or regulation applicable to the Corporation or the Subsidiary which default or breach might reasonably be expected to have a Material Adverse Effect on the Business or would impair the ability of the Corporation or the Subsidiary to consummate the transactions contemplated hereby or to perform any of its covenants or obligations contained in this agreement;

(p) there has not been any Material Adverse Change in the assets, liabilities or obligations (absolute, contingent or otherwise) of the Corporation and the Subsidiary (taken as a whole) from the position stated in the Corporation's Financial Statements and, other than as disclosed in the Public Record, there has not been any Material Adverse Change in the Business since December 31, 2015, and since December 31, 2015, there have been no material facts, transactions, events or occurrences which could materially adversely affect the Business which have not been disclosed in the Public Record or in the Prospectus Supplement and neither the Corporation nor the Subsidiary has filed any confidential material change reports which continue to be confidential;

(q) the Corporation's Financial Statements: (i) fairly present, in accordance with generally accepted accounting principles in Canada, consistently applied, the financial position and condition of the Corporation at the dates thereof and the results of the operations of the Corporation for the periods then ended; and (ii) reflect all assets, liabilities or obligations (absolute, accrued, contingent or otherwise) of the Corporation as at the date thereof required in accordance with Canadian generally accepted accounting principles to be disclosed therein;

(r) no approval, authorization, consent or other order of any Government Authority is required in connection with the execution and delivery or with the performance by the Corporation or the Subsidiary of this agreement or in connection with the sale and delivery of the Offered Shares, except requisite filings with the Exchange and the Securities Regulators;

(s) there are no actions, suits, proceedings or inquiries in existence or, to the best of the Corporation's knowledge, pending or threatened against or affecting the Corporation or the Subsidiary at law or in equity or before or by any Government Authority which in any way materially adversely affects, or may in any way materially adversely affect, the Business of the Corporation or the Subsidiary or which affects or may affect the distribution of the Offered Shares;

(t) the authorized share capital of the Corporation consists of an unlimited number of common shares and an unlimited number of preferred shares of which 227,051,201 Common shares and no preferred shares are issued and outstanding immediately prior to the Closing Time, all of which are validly issued and fully paid and non-assessable;

(u) other than in connection with the Corporation's normal course issuer bid as disclosed in its Public Record, during the past 12 months, the Corporation has not, directly or indirectly, declared or paid any dividend or declared or made any other distribution on any of its common shares or other securities of any class, or, directly or indirectly, redeemed, purchased or otherwise acquired any of its shares or securities of any class or agreed to any of the foregoing;

(v) 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 or other securities (including convertible securities) of the Corporation other than: (i) 1,241,127 common share purchase warrants at $0.13 per common share for a term of 18 months issued to agents in connection with the 2015 Offering; (ii) 10,301,799 common share purchase warrants at $0.30 per common share for a term of two years issued to former shareholders of the Subsidiary in connection with the plan of arrangement between the Corporation, the Subsidiary and shareholders or the Subsidiary closed on August 19, 2016;

(iii) as at the date of this agreement, outstanding options to purchase 16,450,100 common shares granted pursuant to the Corporation's incentive stock option plan; and (iv) 34,779,644 common share purchase warrants at $0.18 per common share for a term of five years issued in connection with the October 2016 Offering;

(w) no person, firm, corporation or other entity holds any bond, debenture, note or other evidence of indebtedness of the Corporation except for $21.2 million aggregate principal amount of senior secured notes due 2021 issued in connection with the October 2016 Offering;

(x) the Public Record is up-to-date, contains all disclosure required under Canadian Securities Laws in Canada and by the policies of the Exchange and none of the documents incorporated by reference in the Prospectus Supplement and the Shelf Prospectus contains "misrepresentation" (as defined in the *Securities Act* (Alberta)) as at the respective dates of such information;

(y) the Corporation is not materially in default of any requirements of the Exchange and has materially complied and will comply with all Exchange policies, rules and regulations and Canadian Securities Laws, including in connection with the Offering;

(z) neither the Corporation nor the Subsidiary have entered into any transaction which is or may reasonably be expected to have a material change on the Corporation or Subsidiary, as applicable, or which is not in the ordinary course of Business except as disclosed to the Agents or as stated in the Public Record;

(aa) no director or senior officer (as applicable) of the Corporation, the Subsidiary or, to the knowledge of the Corporation, any Associate or Affiliate of the Corporation or the Subsidiary has or has had any material interest, direct or indirect, in any continuing or existing material transaction or has any material interest, direct or indirect, in any proposed material transaction which is material to or is reasonably expected to materially affect the Corporation and the Subsidiary (taken as a whole) except as disclosed to the Agents or as stated in the Public Record;

(bb) except as disclosed to the Agents or as stated in the Public Record, no officer, director, or, to the knowledge of the Corporation, no employee, consultant or insider, or any other person not dealing at "arm's length" with the Corporation, the Subsidiary or, to the knowledge of the Corporation, any Associate or Affiliate of any such person, owns, has or is entitled to any royalty or any other encumbrances or claims of any nature whatsoever on the Corporation's or the Subsidiary's properties or other assets or any revenue or rights attributed thereto;

(cc) other than as disclosed in the Public Record and except pursuant to the employment or consulting arrangements between the Corporation and its employees and consultants made available to the Agents or the Agents' Counsel prior to the date hereof and rights otherwise available for employees of the Corporation at common law or pursuant to statute, and except for the Corporation's incentive stock option plan, there is presently no plan in place for severance or termination pay, retirement bonus, pension benefits, unemployment benefits, deferred compensation, insurance, sick leave, disability, salary continuation, legal benefits, vacation or other employee incentives or compensation that is contributed to or required to be contributed to by the Corporation for the benefit of any current or former director, senior officer, employee, advisor or consultant of the Corporation;

(dd) Computershare Trust Corporation of Canada, at its principal offices in the city of Calgary, is the duly appointed registrar and transfer agent of the common shares in the capital of the Corporation;

(ee) none of the Securities Regulators, the Exchange or any similar regulatory authority has issued any order preventing or suspending trading of any securities of the Corporation or the Subsidiary (and no such proceeding is, to the knowledge of the Corporation, pending, contemplated or threatened), and neither the Corporation nor the Subsidiary is in default of any material requirement of Canadian Securities Laws applicable to the Corporation, the Subsidiary or their securities;

(ff) other than as provided for in this agreement and as disclosed to the Agents and Agents' Counsel, neither the Corporation nor the Subsidiary has incurred any obligation or liability, contingent or otherwise, for brokerage fees, finder's fees, underwriter's or agent's commission or other similar forms of compensation with respect to the Offering;

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

(hh) the Corporation is, or on the date on which the Final Passport System Decision Document is obtained will be, a "reporting issuer" in each of the Qualifying Jurisdictions within the meaning of Canadian Securities Laws in such provinces and is not in default of any requirement of Canadian Securities Laws;

(ii) the Corporation will be eligible to file the Prospectus Supplement under the Shelf Procedures in the Qualifying Jurisdictions;

(jj) to the knowledge of the Corporation, as at the date of this agreement no director or officer of the Corporation has the present intention to sell any securities of the Corporation;

(kk) the form and terms of definitive certificates representing the Offered Shares have been duly approved and adopted by the Corporation and comply with all legal requirements relating thereto;

(ll) other than the right of first refusal granted by the Corporation to Integral Wealth Securities pursuant to the May 2016 Offering and pursuant to the 2015 Offering, and other than as disclosed to the Agents and Agents' Counsel, no right of first refusal for an equity financing of the Corporation currently exists;

(mm) the Sproule Reserves Report reasonably presents the oil and natural gas interests of the Corporation and the net present values of such reserves as at December 31, 2015, based upon the information available at the time the Sproule Reserves Report was prepared and the assumptions contained therein (including, without limitation, subject to commodity prices and costs contained therein);

(nn) the Statement of Reserves Data and Other Oil and Gas Information of the Corporation for the year ended December 31, 2015 ("**Form 51-101F1**"), reasonably presents the crude oil, natural gas and natural gas liquids reserves of the Corporation and net present values of such reserves as at December 31, 2015, based upon the information available at the time the Form 51-101F1 was prepared and the assumptions contained therein (including, without limitation, subject to commodity prices and costs contained therein);

(oo) although it does not warrant title, the Corporation does not have reason to believe that the Corporation 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 subsection 12.2(qq), the foregoing are referred to as the "**Interests**") and does represent and warrant that the Interests are free and clear of adverse claims created by, through or under the Corporation, except as disclosed in the Public Record or those arising in the ordinary course of Business, which are not material in the aggregate, and, to the best of the knowledge of the Corporation, the Corporation hold its Interests under valid and subsisting leases, licenses, permit, concessions, concession agreements, contracts, subleases, reservations or other agreements (except where failure to so hold would not have a Material Adverse Effect);

(pp) the Corporation has not completed any "significant acquisition" (as such term is defined in NI 51-102) nor is proposing, to complete any "proposed acquisition" (as such term is used in Item 10 of Form 44-101F1 to NI 44-101) that in any such case would require the inclusion of any additional financial statements or pro forma financial statements in the Base Shelf Prospectus or the Prospectus Supplement;

(qq) except for this agreement, and in connection with the October 2016 Offering, neither the Corporation nor the Subsidiary has entered into or provided to any person any agreement of guarantee, support, indemnification (other than an indemnification of directors and officers in accordance with the by-laws of the Corporation or the Subsidiary and applicable laws, indemnification agreements or covenants that are entered into arising in the ordinary course of Business, including operating and similar agreements and title documentation, indemnification and contribution provisions in this agreement or in connection agency and underwriting agreements, credit agreements with the Corporation's banks and other lenders, in subscription receipt agreements, subscription transfer agency agreements and indemnities or guarantees or like obligations that are imposed by statute or any other like commitment of the obligations, liabilities (contingent or otherwise) or indebtedness of any other person), assumption or endorsement of, or any other similar liabilities or indebtedness (whether accrued, absolute, contingent or otherwise) of any other company;

(rr) neither the Corporation nor the Subsidiary has any loans or other indebtedness which are currently outstanding which have been made to or from any of their respective shareholders, officers, directors, employees, advisors or consultants or any other person not dealing at arm's length with the Corporation or the Subsidiary;

(ss) the Corporation is in compliance with the filing and certification requirements of each of NI 51-102 and National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings* of the Canadian Securities Administrators, as amended or replaced;

(tt) to the knowledge of the Corporation, the Responses will be true and correct where they relate to matters of fact, and in all material respects as at the time such responses are given and, to the knowledge of the Corporation, such responses taken as a whole shall not omit any fact or information necessary to make any of the responses not misleading in light of the circumstances in which such responses were given, and the Corporation and its directors and officers will have responded in a thorough and complete fashion; Where the Responses reflect the opinion or view of the Corporation or its directors or officers (including, 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 stated 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 subsection 12.2(vv) solely if the actual results vary or differ from those contained in Forward-looking Statements;

(uu) no event of default has occurred and is continuing in respect of any outstanding indebtedness of any of the Corporation or the Subsidiary;

(vv) the Corporation has not, directly or indirectly, made or authorized any contribution, payment or promise to make payment of any money, gift, loan, reward, advantage or benefit of any kind (collectively a "**Benefit**") to any of the following persons (a "**Public Official**"):

(i) any employee, official or agent of any governmental or regulatory agency, authority or instrumentality;

(ii) any person who holds a legislative, administrative or judicial position with any governmental or regulatory agency, authority or instrumentality;

(iii) any employee of a wholly or partially state owned or controlled corporation or enterprise;

(iv) any member of a political party or candidate for public office; or

(v) any employee, official or agent of a public international organization;

where the purpose of such Benefit was to influence an act or omission of a Public Official (an "**Improper Payment**"), or would be prohibited under the *Corruption of Foreign Public Officials Act* (Canada), the United States Foreign Corrupt Practices Act of 1977, 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 matte applicable to the Corporation and its operations ("**Applicable Anti-Corruption Legislation**"). The Corporation further represents and warrants that it will not, directly or indirectly, authorize or make any such Improper Payments and has instituted and maintained policies and procedures designed to ensure, and which are reasonably expected to continue to ensure, continued compliance with Applicable Anti-Corruption Legislation.

**13.0 Survival of Representations and Warranties**

13.1 All representations, warranties, and covenants contained or contained in any documents delivered pursuant to this agreement and in connection with the purchase and sale of the Offered Shares will survive the purchase and sale of the Offered Shares and the termination of this agreement and continue in full force and effect for the benefit of the Corporation, the Agents and the purchasers of the Offered Shares, as the case may, notwithstanding any investigation made by or on behalf of the Agents with respect thereto, for a period of two years. Notwithstanding the foregoing, (a) the provisions contained in this agreement in any way related to indemnification or contribution obligations, and (b) in the case of any fraud or fraudulent misrepresentation of the Corporation, the representations, warranties and covenants of the Corporation contained in this agreement or contained in any documents delivered pursuant to this agreement that were the subject of such fraud or fraudulent misrepresentation, will survive the purchase and sale of the Offered Shares and the termination of this agreement and will remain in full force and effect indefinitely, subject to the limitation requirements of applicable laws.

**14.0 Closing**

14.1 The parties shall close the purchase and sale of the Offered Shares on the Closing Date at the offices of the Corporation's Counsel in Calgary, Alberta, or at such other place as the Agents and the Corporation may agree upon in writing. At Closing, the Corporation shall duly and validly deliver to the Agents the Offered Shares, against payment to the Corporation of the aggregate gross proceeds for the Offered Shares, in lawful money of Canada by certified cheque or bank draft payable at par in the City of Calgary, or by electronic money transfer, less the Agents' Fees as stated in section 17 and the Agents' Expenses as stated in section 18 applied against the gross proceeds from the issuance of the Common Shares.

**15.0 Closing Conditions**

15.1 Each prospective purchaser's obligation to purchase any of the Offered Shares is conditional upon the satisfaction, at or before the Closing Date, of the following conditions:

(a) the Agents shall have received at Closing, a certificate addressed to the Agents and the Agents' Counsel, dated as of the Closing Date, signed by the Chief Executive Officer and Chief Financial Officer of the Corporation, or such other officers of the Corporation as the Agents may agree, certifying for and on behalf of the Corporation, to the best of their knowledge, that:

(i) no order, ruling or determination having the effect of ceasing or suspending the sale or ceasing, suspending or restricting trading in the Offered Shares or any other securities of the Corporation has been issued or made by any of the Exchange, Securities Regulators, or other regulatory authority and is continuing in effect and no proceedings, investigations or enquiries for such purpose have been instituted or are pending, or, to the best of their knowledge, are contemplated or threatened under any Canadian Securities Laws, or by any of the Exchange, Securities Regulators, or other regulatory authority;

(ii) the Corporation has made or obtained, or both, all necessary filings, approvals, consents and acceptances of the Securities Regulators, and any other applicable authorities and under any applicable agreement or document to which the Corporation is a party or by which it is bound, required for the distribution of the Offered Shares (subject to completion of ordinary filings with Securities Regulators following the Closing Date);

(iii) the Corporation has duly complied with all the terms, covenants and conditions of this agreement, and the Subscription Agreements, on its part to be complied with, as of the Closing Date with the same force and effect as if made at and as of Closing after giving effect to the transactions contemplated by this agreement other than those conditions which have been waived by the Agents;

(iv) the representations and warranties of the Corporation contained in this agreement, and the Subscription Agreements are true and correct as of the Closing Date with the same force and effect as if made at and as of Closing after giving effect to the transactions contemplated by this agreement; and

(v) there has been no material adverse change in the business, affairs, operations, assets, liabilities (contingent or otherwise), capital or ownership of the Corporation, from that disclosed in the Shelf Prospectus, as supplemented by the

Prospectus Supplement or any Supplementary Material (as they existed at the time of filing).

15.2 The Corporation shall have delivered to the Agents on the Closing Date, in form and substance satisfactory to the Agents and the Agents' Counsel, acting reasonably:

(a) certificates dated the Closing Date, signed by appropriate officers of the Corporation addressed to the Agents and the Agents' Counsel, with respect to the constating documents of the Corporation, all resolutions of the Corporation's board of directors relating to this agreement, the Offering and the transactions contemplated hereby and thereby and the incumbency and specimen signatures of signing officers in the form of a certificate of incumbency;

(b) a certificate of good standing with respect to the jurisdiction in which the Corporation is incorporated;

(c) a copy of the lists confirming that the Corporation is not a reporting issuer in default in each of the Qualifying Jurisdictions;

(d) evidence that all requisite approvals, consents and acceptances of the appropriate Securities Regulators required to be made or obtained by the Corporation in order to complete the Offering have been made or obtained and evidence that the Exchange has approved the listing thereon of the Offered Shares, subject to the fulfillment of normal conditions;

(e) the Subscription Agreements, duly executed by the parties thereto, provided that the Agents provide the necessary information to complete the same in a timely manner;

(f) confirmation from the Corporation's registrar and transfer agent: (i) as to its appointment as transfer agent and registrar of the common shares in the capital of the Corporation; and (ii) as to the issued and outstanding the common shares in the capital of the Corporation as at the close of business on the day prior to the Closing Date;

(g) the issuance and delivery of the Offered Shares upon full payment for the Subscription Price therefor; and

(h) such certificates dealing with such other matters as the Agents and Agents' Counsel may reasonably require.

15.3 The Agents shall have received favorable legal opinions with respect to corporate, securities and flow-through tax matters from the Corporation's Counsel with respect to Canadian matters addressed to the Agents and Agents' Counsel, addressed to the Agents, each in form and substance satisfactory to the Agents' Counsel acting reasonably, dated the Closing Date, and where appropriate, counsel in the other applicable Qualifying Jurisdictions where Offered Shares are purchased, which counsel in turn may rely, as to matters of fact, on certificates of auditors, public officials and officers of the Corporation.

15.4 The Agents shall, in their sole discretion, be satisfied with their due diligence review with respect to the business, assets, financial condition, affairs and prospects of the Corporation.

15.5 The Agents shall have received a ‘bring down’ comfort letter dated the Closing Date from the Auditor, addressed to the Agents, in form and substance satisfactory to the Agents acting reasonably, which confirms in all material respects, as of the Closing Date (or with respect to matters involving changes or developments since the respective dates as of which specified financial information is given in the Shelf Prospectus as supplemented by the Prospectus Supplement and any Supplementary Material, as of a date not more than two Business Days prior to the Closing Date), the conclusions and findings of the Auditor with respect to the financial information and other matters referred to in subsection 5.1(c).

**16.0 Rights of Termination**

16.1 The Agents are entitled, at the their sole discretion, to terminate and cancel, without any liability on the part of the Agents, all of their obligations under this agreement, by notice in writing to that effect delivered to the Corporation prior to or at the Closing if:

(a) the Agents are not satisfied in their sole reasonable discretion with the results of the due diligence review and investigation of the Corporation conducted by the Agents;

(b) there is, in the sole reasonable opinion of the Agents, a material change or change in a material fact which might be expected to have a significant adverse effect on the market price or value of the Offered Shares or any other securities of the Corporation or on the marketability of the Offered Shares;

(c) there should develop, occur or come into effect or existence any occurrence of national or international consequence, or any action, law or regulation, inquiry or other event, action or occurrence of any nature whatsoever which, in the sole reasonable opinion of the Agents, seriously adversely affects, or involves, or will seriously adversely affect, or involve the financial markets, business, operations or affairs of the Corporation;

(d) the state of the financial markets is such that in the sole reasonable opinion of the Agents it would be unprofitable to offer or continue to offer for sale the Offered Shares;

(e) any order or ruling is issued, or any inquiry, action, suit, proceeding or investigation (whether formal or informal) is instituted or announced or threatened in relation to the Corporation or any of the directors, officers or principal shareholders of the Corporation (other than one based solely upon the activities or alleged activities of the Agents) or any law or regulation is promulgated or changed which prevents or restricts trading in or the distribution of the Offered Shares or any other securities of the Corporation (other than one based solely upon the activities or alleged activities of the Agents);

(f) any order to cease or suspend trading in any securities of the Corporation is made, threatened or announced by the Exchange, a Securities Regulator, or any other regulatory authority; or

(g) the Corporation is in breach of any material term, condition, covenant or agreement contained in this agreement or in any Subscription Agreements or any material representation or warranty given by the Corporation in this agreement becomes untrue, false or misleading.

16.2 If the Agents wish to terminate their obligations in this agreement pursuant to subsection 16.1, they shall do so by notifying the Corporation at the address stated in section 20. The right of the Agents to so terminate their obligations is in addition to such other remedies as the Agents may have in respect of any default, act or failure to act of the Corporation in respect of any of the matters contemplated by this agreement. If the Agents terminate this agreement pursuant to subsection 16.1 there will be no further liability on the part of the Agents to the Corporation or of the Corporation to the Agents except any liability which may have arisen or may thereafter arise under either sections 18 or 19.

16.3 Any termination by the Agents pursuant to subsection 16.1 must be effected by notice in writing delivered by the Agents to the Corporation at the address stated in section 20.

**17.0 Agents' Fees and Syndication Breakdown**

17.1 The Corporation shall, on the Closing Date: (i) pay the Agents (on behalf of any Selling Dealer Group, who are sole obligations of the Agents) a cash commission equal to 6.0% of the gross proceeds realized by the Corporation in respect of the sale of the Offered Shares sold pursuant to the Offering (the "**Agents' Fees**").

17.2 The parties agree and acknowledge that the applicable syndicate breakout is as follows:

| | |
|---|---|
| Integral Wealth Securities Limited | 40% |
| Raymond James Ltd. | 40% |
| GMP Securities L.P. | 10% |
| Industrial Alliance Securities Inc. | 10% |

**18.0 Agents' Expenses**

18.1 Whether or not the Corporation completes the sale of the Offered Shares, the Corporation shall pay (a) all reasonable expenses and all applicable taxes in connection with the Offering, including all expenses of or incidental to the distribution of the Offered Shares, the fees, expenses of the Corporation's Counsel and all expenses incurred in connection with the preparation of documents relating to the Offering, (b) the Agents' reasonable out-of-pocket expenses (including the reasonable fees of the Agents' Counsel (plus disbursements and applicable taxes)), with such amount not to exceed $60,000 in aggregate without prior written consent of the Corporation. All of the reasonable fees and expenses of the Offering (including any disbursements and applicable taxes) payable by the Corporation to the Agents are to be by the Corporation at the Closing Date, and, if there is no Closing, upon receipt of an invoice from the Agents.

## 19.0 Indemnity

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

(a) any information or statement contained in the Base Shelf Prospectus, the Preliminary Prospectus Supplement, the Prospectus Supplement, any Supplementary Material or in any other document or material filed or delivered by or on behalf of the Corporation pursuant hereto (other than any information or statement relating solely to the Agents and furnished to the Corporation by the Agents in writing expressly for inclusion in the Base Shelf Prospectus, the Preliminary Prospectus Supplement, the Prospectus Supplement, any Supplementary Material or such other document or material) which is or is alleged to be untrue or any omission or alleged omission to provide any information or state any fact (other than any information or fact relating solely to the Agents) 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 solely to the Agents and provided to the Corporation by the Agents in writing expressly for inclusion in the Base Shelf Prospectus, the Preliminary Prospectus Supplement, the Prospectus Supplement, any Supplementary Material or such other document or material) contained in the Base Shelf Prospectus, the Preliminary Prospectus Supplement, the Prospectus Supplement, or any Supplementary Material;

(c) any prohibition or restriction on trading in the securities of the Corporation or any prohibition or restriction affecting the distribution of the Offered Shares imposed by any competent authority if such prohibition or restriction is based on any misrepresentation or alleged misrepresentation of a kind referred to in subsection 19.1(b);

(d) 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 upon the activities or the alleged activities of the Agents or their banking or Selling Dealer Group members, if any) prohibiting, restricting, relating to or materially affecting the trading or distribution of the Offered Shares; or

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

(f) provided, however, no party who has engaged in any fraud, willful misconduct, fraudulent misrepresentation or negligence (as determined by a court of competent jurisdiction in a final non-appealable judgment) shall be entitled, to the extent that the liabilities, claims, losses, costs, damages or expenses were solely caused by such activity, to claim indemnification from any person who has not also been determined by a court of competent jurisdiction in a final judgment to have engaged in such fraud, wilful misconduct, fraudulent misrepresentation or negligence (provided that, for greater certainty, the foregoing shall not disentitle an Agents from claiming indemnification hereunder to the extent that the negligence or willful misconduct, if any, relates to the Agents' failure to conduct adequate "due diligence").

19.2 If any claim contemplated by subsection 19.1 is asserted against any of the persons or corporations in respect of which indemnification is or might reasonably be considered to be provided for in such subsection, such person or corporation (the "**Indemnified Person**") shall notify the Corporation (provided that failure to so notify the Corporation of the nature of such claim in a timely fashion shall relieve the Corporation of liability hereunder only if and to the extent that such failure materially prejudices the Corporation's ability to defend such claim) as soon as possible of the nature of such claim and the Corporation shall be entitled (but not required) to assume the defence of any suit brought to enforce such claim, provided however, that the defence shall be through legal counsel selected by the Corporation and acceptable to the Indemnified Person acting reasonably and that no admission of liability or settlement may be made by the Corporation or the Indemnified Person without the prior written consent of the other, such consent not to be unreasonably withheld. The Indemnified Person shall have the right to retain its own counsel in any proceeding relating to a claim contemplated by subsection 19.1 if:

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

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

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

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

19.3 The Corporation hereby waives its rights to recover contribution from the Agents with respect to any liability of the Corporation by reason of or arising out of any misrepresentation in the Base Shelf Prospectus, the Preliminary Prospectus Supplement, the Prospectus Supplement, any Supplementary Material or any other part of the Public Record provided, however, that such waiver shall not apply in respect of liability caused or incurred by reason of any misrepresentation which is based upon information relating solely to the Agents contained in such document and furnished to the Corporation by the Agents in writing expressly for inclusion in the Base Shelf Prospectus, the Preliminary Prospectus Supplement, the Prospectus Supplement, any Supplementary Material or any other part of the Public Record.

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

19.5 The rights and remedies of the Indemnified Persons stated in 16 (in the case of the Agents), this section 19, and section 20, are to the fullest extent permitted by law cumulative and not alternative and the election by any Agents or other Indemnified Person to exercise any such right or remedy shall not be, and shall not be deemed to be, a waiver of any other rights and remedies.

19.6 The Corporation hereby acknowledges that the Agents are acting as agents for the Agents' respective agents, directors, officers, shareholders and employees under this section 19 and under section 20 with respect to all such security holders, directors, officers, employees, and agents.

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

19.8 The rights of indemnity contained in this section 19 will not apply if the Corporation has complied with the provisions of sections 4, 5, and 6 and the person asserting any claim contemplated by this section 19 was provided with a copy of the Shelf Prospectus, the Prospectus Supplement, and any Supplementary Material, or other document which corrects any misrepresentation or alleged misrepresentation which is the basis of such claim and which was required, under Canadian Securities Laws, to be delivered to such person by the Agents.

19.9 If the Corporation has assumed the defense of any suit brought to enforce a claim hereunder, the

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

## 20.0 Contribution

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

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

(b) if the allocation provided by subsection 20.1(a) above is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in subsection 20.1(a) above but also to reflect the relative fault of the Agents on the one hand, and the Corporation, on the other hand, in connection with the statements, commissions or omissions or other matters which resulted in such liabilities, claims, demands, losses, costs, damages or expenses, as well as any other relevant equitable considerations.

The relative benefits received by the Corporation, on the one hand, and the Agents, on the other hand, shall be deemed to be in the same proportion that the total proceeds of the Offering received by the Corporation (net of fees but before deducting expenses) bear to the fees received by the Agents. In the case of liability arising out of the Base Shelf Prospectus, the Preliminary Prospectus Supplement, the Prospectus Supplement, any Supplementary Material or any other part of the Public Record, the relative fault of the Corporation, on the one hand, and of the Agents, on the other hand, shall be determined by reference to, among other things, whether the misrepresentation or alleged misrepresentation, order, inquiry, investigation or other matter or thing referred to in section 9 relates to information supplied or which ought to have been supplied by, or steps or actions taken or done on behalf of or which ought to have been taken or done on behalf of, the Corporation or the 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 or thing referred to in section 19.

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

20.3 Each of the Corporation 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 sections. The rights to contribution provided in this section 20 will be in addition to, and without prejudice to, any other right to contribution which the Agents or other Indemnified Persons may have.

20.4 Any liability of the Agents under this section 20 will be limited to the amount actually received by the Agents under section 17.

20.5 The obligations under the indemnity and the rights to 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.

**21.0 Notices**

21.1 Any notice or other communication under this agreement is valid if it is in writing, is delivered by hand, by any service that provides proof of mailing and proof of delivery (or that a delivery attempt was made, as the case may be) or by email, and is addressed to the applicable party as follows:

(a) To the Corporation:

Manitok Energy Inc.
Suite 2600, 585 – 8th Avenue S.W.
Calgary, Alberta T2P 1G1
Attention: Massimo M. Geremia
Email: mass@manitok.com

With a copy to:

Gowling (WLG) Canada LLP
1600, 421 – 7th Avenue S.W.
Calgary, Alberta T2P 4K9
Attention: Gregory Peterson
Email: gregory.peterson@gowlingwlg.com

(b) To the Agents:

Integral Wealth Securities Limited
56 Temperance Street, Suite 900
Toronto, Ontario M5H 3V5

Attention: John Gibson
Email: jg@integralcapitalmarkets.com

Raymond James Ltd.
525 – 8th Avenue S.W., Suite 4250
Calgary, Alberta T2P 1G1
Attention: Ross Prokopy
Email: ross.prokopy@raymondjames.ca

GMP Securities L.P.
311 – 6th Avenue S.W., Suite 1100
Calgary, Alberta T2P 3H2
Attention: Kevin Overstrom
Email: kevino@gmpsecurities.com

Industrial Alliance Securities Inc.
26 Wellington Street East, Suite 900
Toronto, Ontario M5E 1S2
Attention: Fred Westra
Email: frederik.westra@iagto.ca

With a copy to:

Shea Nerland LLP
1400, 350 – 7th Avenue S.W.
Calgary, Alberta T2P 3N9
Attention: Adam Rock
Email: arock@sheanerland.com

21.2 A valid notice or other communication under this agreement will be effective when the applicable party receives it. A party will be deemed to have received a notice or other communication as follows:

(a) if it is delivered by hand or by any service that provides proof of mailing and proof of delivery (or that a delivery attempt was made, as the case may be) at the time and date indicated on the signed receipt for the notice or other communication;

(b) if it is delivered by e-mail, at the time and date it is sent; or

(c) if the receiving party rejects or otherwise refuses to accept it, or it cannot be delivered because of a change in address for which no notice was given or a disruption in delivery outside of the control of the parties, then upon that rejection, refusal or inability to deliver.

21.3 If a notice or other communication is received after 4:00 p.m. (Mountain Time), then the notice or other communication will be deemed to have been received at 9:00 a.m. (Mountain Time) on the next day that is not a Saturday, a Sunday, or a statutory holiday in Alberta.

**22.0 General Matters**

22.1 This agreement and the schedules constitute the entire understanding between the parties with respect to their subject matter, and supersede all other agreements, whether written or oral, including the Engagement Letter, between the parties.

22.2 The language in this agreement is the language chosen by the parties to express their mutual intent, and no rule of strict construction will be applied against any party proposing any such language.

22.3 If any provision of this agreement is held to be unenforceable, then that provision will be construed by modifying it to the minimum extent necessary to make it enforceable, unless that modification is not permitted by law, in which case that provision will be disregarded. If an unenforceable provision is modified or disregarded in accordance with this subsection 22.3, then the rest of this agreement will remain in effect as written, and the unenforceable provision will remain as written in any circumstances other than those in which the provision is held to be unenforceable.

22.4 This agreement inures to the benefit of and binds each party’s permitted successors and assigns.

22.5 No amendment to this agreement will be effective unless it is in writing and executed by all parties.

22.6 No waiver of the satisfaction of a condition or the failure to perform an obligation in this agreement will be effective unless it is in writing and executed by the party granting the waiver, and no such waiver will constitute a waiver of the satisfaction of any other condition or the failure to perform any other obligation.

22.7 Time of of the essence in this agreement.

22.8 Alberta laws and Canadian laws applicable in Alberta govern this agreement. The parties hereby attorn to the exclusive jurisdiction of Alberta’s courts.

22.9 If the parties execute this agreement in several counterparts, then each such counterpart will be deemed to be an original, and all such counterparts together will be deemed to constitute one instrument.

[SIGNATURE PAGE FOLLOWS]

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 agreement at the place indicated and returning the same to the Agents.

**INTEGRAL WEALTH SECURITIES LIMITED**

Per: (signed) "*John Gibson*"
John Gibson
Chief Executive Officer

**RAYMOND JAMES LTD.**

Per: (signed) "*Ross Prokopy*"
Ross Prokopy
Managing Director

**GMP SECURITIES L.P.**

Per: (signed) "*Kevin Overstrom*"
Kevin Overstrom
Vice Chairman, Co-Head, Energy Investment Banking

**INDUSTRIAL ALLIANCE SECURITIES INC.**

Per: (signed) "*Fred Westra*"
Fred Westra
Senior Vice President, Managing Director and Head of Capital Markets

**MANITOK ENERGY INC.**

Per: (signed) "*Massimo Geremia*"
Massimo M. Geremia
President and Chief Executive Officer

# SCHEDULE A

## FORM OF SUBSCRIPTION AND RENUNCIATION AGREEMENT
## (CDE Flow-Through Shares)

To: Manitok Energy Inc. (the "**Corporation**")
Suite 2600, 585 - 8th Avenue S.W.
Calgary, Alberta T2P 1G1

1. ________________________________, as the duly authorized agent (the "**Agent**") for those persons listed in Exhibit I attached hereto (each, a "**CDE Subscriber**" and together the "**CDE Subscribers**") and in the respective numbers stated therein, hereby irrevocably subscribes for ___________________ common shares of the Corporation issued on a "flow-through basis" ("**CDE Flow-Through Shares**") at a price of $0.14 per CDE Flow-Through Share for an aggregate subscription price of $_____________ , upon the terms and conditions stated in this agreement (the "**CDE Subscription Agreement**") constituted by the acceptance hereof and as described in the shelf prospectus supplement of the Corporation dated November 22, 2016 (the "**Prospectus**").

   The Agent represents and warrants to the Corporation that it has been authorized to enter into this CDE Subscription Agreement on behalf of the CDE Subscribers and to make the representations, warranties and statements contained herein on their behalf. The CDE Subscribers have received a copy of the Prospectus and have tendered payment of their respective subscription price to the Agent in order that it may deliver a certified cheque or bank draft payable to the Corporation in respect thereof.

2. In this CDE Subscription Agreement:

   (a) "**Canadian Development Expense(s)**" or "**CDE**" means Canadian development expense as defined in subsection 66.2(5) of the Tax Act, excluding amounts which are prescribed to constitute "Canadian exploration and development overhead expense" under the Tax Act, any amount of assistance described in paragraphs 66(12.62)(a) of the Tax Act and any expense described in paragraph 66(12.62)(b.1) of the Tax Act;

   (b) "**Commitment Amount**" in respect of each CDE Subscriber means an amount equal to $0.14 multiplied by the number of CDE Flow-Through Shares subscribed for hereunder;

   (c) "**Expenditure Period**" means the period commencing on the date of acceptance of the CDE Subscription Agreements by the Corporation and ending on December 31, 2016;

   (d) "**principal business corporation**" means a principal-business corporation as defined in subsection 66(15) of the Tax Act;

   (e) "**Qualifying Expenditures**" means expenses that are CDE as at the date they are incurred; and

   (f) "**Tax Act**" means the *Income Tax Act* (Canada) and the regulations made thereunder, as amended from time to time.

3. All capitalized terms used herein and not otherwise defined herein shall have the same meanings

herein as are ascribed thereto in the Prospectus.

4. Each CDE Subscriber represents, warrants, covenants, certifies, acknowledges and declares to the Corporation and the Agent (and acknowledges that the Corporation and the Agent are relying thereon) that:

(a) this CDE Subscription Agreement is subject to acceptance by the Corporation and is effective only upon such acceptance;

(b) the CDE Subscriber has received and reviewed a copy of the Prospectus;

(c) except as provided herein or as otherwise stated in the Prospectus, the CDE Subscriber waives any right it may have to any potential incentive grants, credits or similar or like payments or benefits which accrue as a result of the activities of the Corporation that give rise to the CDE and acknowledges that all such grants, credits, payments or benefits accrue to the benefit of the Corporation;

(d) neither the CDE Subscriber, nor any beneficial purchaser for whom it is acting, is a non-resident of Canada for the purposes of the Tax Act;

(e) the CDE Subscriber, if an individual, is of the full age of majority and is otherwise legally competent to enter into this CDE Subscription Agreement or, if other than an individual, has the necessary capacity and authority to enter into this CDE Subscription Agreement and has taken all necessary action in respect thereof;

(f) the liability of the Corporation to renounce CDE is limited to the extent specifically stated in the Prospectus and in this CDE Subscription Agreement; and

(g) neither the CDE Subscriber, nor any beneficial purchaser for whom it is acting, will enter into any arrangement that would cause the CDE Flow-Through Shares to be "prescribed shares" for the purposes of the Tax Act.

5. The Corporation hereby represents and warrants to and for the benefit of the CDE Subscribers and the Agent (and acknowledges that the CDE Subscribers and the Agent are relying thereon) that:

(a) the Corporation 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 or partnership capacity, power and authority to carry on its business as described in the Prospectus and to own, lease and operate its properties and assets as described in the Prospectus;

(b) the Corporation has full corporate power and authority to enter into this CDE Subscription Agreement and to perform its obligations stated herein and this CDE Subscription Agreement has been duly authorized, executed and delivered by the Corporation and constitutes a legal, valid and binding obligation of the Corporation enforceable against the Corporation in accordance with its terms, subject to laws relating to creditors' rights generally and except as rights to indemnity and contribution may be limited by applicable law;

(c) the Corporation has the full corporate right, power and authority to incur and renounce to the CDE Subscribers Qualifying Expenditures in an amount equal to the Commitment Amount;

(d) the Corporation is, and will maintain its status as a principal business corporation throughout all periods relevant for the purposes of the Tax Act and the CDE Subscription Agreements;

(e) subject to any agreement, arrangement, obligation or undertaking to which the Corporation is not a party and of which it has no knowledge, upon issuance pursuant to the provisions of the CDE Subscription Agreements, the CDE Flow-Through Shares will be "flow-through shares" as defined in subsection 66(15) of the Tax Act and will not constitute "prescribed shares" for the purpose of Regulation 6202.1 of the Tax Act;

(f) the Corporation has not entered into any agreements or made any covenants with any parties that would restrict the Corporation from entering into this CDE Subscription Agreement and agreeing to incur and renounce Qualifying Expenditures during the Expenditure Period in accordance with this Flow-Through Subscription Agreement, nor that would require the prior renunciation to any other person of Qualifying Expenditures prior to the renunciation of the aggregate Commitment Amount in favour of the CDE Subscriber and the Corporation has no outstanding obligations in respect of any material amount to incur and renounce Qualifying Expenditures to any persons;

(g) the incurring and renunciation of Qualifying Expenditures to the CDE Subscribers pursuant to the CDE Subscription Agreements, does not and will not constitute a breach of or default under the constating documents of the Corporation or any law, regulation, order or ruling applicable to the Corporation or any agreement, contract or indenture to which the Corporation is a party or by which it is bound; and

(h) as at the date hereof, the Corporation has no reason to: (i) believe that it will be unable to incur Qualifying Expenditures during the Expenditure Period in an amount equal to the Commitment Amount; or (ii) believe that it will be unable to renounce to the CDE Subscribers effective on or before December 31, 2016 Qualifying Expenditures in an amount equal to the Commitment Amount.

6. The Corporation covenants with each of the CDE Subscribers as follows:

(a) to keep proper books, records and accounts of all Qualifying Expenditures and all transactions affecting the Commitment Amount and the Qualifying Expenditures, and to provide reasonable access to such books, records and accounts for review by or on behalf of the CDE Subscribers for the sole purpose of responding to the demand or proposal of the Canada Revenue Agency;

(b) to file with the appropriate tax authorities, the form prescribed by subsection 66(12.68) of the Tax Act together with a copy of this CDE Subscription Agreement or the Prospectus within the time period prescribed by law;

(c) to file with the appropriate tax authorities, the form prescribed by subsection 66(12.7) of the Tax Act on or before the last day of the first month following each month in which any renunciation is made pursuant to the terms of this CDE Subscription Agreement;

(d) to incur, during the Expenditure Period, Qualifying Expenditures in such amount as enables the Corporation to renounce to each CDE Subscriber, Qualifying Expenditures in an amount equal to the Commitment Amount of such CDE Subscriber;

(e) to renounce to each CDE Subscriber, effective on or before December 31, 2016, Qualifying Expenditures to be incurred during the Expenditure Period as required under the Tax Act in an amount equal to the Commitment Amount of such CDE Subscriber;

(f) to deliver to each CDE Subscriber within the time periods required by the Tax Act, and in any event not later than March 1, 2017, a statement (T-101 slip) setting forth the aggregate amounts of such Qualifying Expenditures renounced to each such CDE Subscriber;

(g) the Corporation will not reduce the amount renounced to the CDE Subscribers pursuant to the CDE Subscription Agreements and, in the event the amount renounced to the CDE Subscribers pursuant to the CDE Subscription Agreements is reduced pursuant to subsection 66(12.73) of the Tax Act (except as a result of any amendment to the Tax Act) or if the Corporation fails to renounce Qualifying Expenditures incurred during the Expenditure Period to the CDE Subscribers in an amount or amounts which in aggregate are equal to the Commitment Amount and with an effective date or dates of not later than December 31, 2016, as the sole recourse of the CDE Subscribers for such event, the Corporation shall indemnify the CDE Subscribers in an amount equal to the amount of any tax payable under the Tax Act (and under any corresponding provincial tax legislation) by the CDE Subscribers (and if the CDE Subscriber is a partnership, by any member thereof) as a consequence of such failure to renounce or such reduction, as the case may be;

(h) to maintain its status as a principal business corporation throughout all periods relevant for the purposes of the Tax Act and the CDE Subscription Agreements;

(i) to file all prescribed forms required under the Tax Act with respect to the issuance of the CDE Flow-Through Shares as “flow-through shares” as defined in subsection 66(15) of the Tax Act or that are necessary to renounce Qualifying Expenditures equal to the Commitment Amount to the CDE Subscribers effective on or before December 31, 2016 and to provide the CDE Subscribers with a copy of such form as is required to be provided thereto, all on a timely basis;

(j) that all Qualifying Expenditures renounced to the CDE Subscribers pursuant to the CDE Subscription Agreements will be Qualifying Expenditures incurred by the Corporation that, but for the renunciation to the CDE Subscribers, the Corporation would be entitled to deduct in computing its income for the purposes of Part I of the Tax Act;

(k) that the Corporation will not be subject to the provisions of subsection 66(12.67) of the Tax Act in a manner which impairs its ability to renounce Qualifying Expenditures to the CDE Subscribers in an amount equal to the Commitment Amount;

(l) that Qualifying Expenditures shall be renounceable to the CDE Subscribers in accordance with the Tax Act;

(m) the Corporation shall renounce to CDE Subscribers Qualifying Expenditures with respect to this CDE Subscription Agreement and all other flow-through share agreements of even date with this Subscription Agreement pro rata by number of CDE Flow-Through Shares issued or to be issued pursuant thereto prior to or concurrently with renouncing Qualifying Expenditures pursuant to any flow through share subscription agreements dated after the date of this CDE Subscription Agreement;

(n) that the Corporation has not and will not enter into any agreements or transactions, take deductions or make any tax elections or designations which would otherwise reduce its "cumulative Canadian development expense" (as defined in the Tax Act) to an extent which would preclude a renunciation of Qualifying Expenditures hereunder in an amount equal to the Commitment Amount effective on or before December 31, 2016; and

(o) that in the event that the Corporation cannot renounce to CDE Subscribers Qualifying Expenditures equal to 100% of the Commitment Amount, the Corporation shall renounce such lesser amount as is permitted and, to the extent the Corporation has incurred expenses which are capable of renunciation, but which are not Qualifying Expenditures, the Corporation shall, if agreed to by the CDE Subscribers, renounce such expenses to the CDE Subscribers, without any prejudice to any other rights the CDE Subscribers may have under the CDE Subscription Agreements.

7. Nothing in this CDE Subscription Agreement will constitute or be construed to constitute a partnership of any kind whatsoever between the CDE Subscribers or any of them and the Corporation.

8. The covenants, representations and warranties contained in this CDE Subscription Agreement shall be true and correct as of closing and shall survive the closing of the offering of securities under the Prospectus.

9. The subscriptions of the CDE Subscribers are further subject to any rights available to the CDE Subscribers under applicable laws.

10. This CDE Subscription Agreement inures to the benefit of and binds each party's heirs, executors, administrators, permitted successors, and assigns.

11. Time is of the essence in this CDE Subscription Agreement.

12. Alberta laws and Canadian laws applicable in Alberta govern this CDE Subscription Agreement. The parties hereby attorn to the exclusive jurisdiction of Alberta's courts.

[SIGNATURE PAGE FOLLOWS]

Dated ______________________________, 2016.

______________________________, as the duly authorized agent for those CDE Subscribers whose names are stated in Exhibit I.

Per: ____________________________________

Dated ______________________________, 2016.

THE CORPORATION HEREBY ACCEPTS THIS SUBSCRIPTION AND RENUNCIATION AGREEMENT at the City of Calgary, in the Province of Alberta.

**MANITOK ENERGY INC.**

Per: ____________________________________

**EXHIBIT I**

**MANITOK ENERGY INC.**

| Name of CDE Subscriber | Address of CDE Subscriber | Social Insurance Number or Corporate Tax Account Number | Number of CDE Flow-Through Shares Subscribed for | Total Subscription Amount @ $0.14 per share (Commitment Amount) |
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**SCHEDULE B**

**FORM OF SUBSCRIPTION AND RENUNCIATION AGREEMENT**
**(CEE Flow-Through Shares)**

To: Manitok Energy Inc. (the "**Corporation**")
Suite 2600, 585 - 8th Avenue S.W.
Calgary, Alberta T2P 1G1

1. ________________________________, as the duly authorized agent (the "**Agents**") for those persons listed in Exhibit I attached hereto (each, a "**CEE Subscriber**" and together the "**CEE Subscribers**") and in the respective numbers stated therein, hereby irrevocably subscribes for ____________________ common shares of the Corporation issued on a "flow-through basis" ("**CEE Flow-Through Shares**") at a price of $0.145 per CEE Flow-Through Share for an aggregate subscription price of $_____________ , upon the terms and conditions stated in this agreement (the "**CEE Subscription Agreement**") constituted by the acceptance hereof and as described in the shelf prospectus supplement of the Corporation dated November 22, 2016 (the "**Prospectus**").

   The Agents represents and warrants to the Corporation that it has been authorized to enter into this CEE Subscription Agreement on behalf of the CEE Subscribers and to make the representations, warranties and statements contained herein on their behalf. The CEE Subscribers have received a copy of the Prospectus and have tendered payment of their respective subscription price to the Agent in order that it may deliver a certified cheque or bank draft payable to the Corporation in respect thereof.

2. In this CEE Subscription Agreement:

   (a) "**Canadian Exploration Expense(s)**" or "**CEE**" means, in respect of expenses incurred on or before December 31, 2016, expenses described in the definition of "Canadian exploration expense" in subsection 66.1(6) of the Tax Act, and in respect of expenses incurred after December 31, 2016, those expenses described in paragraphs (a), (d), or (f) of the definition of "Canadian exploration expense" in subsection 66.1(6) of the Tax Act or that would be described in paragraph (h) of such definition if the reference therein to "paragraphs (a) to (d) and (f) to (g.1)" was a reference to "paragraphs (a), (d), and (f)", in all cases excluding amounts which are prescribed to constitute "Canadian exploration and development overhead expense" under the Tax Act, the amount of any assistance described in paragraph 66(12.6)(a) of the Tax Act and any expense described in paragraph 66(12.6)(b.1) of the Tax Act;

   (b) "**Commitment Amount**" in respect of each Subscriber means an amount equal to $0.145 multiplied by the number of CEE Flow-Through Shares subscribed for hereunder;

   (c) "**Expenditure Period**" means the period commencing on the date of acceptance of the Subscription Agreements by the Corporation and ending on December 31, 2017;

   (d) "**principal business corporation**" means a principal-business corporation as defined in subsection 66(15) of the Tax Act;

(e) "**Qualifying Expenditures**" means expenses that are CEE; and

(f) "**Tax Act**" means the *Income Tax Act* (Canada) and the regulations made thereunder, as amended from time to time.

3. All capitalized terms used herein and not otherwise defined herein shall have the same meanings herein as are ascribed thereto in the Prospectus.

4. Each CEE Subscriber represents, warrants, covenants, certifies, acknowledges and declares to the Corporation and the Agent (and acknowledges that the Corporation and the Agent are relying thereon) that:

(a) this CEE Subscription Agreement is subject to acceptance by the Corporation and is effective only upon such acceptance;

(b) the CEE Subscriber has received and reviewed a copy of the Prospectus;

(c) except as provided herein or as otherwise stated in the Prospectus, the CEE Subscriber waives any right it may have to any potential incentive grants, credits or similar or like payments or benefits which accrue as a result of the activities of the Corporation that give rise to the CEE and acknowledges that all such grants, credits, payments or benefits accrue to the benefit of the Corporation;

(d) neither the CEE Subscriber, nor any beneficial purchaser for whom it is acting, is a non-resident of Canada for the purposes of the Tax Act;

(e) the CEE Subscriber, if an individual, is of the full age of majority and is otherwise legally competent to enter into this CEE Subscription Agreement or, if other than an individual, has the necessary capacity and authority to enter into this CEE Subscription Agreement and has taken all necessary action in respect thereof;

(f) the CEE Subscriber, and any beneficial purchaser for whom it is acting deals, and until January 1, 2018 will continue to deal, at arm's length with the Corporation for the purposes of the Tax Act;

(g) the liability of the Corporation to renounce CEE is limited to the extent specifically stated in the Prospectus and in this CEE Subscription Agreement; and

(h) neither the CEE Subscriber, nor any beneficial purchaser for whom it is acting, will enter into any arrangement that would cause the CEE Flow-Through Shares to be "prescribed shares" for the purposes of the Tax Act.

5. The Corporation hereby represents and warrants to and for the benefit of the CEE Subscribers and the Agent (and acknowledges that the CEE Subscribers and the Agent are relying thereon) that:

(a) the Corporation 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 or partnership capacity, power and authority to carry on its business as described in the

Prospectus and to own, lease and operate its properties and assets as described in the Prospectus;

(b) the Corporation has full corporate power and authority to enter into this CEE Subscription Agreement and to perform its obligations stated herein and this CEE Subscription Agreement has been duly authorized, executed and delivered by the Corporation and constitutes a legal, valid and binding obligation of the Corporation enforceable against the Corporation in accordance with its terms, subject to laws relating to creditors' rights generally and except as rights to indemnity and contribution may be limited by applicable law;

(c) the Corporation has the full corporate right, power and authority to incur and renounce to the CEE Subscribers Qualifying Expenditures in an amount equal to the Commitment Amount;

(d) the Corporation is, and will maintain its status as a principal business corporation throughout all periods relevant for the purposes of the Tax Act and the CEE Subscription Agreements;

(e) subject to any agreement, arrangement, obligation or undertaking to which the Corporation is not a party and of which it has no knowledge, upon issuance pursuant to the provisions of the CEE Subscription Agreements, the CEE Flow-Through Shares will be "flow-through shares" as defined in subsection 66(15) of the Tax Act and will not constitute "prescribed shares" for the purpose of Regulation 6202.1 of the Tax Act;

(f) the Corporation has not entered into any agreements or made any covenants with any parties that would restrict the Corporation from entering into this CEE Subscription Agreement and agreeing to incur and renounce Qualifying Expenditures during the Expenditure Period in accordance with this Flow-Through Subscription Agreement, nor that would require the prior renunciation to any other person of Qualifying Expenditures prior to the renunciation of the aggregate Commitment Amount in favour of the CEE Subscriber and the Corporation has no outstanding obligations in respect of any material amount to incur and renounce Qualifying Expenditures to any persons;

(g) the incurring and renunciation of Qualifying Expenditures to the Subscribers pursuant to the Subscription Agreements, does not and will not constitute a breach of or default under the constating documents of the Corporation or any law, regulation, order or ruling applicable to the Corporation or any agreement, contract or indenture to which the Corporation is a party or by which it is bound; and

(h) as at the date hereof, the Corporation has no reason to: (i) believe that it will be unable to incur Qualifying Expenditures during the Expenditure Period in an amount equal to the Commitment Amount; (ii) believe that it will be unable to renounce to the CEE Subscribers effective on or before December 31, 2016 Qualifying Expenditures in an amount equal to the Commitment Amount.

6. The Corporation covenants and agrees with each of the CEE Subscribers:

(b) to use the gross proceeds from the issuance of the CEE Flow-Through Shares to fund ongoing exploration activities eligible for renunciation as CEE to the CEE Subscribers;

(c) to keep proper books, records and accounts of all Qualifying Expenditures and all transactions affecting the Commitment Amount and the Qualifying Expenditures, and to provide reasonable access to such books, records and accounts for review by or on behalf of the CEE Subscribers for the sole purpose of responding to the demand or proposal of the Canada Revenue Agency;

(d) to file with the appropriate tax authorities, the form prescribed by subsection 66(12.68) of the Tax Act together with a copy of this CEE Subscription Agreement or the Prospectus within the time period prescribed by law;

(e) to file with the appropriate tax authorities, the form prescribed by subsection 66(12.7) of the Tax Act on or before the last day of the first month following each month in which any renunciation is made pursuant to the terms of this CEE Subscription Agreement;

(f) to incur, during the Expenditure Period, Qualifying Expenditures in such amount as enables the Corporation to renounce to each CEE Subscriber, Qualifying Expenditures in an amount equal to the Commitment Amount of such CEE Subscriber;

(g) to renounce to each CEE Subscriber, effective on or before December 31, 2016, Qualifying Expenditures to be incurred during the Expenditure Period as required under the Tax Act in an amount equal to the Commitment Amount of such CEE Subscriber;

(h) to deliver to each CEE Subscriber within the time periods required by the Tax Act, and in any event not later than March 1, 2017, a statement (T-101 slip) setting forth the aggregate amounts of such Qualifying Expenditures renounced to each such CEE Subscriber;

(i) the Corporation will not reduce the amount renounced to the CEE Subscribers pursuant to the CEE Subscription Agreements and, in the event the amount renounced to the CEE Subscribers pursuant to the CEE Subscription Agreements is reduced pursuant to subsection 66(12.73) of the Tax Act (except as a result of any amendment to the Tax Act) or if the Corporation fails to renounce Qualifying Expenditures incurred during the Expenditure Period to the CEE Subscribers in an amount or amounts which in aggregate are equal to the Commitment Amount and with an effective date or dates of not later than December 31, 2016, as the sole recourse of the CEE Subscribers for such event, the Corporation shall indemnify the CEE Subscribers in an amount equal to the amount of any tax payable under the Tax Act (and under any corresponding provincial tax legislation) by the CEE Subscribers (and if the CEE Subscriber is a partnership, by any member thereof) as a consequence of such failure to renounce or such reduction, as the case may be;

(j) to maintain its status as a principal business corporation throughout all periods relevant for the purposes of the Tax Act and the CEE Subscription Agreements;

(k) to file all prescribed forms required under the Tax Act with respect to the issuance of the CEE Flow-Through Shares as “flow-through shares” as defined in subsection 66(15) of the Tax Act or that are necessary to renounce Qualifying Expenditures equal to the

Commitment Amount to the CEE Subscribers effective on or before December 31, 2016 and to provide the CEE Subscribers with a copy of such form as is required to be provided thereto, all on a timely basis;

(l) that all Qualifying Expenditures renounced to the CEE Subscribers pursuant to the CEE Subscription Agreements will be Qualifying Expenditures incurred by the Corporation that, but for the renunciation to the CEE Subscribers, the Corporation would be entitled to deduct in computing its income for the purposes of Part I of the Tax Act;

(m) that the Corporation will not be subject to the provisions of subsection 66(12.67) of the Tax Act in a manner which impairs its ability to renounce Qualifying Expenditures to the CEE Subscribers in an amount equal to the Commitment Amount;

(n) that Qualifying Expenditures shall be renounceable to the CEE Subscribers in accordance with the Tax Act;

(o) the Corporation shall renounce to CEE Subscribers Qualifying Expenditures with respect to this CEE Subscription Agreement and all other flow-through share agreements of even date with this Subscription Agreement pro rata by number of CEE Flow-Through Shares issued or to be issued pursuant thereto prior to or concurrently with renouncing Qualifying Expenditures pursuant to any flow through share subscription agreements dated after the date of this CEE Subscription Agreement;

(p) that the Corporation has not and will not enter into any agreements or transactions, take deductions or make any tax elections or designations which would otherwise reduce its "cumulative Canadian exploration expense" (as defined in the Tax Act) to an extent which would preclude a renunciation of Qualifying Expenditures hereunder in an amount equal to the Commitment Amount effective on or before December 31, 2016; and

(q) that in the event that the Corporation cannot renounce to CEE Subscribers Qualifying Expenditures equal to 100% of the Commitment Amount, the Corporation shall renounce such lesser amount as is permitted and, to the extent the Corporation has incurred expenses which are capable of renunciation, but which are not Qualifying Expenditures, the Corporation shall, if agreed to by the CEE Subscribers, renounce such expenses to the CEE Subscribers, without any prejudice to any other rights the Subscribers may have under the Subscription Agreements.

7. Nothing in this CEE Subscription Agreement will constitute or be construed to constitute a partnership of any kind whatsoever between the CEE Subscribers or any of them and the Corporation.

8. The covenants, representations and warranties contained in this CEE Subscription Agreement shall be true and correct as of closing and shall survive the closing of the offering of securities under the Prospectus.

9. The subscriptions of the CEE Subscribers are further subject to any rights available to the CEE Subscribers under applicable laws.

10. This CEE Subscription Agreement inures to the benefit of and binds each party's heirs,

executors, administrators, permitted successors, and assigns.

11. Time is of the essence in this CEE Subscription Agreement.

12. Alberta laws and Canadian laws applicable in Alberta govern this CEE Subscription Agreement. The parties hereby attorn to the exclusive jurisdiction of Alberta's courts.

[SIGNATURE PAGE FOLLOW

Dated _______________________________, 2016.

_______________________________, as the duly authorized agent for those CEE Subscribers whose names are stated in Exhibit I.

Per: ______________________________________

Dated _______________________________, 2016.

THE CORPORATION HEREBY ACCEPTS THIS SUBSCRIPTION AND RENUNCIATION AGREEMENT at the City of Calgary, in the Province of Alberta.

**MANITOK ENERGY INC.**

Per: ______________________________________

**EXHIBIT I**

**MANITOK ENERGY INC.**

| Name of CEE Subscriber | Address of CEE Subscriber | Social Insurance Number or Corporate Tax Account Number | Number of CEE Flow-Through Shares Subscribed for | Total Subscription Amount @ $0.145 per share (Commitment Amount) |
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