REFINANCING AGREEMENT

THIS REFINANCING AGREEMENT (this "**Refinancing Agreement**") has been entered into as of December 27, 2017,

BETWEEN:

CLEARSTREAM ENERGY SERVICES INC., a corporation incorporated under the *Business Corporations Act* (Ontario)

(the "**Corporation**")

- and -

CANSO INVESTMENT COUNSEL LTD., in its capacity as portfolio manager for and on behalf of the Canso Acquirors

("**Canso**")

WHEREAS:

A. The Corporation will not have funds available to meet the interest obligations under its outstanding 8.00% Senior Secured Debentures due 2026 (the "**Senior Secured Debentures**") and 10.00% Second Lien Secured Convertible Debentures due 2026 (the "**Convertible Secured Debentures**") that will become due and payable January 2, 2018 (the "**December 31 Interest Obligations**") given its current liquidity position and the restrictions preventing it from using other sources of funds (including the Corporation's credit facilities) to meet the December 31 Interest Obligations;

B. In order to meet the December 31 Interest Obligations and in order to provide financial certainty to the Corporation that it will be able to meet its near-term financial obligations as they become due, the Corporation wishes to refinance certain of its existing indebtedness (the "**Refinancing**") by (i) issuing on a private placement basis 18,800 Preferred Shares of the Corporation (as defined below) at a price of $1,000 for each Preferred Share; and (ii) issuing an aggregate of 108,565 Preferred Shares in exchange for the cancellation of (a) $75,000,000 aggregate principal amount of its outstanding Senior Secured Debentures, and (b) $33,565,000 aggregate principal amount of its outstanding Convertible Secured Debentures;

C. In support of the Refinancing, Canso, acting for and on behalf of the Canso Acquirors (as defined below), wishes to (i) subscribe for 18,800 Preferred Shares for an aggregate purchase price of $18,800,000; and (ii) exchange for cancellation (a) $75,000,000 aggregate principal amount of Senior Secured Debentures for 75,000 Preferred Shares; and (b) $33,565,000 aggregate principal amount of Convertible Secured Debentures for 33,565 Preferred Shares; and

D. In order to facilitate the Refinancing, the Corporation has agreed to (i) create and issue the Preferred Shares; and (ii) obtain approval of (a) the Second Supplemental Senior

Secured Indenture (as defined below) by the holders of Senior Secured Debentures and (b) the Second Supplemental Convertible Secured Indenture (as defined below) by the holders of Convertible Secured Debentures.

IN CONSIDERATION of the issuance of the Preferred Shares and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby agree as follows:

1. **Definitions**

In this Refinancing Agreement, unless something in the subject matter is inconsistent therewith:

"**Acquired Preferred Shares**" has the meaning set forth in Section 3(b);

"**Action**" means any action, claim, lawsuit, arbitration, order, direction, notice of non-compliance or proceeding of any nature by or before any Governmental Entity;

"**Amended Convertible Secured Indenture**" means the Convertible Secured Indenture as the same shall be amended by the Second Supplemental Convertible Secured Indenture;

"**Amended Senior Secured Indenture**" means the Senior Secured Indenture as the same shall be amended by the Second Supplemental Senior Secured Indenture;

"**Articles of Amendment**" means the articles of amendment to be filed by the Corporation in accordance with the *Business Corporations Act* (Ontario) creating the Preferred Shares;

"**Bankruptcy Exceptions**" has the meaning set forth in Section 9(f);

"**BMO Facility Credit Agreement**" means the credit agreement dated as of March 23, 2016 among ClearStream Energy Holdings LP, as borrower, the Corporation, Bank of Montreal, as agent, and each of the banks and financial institutions from time to time party thereto, as lenders, as amended by a first amending agreement effective as of June 30, 2016 and dated as of June 24, 2016, a second amending agreement dated as of August 25, 2016, a third amending agreement dated as of December 23, 2016, a fourth amending agreement dated as of June 30, 2017, and a fifth amending agreement dated as of August 25, 2017;

"**Business Day**" means any day that is not a Saturday, a Sunday or other day on which commercial banks in the city of Toronto, Ontario or Calgary, Alberta are required or authorized by Law to be closed;

"**Canso**" has the meaning set forth in the preamble hereto;

"**Canso Acquirors**" means certain accounts managed by Canso in its capacity as portfolio manager;

"**CDS**" means CDS Clearing and Depository Services Inc., and its successors;

"**Closing Date**" has the meaning set forth in Section 6;

"**Closing Time**" has the meaning set forth in Section 6;

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

"**Convertible Secured Debentures**" has the meaning set forth in the recitals hereto;

"**Convertible Secured Indenture**" means the secured trust indenture dated as of March 23, 2016, between the Corporation and BNY Trust Company of Canada, as debenture trustee, providing for the issue of the Convertible Secured Debentures, as supplemented by the First Supplemental Indenture effective as of June 30, 2016 and dated August 11, 2016;

"**Corporation**" has the meaning set forth in the preamble hereto;

"**Debt Exchange Preferred Shares**" has the meaning set forth in Section 3(b);

"**December 31 Interest Obligations**" has the meaning set forth in recitals hereto;

"**Governmental Entity**" means any (a) multinational, federal, provincial, territorial, municipal, local or other governmental or public department, central bank, court, commission, board, bureau, agency or instrumentality, domestic or foreign, (b) any subdivision or authority of any of the foregoing, (c) any quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the above, or (d) a stock exchange, automated quotation system, self-regulatory authority or securities regulatory authority;

"**Indemnified Person**" has the meaning set forth in Section 12(a);

"**Indemnifying Party**" has the meaning set forth in Section 12(b);

"**Laws**" means any and all applicable laws, including all statutes, codes, ordinances, decrees, rules, regulations, municipal by-laws, judicial or arbitral or administrative or ministerial or departmental or regulatory judgments, orders, decisions, rulings or awards, instruments, policies, guidelines, and general principles of common law and equity, binding on or affecting the Person referred to in the context in which the word is used;

"**Losses**" has the meaning set forth in Section 12(a);

"**Material Adverse Change**" means any change, effect, event, occurrence or state of facts that, individually or in aggregate, is, or would reasonably be expected to be, materially adverse to the business, properties, assets (tangible or intangible), liabilities (absolute, accrued, contingent or otherwise), condition (financial or otherwise), capitalization, operations or results of operations of the Corporation, other than a change, effect, event, occurrence or state of facts resulting from (a) any change in generally accepted accounting principles for publicly-accountable enterprises as set out in the Canadian Institute of Chartered Accountants Handbook-Accounting, (b) any change in applicable Laws, (c) any change in exchange rates or change relating to general political, economic or financial conditions in Canada, (d) any change in the industries in which the Corporation operates, (e) any natural disaster, (f) the announcement, potential performance or pendency, as applicable, of this Refinancing Agreement, the Refinancing or any Transaction Agreement, (g) any change in the market price or trading volume of any securities of the Corporation (provided that the underlying cause or causes of such change may be taken into account in determining whether a Material Adverse Change has occurred) or any suspension of trading in securities generally on any securities exchange on which any securities of the Corporation trade, (h) the failure of the Corporation to meet any internal or public projections, forecasts or estimates of revenues or earnings (provided that the underlying cause or causes of such failure may be taken into account in determining whether a Material Adverse Change has occurred), and (i) any action or omission of the Corporation taken upon the written request or with the express written consent of Canso; provided, however, that such change, effect, event, occurrence or state of facts referred to in (a), (b), (c), (d) and (e) above does not primarily relate to (or have the effect of primarily relating to) the Corporation or disproportionately adversely affect the Corporation compared to other companies operating in the industries in which the Corporation operates;

"**material fact**" means a material fact for the purposes of the Securities Act;

"**Misrepresentations**" means a "misrepresentation" as defined in section 1(1) of the Securities Act;

"**NI 45-106**" means National Instrument 45-106 – *Prospectus Exemptions* of the Canadian Securities Administrators;

"**Person**" means an individual, corporation, partnership, limited partnership, limited liability partnership, limited liability company, association, trust, estate, custodian, trustee, executor, administrator, nominee or other entity or organization, including a Governmental Entity or political subdivision or an agency or instrumentality thereof;

"**Preferred Shares**" means the Series 1 cumulative redeemable convertible preferred shares in the capital of the Corporation having the terms substantially set forth in the draft Articles of Amendment delivered by the parties concurrently herewith;

"**Public Documents**" means (a) the annual information form for the Corporation dated March 6, 2017; (b) management's discussion and analysis for the Corporation for the year ended December 31, 2016; (c) the audited consolidated financial statements of the Corporation as at and for the year ended December 31, 2016, together with the auditors' reports thereon; (d) management's discussion and analysis for the Corporation for the three and nine months ended September 30, 2017; (e) the unaudited interim consolidated financial statements for the three and nine months ended September 30, 2017; (f) management proxy circular dated May 19, 2017 in connection with the Corporation's June 21, 2017 annual meeting; (g) all material change reports filed by the Corporation since December 31, 2016; and (h) any other document which is or will be filed on the Corporation's profile on SEDAR on or after December 31, 2016;

"**Purchase Price**" has the meaning set forth in Section 4(c)(ii);

"**Purchased Preferred Shares**" has the meaning set forth in Section 3(a);

"**Refinancing**" has the meaning set forth in the recitals hereto;

"**Reimbursement Letter**" means the letter agreement dated December 1, 2017, between Canso, in its capacity as portfolio manager for and on behalf of the Canso Acquirors, and the Corporation;

"**Second Supplemental Convertible Secured Indenture**" means the second supplemental convertible secured indenture to be entered into between the Corporation and BNY Trust Company of Canada, as debenture trustee, having the terms substantially set forth in the draft second supplemental convertible secured indenture delivered by the parties concurrently herewith;

"**Second Supplemental Senior Secured Indenture**" means the second supplemental senior secured indenture to be entered into between the Corporation and BNY Trust Company of Canada, as debenture trustee, having the terms substantially set forth in the draft second supplemental senior secured indenture delivered by the parties concurrently herewith;

"**Securities Act**" means the *Securities Act* (Ontario), as amended;

"**SEDAR**" means the System for Electronic Document Analysis and Retrieval (SEDAR) as further described within National Instrument 13-101 of the Canadian Securities Administrators;

"**Senior Blocked Accounts Agreement**" means the blocked accounts agreement to be entered into between the Corporation, the Senior Secured Debenture Trustee and Bank of Montreal in form and substance satisfactory to the Senior Secured Debenture Trustee, wherein Bank of Montreal acknowledges certain rights of the Senior Secured Debenture Trustee (for the benefit of holders of Senior Secured Debentures) in the Senior Interest Reserve Account;

“**Senior Interest Reserve Account**” has the meaning set forth in Section 4(b)(iii);

"**Senior Secured Debenture Trustee**" has the meaning set forth in the definition of “Senior Secured Indenture”;

"**Senior Secured Debentures**" has the meaning set forth in the recitals hereto;

"**Senior Secured Indenture**" means the secured trust indenture dated as of March 23, 2016, between the Corporation and BNY Trust Company of Canada, as debenture trustee (the "**Senior Secured Debenture Trustee**"), providing for the issue of the Senior Secured Debentures, as supplemented by the First Supplemental Indenture effective as of June 30, 2016 and dated August 11, 2016;

"**Transaction Agreements**" means collectively, this Refinancing Agreement, the Amendment to the Registration Rights Agreement, the Second Supplemental Senior Secured Indenture, the Second Supplemental Convertible Secured Indenture and the Senior Blocked Accounts Agreement;

"**TSX**" means the Toronto Stock Exchange; and

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

2. **Interpretation**

(a) The division of this Refinancing Agreement into Articles, Sections, Schedules, paragraphs and clauses and the provision of headings are for the convenience of reference only and will not affect the construction or interpretation of this Refinancing Agreement. The terms "this Refinancing Agreement", "hereof", "hereunder", "herein" and similar expressions refer to this Refinancing Agreement as a whole and not to any particular Article, Section, Schedule, paragraph, clause or other portion hereof and include any agreement or instrument supplemental or ancillary hereto. Unless something in the subject matter or context is inconsistent therewith, references herein to Articles, Sections, Schedules, paragraphs or clauses are to Articles, Sections, Schedules, paragraphs or clauses of this Refinancing Agreement. References to any contract, agreement or instrument (each, an "agreement") shall refer to such agreement as amended, amended and restated, waived, supplemented or otherwise modified from time to time unless otherwise noted.

(b) Words importing the singular number only will include the plural and vice versa, words importing the masculine gender will include the feminine and neuter genders and vice versa and the words importing persons will include individuals, partnerships, trusts, corporations, governments and governmental authorities and vice versa.

(c) Unless otherwise specifically stated, all references to dollars and cents in this Refinancing Agreement are to the lawful currency of Canada.

(d) Any reference to a statute, act or law will include and will be deemed to be a reference to such statute, act or law and to the regulations, instruments and policies made pursuant thereto, with all amendments made thereto and in force from time to time, and to any statute, act or law that may be passed which has the effect of supplementing or superseding such statute, act or law so referred to.

3. **Refinancing**

Canso, for and on behalf of the Canso Acquirors, hereby agrees, subject to the terms and conditions set forth herein, to:

(a) purchase, on the Closing Date, 18,800 Preferred Shares for an aggregate purchase price of $18,800,000 ("**Purchased Preferred Shares**"); and

(b) exchange for cancellation, on the Closing Date (i) $75,000,000 aggregate principal amount of Senior Secured Debentures for 75,000 Preferred Shares; and (ii) $33,565,000 aggregate principal amount of Convertible Secured Debentures for 33,565 Preferred Shares (the Preferred Shares referred to in clauses (i) and (ii) of this Section 3(b), collectively, the "**Debt Exchange Preferred Shares**", and together with the Purchased Preferred Shares, the "**Acquired Preferred Shares**").

4. **Conditions to Issuance of the Acquired Preferred Shares**

(a) **Mutual Conditions**. The respective obligations of each of the Corporation and Canso, for and on behalf of the Canso Acquirors, to complete the issuance by the Corporation and acquisition by Canso, for and on behalf of the Canso Acquirors, of the Acquired Preferred Shares on the Closing Date, is subject to the following conditions being satisfied in full:

(i) There being no Actions in progress, or to the knowledge of the Corporation or Canso, pending or threatened, by or before any Governmental Entity in any jurisdiction, to enjoin, restrict or prohibit the issuance of the Acquired Preferred Shares or the Common Shares issuable upon conversion of the Acquired Preferred Shares or suspending or ceasing the trading of any securities of the Corporation.

(ii) The Corporation will have obtained conditional approval of the TSX in respect of the acquisition of the Acquired Preferred Shares pursuant to this Refinancing Agreement and the listing of the Common Shares issuable on conversion of the Acquired Preferred Shares on the TSX.

(b) **Conditions in Favour of Canso**. The obligation of Canso, for and on behalf of the Canso Acquirors, to complete the acquisition of the Acquired Preferred Shares on the Closing Date, is subject to the following conditions being satisfied in full, which conditions are for the exclusive benefit of Canso, for and on behalf of the Canso Acquirors, any of which may be waived, in whole or in part, by Canso, in its sole and absolute discretion:

(i) The Corporation will have taken all requisite actions, including the passing of all requisite resolutions of the directors of the Corporation and the holders of Senior Secured Debentures and Convertible Secured Debentures, and have made and/or obtained all necessary filings, approvals, orders, rulings and consents of all relevant securities regulatory authorities and other Governmental Entities, required in connection with the execution and delivery of the Second Supplemental Senior Secured Indenture and the Second Supplemental Convertible Secured Indenture, the issuance and delivery of the Acquired Preferred Shares and the purchase of the Acquired Preferred Shares by Canso, for and on behalf of the Canso Acquirors, as contemplated by this Refinancing Agreement.

(ii) Canso will have received a legal opinion dated as of the Closing Date with respect to the matters set forth in Schedule B hereto from Canadian counsel to the Corporation in form and substance satisfactory to Canso, acting reasonably.

(iii) The Corporation will have entered into each of the Transaction Agreements to be entered into on or prior to the Closing Date, in the form of each such document as agreed upon with Canso, which agreements will remain in full force and effect, unamended, as at the Closing Time (except for amendments made with the prior written consent of Canso, in its sole and absolute discretion) and will have established in its name an account with Bank of Montreal entitled "ClearStream Energy Services Inc. – Senior Interest Reserve Account" (the "**Senior Interest Reserve Account**").

(iv) The Articles of Amendment creating and setting forth the provisions of the Preferred Shares shall have been filed in accordance with the *Business Corporations Act* (Ontario) in form and substance satisfactory to Canso.

(v) The Corporation will have entered into an amendment or side letter to the registration rights agreement dated March 23, 2016, between Canso and the Corporation on or prior to the Closing Date in form and substance satisfactory to Canso, acting reasonably.

(vi) Canso will have received at the Closing Time on the Closing Date a certificate or certificates dated as of the Closing Date, and signed on behalf of the Corporation by the Executive Chairman and the Chief Financial Officer of the Corporation or such other officers of the Corporation acceptable to Canso, acting reasonably, in form and content satisfactory to Canso, acting reasonably, addressed to Canso certifying for and on behalf of the Corporation (and without personal liability) after having made due enquiry, with respect to the following matters:

(A) its constating documents;

(B) the executed Second Supplemental Senior Secured Indenture and the executed Second Supplemental Convertible Secured Indenture;

(C) the resolutions of its board of directors relevant to the approval of the issue and sale of the Acquired Preferred Shares and the Common Shares issuable upon conversion of the Acquired Preferred Shares and the authorization of this Refinancing Agreement and the other Transaction Agreements and transactions contemplated herein and therein;

(D) the incumbency and signatures of its authorized signing officers;

(E) there being no Actions in progress, or to the knowledge of the Corporation, pending or threatened, by or before any

Governmental Entity in any jurisdiction, to enjoin, restrict or prohibit the issuance of the Acquired Preferred Shares or the Common Shares issuable upon conversion of the Acquired Preferred Shares or suspending or ceasing the trading of any securities of the Corporation;

(F) that the Corporation has duly performed or complied in all material respects with all of the terms, conditions and covenants of this Refinancing Agreement on its part to be complied with or to be satisfied by it up to the Closing Date;

(G) that the representations and warranties of the Corporation contained in this Refinancing Agreement are true and correct in all material respects as of the Closing Date, with the same force and effect as if made at and as of the Closing Date, except for such representations and warranties which are stated to be qualified as to materiality, in which case such representations and warranties will be true and correct in all respects as of the Closing Date; and

(H) that the authorized capital of the Corporation consists of an unlimited number of Common Shares, of which 109,941,241 Common Shares are issued and outstanding, and preferred shares issuable in series to be limited in number to an amount equal to not more than one half of the issued and outstanding Common Shares at the time of issuance of such preferred shares, of which no preferred shares are issued and outstanding as of the date hereof and 18,800 Preferred Shares will be issued and outstanding immediately following the Closing Time;

and all such matters will in fact be true and correct as of the Closing Date.

(vii) The Acquired Preferred Shares, and the Common Shares issuable upon the conversion of the Acquired Preferred Shares, when issued and delivered, shall be duly authorized and validly issued, fully paid and non-assessable shares in the capital of the Corporation.

(viii) All material filings under applicable securities Laws that are required for the implementation of the Refinancing and the consummation of the transactions contemplated by the Transaction Agreements shall have been made.

(ix) There shall not have occurred, after the date hereof, a Material Adverse Change.

(x) The BMO Facility Credit Agreement shall have been amended to, among other things, permit the execution and delivery by the Corporation of the

Transaction Agreements and the consummation of the transactions contemplated thereby pursuant to an amended and restated credit agreement to be entered into between ClearStream Energy Holdings LP, as borrower, the Corporation, Bank of Montreal, as agent, and the banks and financial institutions party to the BMO Facility Credit Agreement on terms and conditions reasonably satisfactory to the Corporation and Canso.

(xi) Dean MacDonald shall have exchanged all of the Convertible Secured Debentures owned and/or controlled by him for Preferred Shares effective as of the Closing Time.

(c) **Conditions in Favour of the Corporation**. The obligation of the Corporation to issue the Acquired Preferred Shares to Canso, for and on behalf of the Canso Acquirors, is subject to the following conditions being satisfied on or before the Closing Date, which conditions are for the exclusive benefit of the Corporation, and which may be waived, in whole or in part, by the Corporation, in its sole and absolute discretion:

(i) The Corporation will have received at the Closing Time on the Closing Date a certificate or certificates dated the Closing Date, and signed on behalf of Canso by such officer of Canso acceptable to the Corporation, acting reasonably, addressed to the Corporation certifying for and on behalf of Canso (and without personal liability) after having made due enquiry that:

(A) Canso has duly performed or complied, in all material respects, with the terms, conditions and covenants of this Refinancing Agreement on its part to be complied with up to the Closing Date; and

(B) The representations and warranties of Canso, for and on behalf of the Canso Acquirors, contained in this Refinancing Agreement are true and correct in all material respects as of the Closing Date (except for such representations and warranties expressly stated to relate to an earlier date, in which case, as of such earlier date) with the same force and effect as if made at and as of the Closing Date, except for such representations and warranties which are stated to be qualified as to materiality, in which case such representations and warranties will be true and correct in all respects as of the Closing Date.

(ii) The Corporation shall have received on the Closing Date: (i) an aggregate purchase price of $18,800,000 (the "**Purchase Price**") in cash for the Purchased Preferred Shares; and (ii) $75,000,000 aggregate principal amount of Senior Secured Debentures for cancellation in accordance with the Amended Convertible Secured Debenture and $33,565,000 aggregate principal amount of Convertible Secured Debentures for the Debt Exchange Preferred Shares for cancellation in accordance with the Amended Convertible Secured Indenture.

(d) Each of the Corporation and Canso agrees that it will use commercially reasonable efforts to cause the conditions set forth in this Section 4 to be satisfied to the extent that such conditions relate to acts to be performed or caused to be performed by such party.

5. **Deliveries**

(a) At the Closing Time on the Closing Date, Canso, for and on behalf of the Canso Acquirors, shall deliver to the Corporation or its agent through the facilities of CDS, or in such other manner as Canso and the Corporation may otherwise agree in writing, one or more wire transfers in same day freely transferable Canadian funds at par in Toronto, Ontario, in the aggregate amount of $18,800,000 in cash for the Purchased Preferred Shares, and the Corporation shall cause the Purchased Preferred Shares to be credited to the accounts of the Canso Acquirors through the facilities of CDS.

(b) At the Closing Time on the Closing Date, except as Canso and the Corporation may otherwise agree in writing, the Corporation shall issue and deliver to Canso, for and on behalf of the Canso Acquirors, and cause to be credited to the accounts of the Canso Acquirors through the facilities of CDS, the Debt Exchange Preferred Shares in exchange for the delivery and cancellation of $75,000,000 aggregate principal amount of Senior Secured Debentures and $33,565,000 aggregate principal amount of Convertible Secured Debentures.

6. **Closing**

The closing for the acquisition of the Acquired Preferred Shares contemplated herein will take place on the second (2^{nd}) Business Day after the satisfaction or waiver by the applicable party in whose favour the condition is, of the conditions set forth in Section 4 of this Agreement (excluding conditions that, by their terms, are to be satisfied on the Closing Date, but subject to the satisfaction or waiver by the applicable party in whose favour the condition is, of those conditions as of the Closing Date) or at such earlier or later date as the Corporation and Canso may agree in writing; provided, however, that the closing shall not occur later than January 17, 2018 (the date on which the Closing takes place, the “**Closing Date**”). On the Closing Date, the Closing shall be completed at the offices of Norton Rose Fulbright LLP at Suite 3800, Royal Bank Plaza, South Tower, 200 Bay Street, Toronto, Ontario, or at such other mutually acceptable place, at 10:00 a.m. (Toronto time) (the “**Closing Time**”), or at such other mutually acceptable time.

7. **Corporation Covenants**

Subject to and in accordance with the terms hereof, the Corporation covenants and agrees with and in favour of Canso that:

(a) **Cease Trade Orders**. From the date hereof through the earlier of termination of this Refinancing Agreement and the Closing Time on the Closing Date, it will immediately notify Canso in writing of any written demand, request or inquiry (formal or informal) by any securities commission, the TSX or other Governmental Entity that concerns any matter relating to the affairs of the Corporation that may materially adversely affect the transactions contemplated herein or in the other Transaction Agreements, or any other matter contemplated by this Refinancing Agreement, or that relates to the issuance, or threatened issuance, by any such authority of any cease trading or similar order or ruling relating to any securities of the Corporation. Any notice delivered to Canso pursuant to this Section 7(a) will contain reasonable details of the notice, demand, request, inquiry, correspondence, order or ruling in question. The Corporation will use all reasonable efforts to prevent the issuance of any orders contemplated in this Section 7(a) and, if issued, to obtain their prompt withdrawal.

(b) **Listing**. On or before the Closing Date, the Corporation will use commercially reasonable efforts to cause the listing of the Common Shares issuable on conversion of the Acquired Preferred Shares on the TSX.

(c) **TSX Approval**. On or before the Closing Date the Corporation will use commercially reasonable efforts to obtain conditional approval of the TSX in respect of the acquisition of the Preferred Shares pursuant to the Refinancing Agreement.

(d) **Fees and Expenses**. Whether or not the transactions contemplated by this Refinancing Agreement are consummated, the Corporation will pay all reasonable and documented out-of-pocket costs, expenses, fees and disbursements (including, without limitation, reasonable and documented legal fees and expenses and due diligence expenses) of Canso and its counsel incurred in connection with the preparation, review, negotiation, execution and delivery of the Transaction Agreements and all other agreements, memoranda, correspondence and documents prepared and delivered in connection with the Refinancing, this Refinancing Agreement or any other Transaction Agreement.

(e) **Use of Proceeds**. The net proceeds received by the Corporation in connection with the sale of the Purchased Preferred Shares will be used by the Corporation to complete the Refinancing and pay fees, commissions and expenses in connection with the Refinancing, and to make scheduled interest payments due on the Senior Secured Debentures and the Convertible Secured Debentures in December 2017, June 2018 and December 2018, unless otherwise agreed in writing by Canso.

(f) **Consents and Approvals**. It will use its commercially reasonable efforts to obtain all necessary consents, approvals or exemptions required in connection with (i) the execution and delivery of the Second Supplemental Senior Secured Indenture and the Second Supplemental Convertible Secured Indenture; (ii) the exchange and cancellation of the Senior Secured Debentures and the Convertible Secured Debentures; (iii) the issuance of the Acquired Preferred Shares and the issuance of Common Shares upon conversion of the Acquired Preferred Shares; and (iv) the entering into and performance by it of this Refinancing Agreement and the transactions contemplated herein and the other Transaction Agreements.

(g) **Completion of Transactions**. The Corporation shall (i) pursue, support and use commercially reasonable efforts to complete, in good faith, the transactions contemplated by this Refinancing Agreement and the other Transaction Agreements; (ii) do and perform all things required to be done and performed under this Refinancing Agreement or any other Transaction Agreement, including without limitation using commercially reasonable efforts to satisfy the conditions precedent set forth in this Refinancing Agreement; (iii) not take any action, directly or indirectly, that is materially inconsistent with, or is intended or is likely to interfere with the consummation of the transactions contemplated by this Refinancing Agreement and the other Transaction Agreements, except as required by applicable Law or by any Governmental Entity having jurisdiction over the Corporation; and (iv) provide Canso and its counsel with a reasonable opportunity to review and comment on any documents or other materials submitted to the TSX or any other Governmental Entity, it being acknowledged and agreed by the parties that whether or not such comments are appropriate will be determined by the Corporation and its counsel, acting reasonably, and the Corporation has not been influenced by Canso in respect of the release of such documents.

(h) **Securities Laws**. It will take all action as may be necessary and appropriate so that the transactions contemplated in this Refinancing Agreement and in the other Transaction Agreements will be effected in accordance with applicable securities Laws.

(i) **Interim Period**. Other than as contemplated by this Refinancing Agreement or any other Transaction Agreement, during the period from the date hereof up to the earlier of termination of this Refinancing Agreement and the Closing Time on the Closing Date, the Corporation shall:

(i) except to create the Preferred Shares, not amend or propose to amend its certificate of incorporation, articles, by-laws or other constating documents;

(ii) not amalgamate, merge or consolidate with, or sell all or substantially all of its assets, to one or more Persons or enter into any other transaction of similar effect under the Laws of any jurisdiction, or change the nature of its business or its corporate or capital structure, without the prior written consent of Canso; provided that in the event of an amalgamation, merger, consolidation or sale of all or substantially all of its assets, the Corporation will ensure that the surviving successor entity in such transaction assumes (by operation of law or otherwise) its obligations hereunder;

(iii) operate its business in the ordinary course of business, except as may be otherwise contemplated in connection with this Refinancing Agreement and the Refinancing;

(iv) provide Canso and its lawyers, consultants, accountants and other authorized representatives reasonable access, upon reasonable notice during normal business hours, to all properties, books, contracts, commitments, records, management personnel, lenders and advisors of the Corporation;

(v) not, directly or indirectly, declare, make or pay any dividend, charge, fee or other distribution, whether by way of cash or other consideration, to or with respect to any of its issued and outstanding Common Shares (or any rights issued in respect thereof);

(vi) except as expressly contemplated by this Refinancing Agreement and the other Transaction Agreements, not prepay, redeem prior to maturity, defease, repurchase or make other prepayments in respect of any indebtedness;

(vii) not sell, transfer, lease, license or otherwise dispose of all or any material part of its property, assets or undertaking, other than in the ordinary course or as permitted by section 8.13 of the Senior Secured Indenture and section 10.13 of the Convertible Secured Indenture;

(viii) not, directly or indirectly, create, incur, issue, assume, guarantee or otherwise become directly or indirectly liable with respect to any indebtedness of any kind whatsoever, other than indebtedness that is incurred in the ordinary course;

(ix) not create, incur or assume or otherwise cause or suffer to exist or become effective any lien, charge, mortgage, hypothec or security interest of any kind whatsoever on, over or against any of its material assets or property, other than any lien, charge, mortgage, hypothec or security interest that is incurred in the ordinary course;

(x) not, except to satisfy the exercise of pre-existing options, issue, grant, sell, pledge or otherwise encumber or agree to issue, grant, sell or pledge or otherwise encumber any securities of the Corporation, or securities convertible into or exchangeable or exercisable for, or otherwise evidencing a right to acquire, securities of the Corporation, other than in the ordinary course; or

(xi) not enter into any new secured or unsecured lending or credit facilities of any kind.

(j) **Post-Closing Covenants**

(i) From the date hereof and for so long as Canso, for and on behalf of the Canso Acquirors, holds any of the Senior Secured Debentures or 5% or more of the Common Shares (calculated on a partially diluted basis, assuming all Preferred Shares held by Canso, for and on behalf of the Canso Acquirors, have been converted into Common Shares but excluding any Common Shares underlying any convertible or exchangeable securities of the Corporation held by persons other than Canso, for and on behalf of the Canso Acquirors):

(A) the Corporation shall execute and file with the relevant securities commissions a Form 45-106F1 in respect of the issuance of the Acquired Preferred Shares in the time required by applicable securities Laws;

(B) the Corporation shall not adopt or approve or consent to any shareholder rights plan, except with the prior approval of a majority of votes of holders of Preferred Shares; and

(C) a majority of the directors of the Corporation shall be independent within the meaning of sections 1.4 and 1.5 of National Instrument 52-110 – *Audit Committees*;

(ii) From the date hereof and for so long as Canso, for and on behalf of the Canso Acquirors, holds not less than 5% of the outstanding Preferred Shares, and, for certainty, notwithstanding any provision of the Senior Secured Indenture or the Convertible Secured Indenture to the contrary, the Corporation shall not, and shall not permit any of its Subsidiaries (as that term is defined in both the Senior Secured Indenture and the Convertible Secured Indenture, in each case as of the date hereof) to, without the prior written consent of Canso, for and on behalf of the Canso Acquirors, which consent may be withheld in its sole discretion:

(A) incur any Subordinated Debt (as that term is defined in both the Senior Secured Indenture and the Convertible Secured Indenture, in each case as of the date hereof);

(B) replace or refinance any Senior Bank Debt (as that term is defined in both the Senior Secured Indenture and the Convertible Secured Indenture, in each case as of the date hereof) in an amount greater than the amount of Senior Bank Debt permitted under the Senior Secured Indenture or the Convertible Secured Indenture as of the date hereof; or

(C) enter into any obligations evidenced by notes, bonds, debentures or other similar instruments, except (x) to replace or refinance the Senior Secured Debentures or the Convertible Secured Debentures in an aggregate principal amount, in each case, that is equal to or lower than the aggregate principal amount of the Senior Secured Debentures or the Convertible Secured Debentures, as applicable, in each case, outstanding as of the date hereof immediately after giving effect to the Refinancing; (y) Convertible Secured Debentures issued in accordance with the Convertible Secured Indenture including, for greater certainty, PIK Debentures (as defined in the Convertible Secured Indenture as of the date hereof); and (z) to evidence any Permitted Intercompany Debt.

(iii) The Corporation acknowledges and agrees that the covenants in this Section 7(j) (other than Section 7(j)(i)(A)) shall survive the closing of the transactions contemplated herein and the other Transaction Agreements.

(iv) The Corporation shall deposit or cause to be deposited $8,000,000 into the Senior Interest Reserve Account upon receipt of the Purchase Price.

8. **Canso Acknowledgments and Covenants**

Canso, for and on behalf of the Canso Acquirors, hereby acknowledges and agrees that:

(a) the Acquired Preferred Shares and the Common Shares issuable upon conversion of the Acquired Preferred Shares have not been and will not be qualified for distribution by a prospectus with a securities commission in any jurisdiction;

(b) the Acquired Preferred Shares and the Common Shares issuable upon conversion of the Acquired Preferred Shares have not been and will not be registered under the U.S. Securities Act, or the securities Laws of any state of the United States of America;

(c) no federal, provincial or state agency, governmental authority, regulatory body, stock exchange or other entity in Canada, the United States or elsewhere has either reviewed this Refinancing Agreement, or any other documents which the Corporation has provided or made available to Canso, or made any finding or determination as to the merits of this investment, and no such agencies, governmental authorities, regulatory bodies, stock exchanges or other entities have made any recommendation or endorsement with respect to the Acquired Preferred Shares or the Common Shares issuable upon conversion of the Acquired Preferred Shares;

(d) the Acquired Preferred Shares are and the Common Shares issuable upon conversion of the Acquired Preferred Shares will be subject to resale restrictions under applicable securities Laws and will bear a legend respecting restrictions on transfer as required under applicable securities Laws, as follows:

Unless permitted under securities legislation, the holder of this security must not trade the security before [insert the date that is 4 months and a day after the distribution date];

(e) if required by applicable securities Laws, Canso will execute, deliver and file or assist the Corporation in filing such reports, undertakings and other documents with respect to the issue and/or sale of the Acquired Preferred Shares or the Common Shares issuable upon conversion of the Acquired Preferred Shares as may be required by any securities commission or other regulatory authority;

(f) as Canso is resident in, or is otherwise subject to the securities Laws of the Province of Ontario, the information provided by Canso on the signature page of this Refinancing Agreement identifying the name, address and telephone number of Canso, the number of Acquired Preferred Shares being acquired hereunder and the total consideration as well as the Closing Date and the exemption that Canso is relying on in acquiring such securities will be disclosed to the Ontario Securities Commission, and such information is being indirectly collected by the Ontario Securities Commission under the authority granted to it under securities legislation. This information is being collected for the purposes of the administration and enforcement of the securities legislation of Ontario. Canso hereby authorizes the indirect collection of such information to the Ontario Securities Commission. In the event Canso has any questions with respect to the indirect collection of such information by the Ontario Securities Commission, Canso should contact the Ontario Securities Commission, Administrative Support Clerk at (416) 593-3684 or in person or writing at Suite 1900, Box 55, 20 Queen Street West, Toronto, Ontario M5H 3S8; and

(g) Canso will vote, or cause to be voted, as applicable, all of the Senior Secured Debentures and Convertible Secured Debentures, as the case may be, held by any Canso Acquiror over which it has discretionary authority in favour of the resolutions of holders thereof approving the Second Supplemental Senior Secured Indenture and the Second Supplemental Convertible Secured Indenture, as applicable.

(h) **Post-Closing Covenants**

(i) From the date hereof and for so long as Canso, for and on behalf of the Canso Acquirors, holds the Convertible Secured Debentures, Canso shall not, for and on behalf of the Canso Acquirors, without the prior written consent of the Corporation, exchange all or any part of the outstanding principal amount of such Convertible Secured Debentures for cash pursuant to the exchange right granted pursuant to Section 4.9 of the Amended Convertible Secured Indenture.

(ii) Canso, for and on behalf of the Canso Acquirors, hereby agrees that within two (2) Business Days of notice being provided to it by the Company that it is the only remaining holder of Convertible Secured Debentures issued pursuant to the Convertible Secured Indenture, notwithstanding any provision of the Convertible Secured Indenture to the contrary, Canso shall, for and on behalf of the Canso Acquirors, forthwith exercise its rights to exchange all of the outstanding principal amount of such Convertible Secured Debentures for Preferred Shares in accordance with the procedures set forth in Section 4.9 of the Amended Convertible Secured Indenture.

(iii) Canso acknowledges and agrees that the covenants in this Section 8(h) shall survive the closing of the transactions contemplated herein and the other Transaction Agreements.

9. Representations and Warranties of Canso

Canso, for and on behalf of the Canso Acquirors, hereby represents and warrants to the Corporation that as of the date hereof, as of the Closing Date (and acknowledges that the Corporation is relying thereon) that:

(a) Canso is an "accredited investor" as defined in NI 45-106 and is purchasing or is deemed by Section 2.3(4) of NI 45-106 to be acquiring the Acquired Preferred Shares as principal;

(b) Canso is resident in the Province of Ontario;

(c) each Canso Acquiror is a fully managed account of Canso within the meaning of NI 45-106;

(d) Canso is acquiring the Acquired Preferred Shares for and on behalf of the Canso Acquirors for investment purposes only and not with a view to any resale or distribution of all or any of the Acquired Preferred Shares in violation of applicable securities Laws, and not in a transaction or series of transactions involving a purchase and sale or a repurchase and resale in the course of or incidental to a distribution;

(e) Canso has been duly organized under the Laws of its jurisdiction of incorporation and is validly existing and all approvals necessary for Canso, for and on behalf of the Canso Acquirors, to execute and deliver this Refinancing Agreement and to perform its obligations hereunder have been obtained; and

(f) this Refinancing Agreement has been duly authorized, executed and delivered by Canso, for and on behalf of the Canso Acquirors, and constitutes a legal, valid and binding obligation of Canso, for and on behalf of the Canso Acquirors, enforceable against it, for and on behalf of the Canso Acquirors, in accordance with its terms, subject only to (i) any limitation under applicable laws relating to bankruptcy, insolvency, reorganization, fraudulent conveyance, moratorium, arrangements or other laws of general application affecting the enforcement of creditors' rights generally and by general principles of equity; and (ii) the discretion of the court before which any proceeding therefor may be brought (the "**Bankruptcy Exceptions**").

10. Representations and Warranties of the Corporation

The Corporation hereby represents and warrants to Canso, for and on behalf of the Canso Acquirors, that as of the date hereof, and as of the Closing Date (and acknowledges that Canso is relying thereon) that:

(a) The Corporation has been duly incorporated and organized under the Laws of its jurisdiction of incorporation and is validly existing and in good standing and has all requisite corporate power and authority to own its property and carry on its business as now being conducted and as presently proposed to be conducted.

(b) The Corporation is conducting its business in compliance in all material respects with all applicable Laws of each jurisdiction in which its business is carried on and holds all licences, permits, approvals, consents, certificates, registrations and authorizations, whether governmental, regulatory or otherwise, to enable its business to be carried on, in all material respects, as presently conducted and its properties and assets to be owned, leased and operated.

(c) The Corporation has all requisite corporate power and authority to execute, deliver and perform all of its obligations under this Refinancing Agreement and the other Transaction Agreements and to consummate the transactions contemplated hereby and thereby, and without limitation, the Corporation has all requisite corporate power and authority to issue and deliver the Acquired Preferred Shares in accordance with the provisions of this Refinancing Agreement; and to issue and deliver the Common Shares upon conversion of the Acquired Preferred Shares in accordance with the provisions of the Preferred Shares.

(d) This Refinancing Agreement has been duly and validly authorized, executed and delivered by the Corporation and constitutes a legal, valid and binding obligation of the Corporation, enforceable against it in accordance with its terms, subject only to the Bankruptcy Exceptions.

(e) Each of the Transaction Agreements (other than this Refinancing Agreement) has been duly and validly authorized by the Corporation and, when duly executed and delivered by the Corporation, will, no later than the Closing Time, be a legally binding and valid obligation of the Corporation, enforceable against it in accordance with its terms, subject only to the Bankruptcy Exceptions.

(f) The Preferred Shares have been duly authorized by the Corporation, and, when issued in accordance with the terms and conditions contained in this Refinancing Agreement, will be validly issued, fully paid and non-assessable shares in the capital of the Corporation and will not be subject to any pre-emptive or similar rights.

(g) The Common Shares issuable upon conversion of the Preferred Shares have been duly authorized by the Corporation, and, when issued in accordance with the terms and conditions of the Preferred Shares, will be validly issued, fully paid and non-assessable shares in the capital of the Corporation and will not be subject to any pre-emptive or similar rights.

(h) The execution, delivery and performance by the Corporation of the Transaction Agreements and the consummation of the transactions contemplated hereby and thereby do not and will not:

(i) violate the articles, by-laws or other constitutive documents of the Corporation;

(ii) conflict with or constitute a breach of or default under (or an event that with notice or the lapse of time, or both, would constitute a default), or require consent (other than such consents as have been obtained or will be obtained prior to the Closing Date, including the amendment in Section 4(b)(x)) under, or result in the creation or imposition of a lien, charge or encumbrance on any property or assets of the Corporation under any bond, debenture, note, indenture, mortgage, deed of trust, loan or credit agreement, lease, license, franchise agreement, authorization, permit, certificate or other agreement or instrument to which the Corporation is a party or by which it is bound or to which any of its assets or properties is subject; or

(iii) violate any Law, or any judgment, order or decree of any Governmental Entity.

(i) The authorized capital of the Corporation on the Closing Date will consist of an unlimited number of Common Shares, of which 109,941,241 are currently issued and outstanding (not including any Common Shares that may be issued from time to time upon the exercise of outstanding options for the purchase of Common Shares of the Corporation), and preferred shares issuable in series to be limited in number to an amount equal to not more than one half of the issued and outstanding Common Shares at the time of issuance of such preferred shares, of which no Preferred Shares or any other series of preferred shares are issued and outstanding as of the date hereof and of which 18,800 Preferred Shares will be issued and outstanding immediately following the Closing Time. All of the issued and outstanding equity securities of the Corporation have been duly authorized and validly issued, are fully paid and non-assessable and were not issued in violation of any pre-emptive or similar right. There are no outstanding options, warrants or other rights to acquire or purchase, or instruments convertible into or exchangeable for, any equity interests of the Corporation other than 3,160,000 options for the purchase of 3,160,000 Common Shares.

(j) Schedule A sets out all of the direct and indirect subsidiaries of the Corporation and the percent equity interest held by the Corporation in such subsidiaries.

(k) The Corporation is a reporting issuer (or equivalent where applicable) in good standing in all of the provinces and territories of Canada. The Corporation is in compliance in all material respects with all continuous and timely disclosure obligations under applicable securities Laws.

(l) Except as has been publicly disclosed in the Public Documents, there is no action, suit, proceeding or investigation pending or, to the knowledge of the officers of the Corporation, threatened, against or affecting the Corporation or any of its subsidiaries or any of the properties or assets of the Corporation or of any of its subsidiaries or before any Governmental Entity, which is, or would reasonably be expected to be, material and adverse to the Corporation and its subsidiaries, on a consolidated basis, or does, or would reasonably be expected to, materially and adversely affect the consummation of the transactions contemplated by the Transaction Agreements.

(m) No consent, approval, order or authorization of, or declaration with any Governmental Entity or any third party is required by or with respect to the Corporation or any of its affiliates in connection with the execution and delivery of the Transaction Agreements or the consummation of the transactions by the Corporation and its affiliates contemplated hereby and thereby, other than, in the case of this Refinancing Agreement, the consents, approvals, or authorizations that may be required under the rules of the TSX and in the case of the other Transaction Agreements, the consents, approvals, or authorizations identified in such agreements, if any.

(n) Each of the consolidated financial statements of the Corporation contained in its Public Documents, including each Public Document filed after the date hereof until the Closing Date (i) complies or, when filed, will comply as to form in all material respects with applicable securities Laws; (ii) has been or, when filed, will have been prepared in accordance with Canadian generally accepted accounting principles applied on a consistent basis throughout the periods involved (except as may be indicated in the notes thereto or, in the case of unaudited interim financial statements, as may be permitted by applicable securities Laws); and (iii) fairly presents, or when filed will fairly present, in all material respects, the consolidated financial position of the Corporation and its subsidiaries as at the respective dates thereof and the consolidated results of operations and cash flows for the periods indicated, except that the unaudited interim financial statements may omit footnotes which are not required in unaudited financial statements and the consolidated financial statements are subject to normal year end adjustments.

(o) The Corporation has no liabilities or obligations other than (i) liabilities or obligations disclosed, reflected or provided for in the consolidated financial statements of the Corporation contained in its Public Documents; and (ii) liabilities and obligations incurred in the ordinary course of business consistent with past practice and attributable to the period since September 30, 2017, but taking into account liabilities and obligations incurred in connection with the transactions contemplated by this Refinancing Agreement and the Refinancing.

(p) The Public Documents were, at their respective time of issue, filing or publication (except as subsequently amended or superseded by a filing prior to the date of this Refinancing Agreement), true and correct in all material respects, contained no Misrepresentations and were prepared in accordance with and complied with the securities Laws applicable to each such document.

(q) Since December 31, 2016, other than as disclosed publicly prior to the date hereof or otherwise contemplated by this Refinancing Agreement or the Refinancing:

(i) there has not been any Material Adverse Change; and

(ii) there are no material change reports relating to the Corporation filed on a confidential basis with any securities commission which remain confidential.

(r) The Corporation has complied, and will comply, in all material respects, with all applicable securities Laws in connection with the issuance of the Preferred Shares and the Common Shares issuable upon conversion of the Preferred Shares.

(s) The Corporation is not in violation in any material respect of any of the rules and policies of the TSX, including the applicable listing requirements of the TSX (other than as such requirements may apply to any remaining Convertible Secured Debentures).

(t) No representation or warranty of the Corporation contained in this Refinancing Agreement contains any untrue statement of a material fact or omits to state a material fact necessary in order to make the statements contained herein not misleading.

11. Termination

(a) **Termination by the Corporation or Canso**. Either the Corporation or Canso may terminate and cancel its obligations under this Refinancing Agreement, without any liability on its part, if the conditions set out in Section 4(a) are not satisfied on the Closing Date.

(b) **Termination by Canso**. Canso may terminate and cancel its obligations under this Agreement, without any liability on its part, if the conditions to closing in favour of Canso referred to in Section 4(b) have not been satisfied on the Closing Date, and/or have, at any time and for any reason, become incapable of being satisfied by the Closing Date. The rights of termination contained in this Section 11(b) may be exercised by Canso and, subject to Section 11(d), are in addition to any other rights or remedies Canso may have in respect of any default, act or failure to act of the Corporation in respect of any matters contemplated by this Refinancing Agreement.

(c) **Termination by Corporation.** The Corporation may terminate and cancel its obligations under this Agreement, without any liability on its part, if the conditions to closing in favour of the Corporation referred to in Section 4(c) have not been satisfied on the Closing Date, and/or have, at any time and for any reason, become incapable of being satisfied by the Closing Date. The rights of termination contained in this Section 11(c) may be exercised by the Corporation and, subject to Section 11(d), are in addition to any other rights or remedies the Corporation may have in respect of any default, act or failure to act of Canso in respect of any matters contemplated by this Refinancing Agreement.

(d) Notwithstanding any other provision hereof, nothing herein shall allow the Corporation or Canso to terminate this Agreement as a result of its own breach of the provisions of this Agreement.

(e) Notwithstanding any other provision hereof, should the Corporation or Canso validly terminate this Agreement pursuant to, and in accordance with, this Section 11, the obligations of the Corporation and Canso under this Agreement will terminate and there will be no further liability on the part of Canso to the Corporation or on the part of the Corporation to Canso hereunder (except as provided for in Section 11(b) or 11(c), or for any liability of any party that exists at such time or that may arise thereafter pursuant to Section 12 or Section 7(d)).

(f) Any party desiring to terminate this Refinancing Agreement pursuant to this Section 11 shall give notice of such desire to terminate to the other party, specifying in reasonable detail the basis for such party's exercise of its termination rights.

12. **Indemnification**

(a) The Corporation covenants and agrees to protect, indemnify and hold harmless Canso for and on behalf of itself and for and on behalf of and in trust for each of the Canso Acquirors and their respective directors, officers, employees, advisors and agents (each, an "**Indemnified Person**") from and against any and all losses, claims, damages, liabilities, costs or expenses of any kind or nature (including reasonable legal expenses) (collectively, "**Losses**") caused or incurred as a result of any claim brought against such Person by reason of or in any way arising, directly or indirectly, out of:

(i) any order made or inquiry, investigation or proceeding commenced or threatened by any securities commission, or other competent authority in Canada or before or by any Governmental Entity, based upon or relating to the Second Supplemental Senior Secured Indenture, the Second Supplemental Convertible Secured Indenture or the issuance of the Acquired Preferred Shares or the Common Shares issuable upon conversion of the Acquired Preferred Shares or the other transactions contemplated in this Refinancing Agreement including, without limitation, any actions taken or statements made by or on behalf of the Corporation in connection with the issuance of the Acquired Preferred Shares or the other transactions contemplated in this Refinancing Agreement;

(ii) the non-compliance or alleged non-compliance by the Corporation with any requirement of applicable securities Laws or any other applicable Laws in connection with the entering into of the Second Supplemental Senior Secured Indenture, or the Second Supplemental Convertible Secured Indenture, or the issuance of the Acquired Preferred Shares or the Common Shares issuable upon conversion of the Acquired Preferred Shares or the other transactions contemplated in this Refinancing Agreement; and/or

(iii) any breach or default of or under any representation, warranty, covenant or agreement of the Corporation contained herein.

(b) In the event that any claim, action, suit or proceeding, including, without limitation, any inquiry or investigation (whether formal or informal), is brought or instituted against any Indemnified Person, such Indemnified Person will promptly notify the Corporation (the "**Indemnifying Party**") and the Indemnifying Party will promptly retain counsel who will be reasonably satisfactory to the Indemnified Person to represent the Indemnified Person in such claim, action, suit or proceeding, and the Indemnifying Party will pay all of the reasonable fees and disbursements of such counsel relating to such claim, action, suit or proceeding.

(c) In any such claim, action, suit or proceeding, the Indemnified Person will have the right to retain other counsel to act on his, her or its behalf, provided that the fees and disbursements of such other counsel will be paid by the Indemnified Person unless:

(i) the Indemnifying Party and the Indemnified Person will have mutually agreed to the retention of such other counsel; or

(ii) the named parties to any such claim, action, suit or proceeding (including any added, third or impleaded parties) include both the Indemnifying Party and the Indemnified Person and representation of both parties by the same counsel would be inappropriate due to actual or potential differing interests between them (such as the availability of different defenses).

(d) Subject to Section 12(c), it is understood and agreed that the Indemnifying Party will not, in connection with any such claim, action, suit or proceeding in the same jurisdiction, be liable for the reasonable fees and expenses of more than one separate legal firm for all Persons in respect of which indemnification is or might reasonably be considered to be provided for herein and such firm will be designated in writing by the Indemnified Person (on behalf of itself and its directors, officers, employees, agents and shareholders).

(e) Notwithstanding anything herein contained, no Indemnified Person will agree to any settlement of any such claim, action, suit, proceeding, inquiry or investigation in respect of which indemnification is or might reasonably be considered to be provided for herein, unless the Indemnifying Party has consented in writing thereto, and the Indemnifying Party will not be liable for any settlement of any such claim, action, suit, proceeding, inquiry or investigation unless it has consented in writing thereto.

(f) If the indemnification provided for in this Section 12 is held by a court of competent jurisdiction to be unavailable to an Indemnified Person with respect to any Losses referred to herein, the Indemnifying Party, in lieu of indemnifying such Indemnified Person thereunder, will to the extent permitted by applicable law contribute to the amount paid or payable by such Indemnified Person as a result of such loss, claim, damage or liability in such proportion as is appropriate to reflect the relative fault of the Indemnifying Party on the one hand and of the Indemnified Person on the other in connection with the act or omission that resulted in such Losses, as well as any other relevant equitable considerations. The relative fault of the Indemnifying Party and of the Indemnified Person will be determined by a court of law by reference to, among other things, the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission provided, however, that no Person guilty of fraudulent misrepresentation will be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation.

(g) The obligations of the Corporation and Canso under this Section 12 will survive completion of the transactions described herein and the termination of this Refinancing Agreement. No Indemnifying Party, in the defense of any such claim or litigation, will, except with the consent of the Indemnified Person, consent to entry of any judgment or enter into any settlement which does not include as an unconditional term thereof the giving by the claimant or plaintiff to such Indemnified Person of a release from all liability in respect to such claim or litigation.

13. **Specific Performance**

The parties acknowledge and agree that an award of money damages would be inadequate for any breach of Section 7(j)(i)(B) or Section 7(j)(i)(C) of this Agreement and that such breach would cause Canso, for and on behalf of the Canso Acquirors, irreparable harm. Accordingly, the parties agree that, in the event of any such breach or threatened breach of Section 7(j)(i)(B) or Section 7(j)(i)(C) of this Agreement, Canso, for and on behalf of the Canso Acquirors, will be entitled to seek equitable relief, including injunctive relief and specific performance. Except as otherwise expressly provided herein, such remedies will not be the exclusive remedies for any breach of Section 7(j)(i)(B) or Section 7(j)(i)(C) of this Agreement but will be in addition to all other remedies available at Law or in equity to Canso for and on behalf of the Canso Acquirors.

14. **Governing Law**

This Refinancing Agreement will be governed by, interpreted and enforced in accordance with the Laws of the Province of Ontario and the federal Laws of Canada applicable therein. Each party hereby unconditionally and irrevocably submits to the exclusive jurisdiction of the courts of the Province of Ontario in respect of all matters arising out of this Refinancing Agreement.

15. **Severability**

If any provision of this Refinancing Agreement is determined to be invalid or unenforceable in whole or in part, such invalidity or unenforceability will attach only to such provision or part thereof and the remaining part of such provision and all other provisions hereof will continue in full force and effect. The parties hereto agree to negotiate in good faith a substitute provision which will be as close as possible to the intention of any invalid or unenforceable provision as may be valid or enforceable. The invalidity or unenforceability of any provision in any particular jurisdiction will not affect its validity or enforceability in any other jurisdiction where it is valid or enforceable.

16. **Survival**

This Refinancing Agreement, including, without limitation, the representations, warranties and covenants contained herein, shall survive and continue in full force and effect and be binding upon the Corporation and Canso notwithstanding the completion of the acquisition of the Acquired Preferred Shares by Canso for and on behalf of the Canso Acquirors pursuant hereto and any subsequent disposition by Canso for and on behalf of the Canso Acquirors of the Acquired Preferred Shares.

17. **Further Assurances**

Each of the parties hereto upon the request of the other party hereto, whether before or after the Closing Date, shall do, execute, acknowledge and deliver or cause to be done, executed, acknowledged and delivered all such further acts, deeds, documents, assignments, transfers, conveyances, powers of attorney and assurances as may reasonably be necessary or desirable to complete the transactions contemplated herein.

18. **Assignment**

Neither Canso nor the Corporation may assign or transfer this Refinancing Agreement or any interest herein without the prior written consent of the other party.

19. **Enurement**

This Refinancing Agreement will enure to the benefit of and be binding upon the parties hereto and their respective successors and permitted assigns.

20. **Waiver**

Failure by any party hereto to insist in any one or more instances upon the strict performance of any one of the covenants or rights contained herein will not be construed as a waiver or relinquishment of such covenant. No waiver by either party hereto of any such covenant or right will be deemed to have been made unless expressed in writing and signed by the waiving party.

21. **Amendments**

No term or provision hereof may be amended, discharged or terminated except by an instrument in writing signed by the party against which the enforcement of the amendment, discharge or termination is sought.

22. **Material, Non-Public Information**

Canso acknowledges that it is aware and that it will advise all of its respective directors, officers, employees, and other representatives who are informed of the matters which are the subject of this Agreement, that securities laws prohibit any Person who has received from the Corporation material, non-public information concerning the Corporation from purchasing or selling securities of the Corporation or from communicating such information to any Person under any circumstances in which it is reasonably foreseeable that such Person is likely to purchase or sell such securities.

23. **Entire Agreement**

This Refinancing Agreement and the Reimbursement Letter and any other agreements and other documents referred to herein and delivered in connection herewith, including the Transaction Documents, constitute the entire agreement between the parties hereto pertaining to the subject matter hereof and supersede all prior agreements, understandings, negotiations and discussions, whether oral or written, between the parties with respect to the subject matter hereof.

24. **Time of the Essence**

Time shall be of the essence of this Refinancing Agreement and every part hereof.

25. **Third Party Beneficiaries**

Except as provided in Section 12, the provisions of this Refinancing Agreement are solely for the benefit of the parties hereto and the Persons to whom their respective rights may be assigned in accordance with this Refinancing Agreement.

26. **Counterparts**

This Refinancing Agreement may be signed in one or more counterparts, each of which once signed will be deemed to be an original. All such counterparts together will constitute one and the same instrument. Notwithstanding the date of execution of any counterpart, each counterpart will be deemed to bear the effective date first written above. This Refinancing Agreement, any and all agreements and instruments executed and delivered in accordance herewith, along with any amendments hereto or thereto, to the extent signed and delivered by means of a facsimile machine or other means of electronic transmission, will be treated in all manner and respects and for all purposes as an original signature, agreement or instrument and will be considered to have the same binding legal effect as if it were the original signed version thereof delivered in person

27. **Language**

The parties hereby confirm their express wish that this document and all documents and agreements directly or indirectly related thereto be drawn up in English. Les parties aux présentes reconnaissent qu'à leur demande le présent document ainsi que tous les documents et conventions qui s'y rattachent directement ou indirectement sont rédigés en langue anglaise.

28. **Notice**

(a) Unless herein otherwise expressly provided, a notice to be given hereunder to the Corporation or Canso will be validly given if delivered or if sent by registered letter, postage prepaid, or if sent by e-mail or facsimile transmission (if receipt of such e-mail or transmission is confirmed):

(i) if to the Corporation:

ClearStream Energy Services Inc.
311-6 Avenue SW, Suite 415
Calgary, Alberta T2P 3H2

Attention: Gary Summach
E-mail: gsummach@clearstreamenergy.ca
Facsimile: 587-318-0997

(ii) if to Canso:

100 York Boulevard, Suite 550
Richmond Hill, Ontario

Attention: Research Department
E-mail: research@cansofunds.com
Facsimile: 905-881-1466

and any such notice delivered or sent in accordance with the foregoing will be deemed to have been received on the date of delivery, e-mail or facsimile transmission or, if mailed, on the second Business Day following the day of the mailing of the notice.

(b) The Corporation or Canso, as the case may be, may from time to time notify the other in the manner provided in (a) of a change of address which, from the effective date of such notice and until changed by like notice, will be the address of the Corporation or Canso, as the case may be, for all purposes of this Agreement.

[remainder left intentionally blank]

DATED this 27th day of December, 2017.

CANSO INVESTMENT COUNSEL LTD., in its capacity as portfolio manager acting for and on behalf of the Canso Acquirors

Per: (signed) *John Laing*
Name: John Laing
Title: Portfolio Manager

Address of Canso: 100 York Boulevard, Suite 550
Richmond Hill, Ontario

Telephone number: 905-881-8853

This Refinancing Agreement is accepted by the Corporation, as of this 27th day of December, 2017.

CLEARSTREAM ENERGY SERVICES INC.

Per: (signed) *Gary Summach*
Name: Gary Summach
Title: Chief Financial Officer

SCHEDULE A

ORGANIZATIONAL CHART

[REDACTED]

SCHEDULE B

OPINION MATTERS

The legal opinion required to be delivered pursuant to Section 4(b)(ii) shall include the following opinions, subject to customary assumptions, reliances and qualifications:

- Incorporation and existence of the Corporation;
- Corporate power and capacity of the Corporation with respect to the execution, delivery and performance of the Transaction Agreements, and filing of the Articles of Amendment and the creation, issuance, sale and delivery of the Acquired Preferred Shares;
- Authorization by the Corporation of the execution, delivery and performance of the Transaction Agreements and the filing of the Articles of Amendment and the creation, issuance, sale and delivery of the Acquired Preferred Shares;
- No contravention and no breach opinion;
- Due execution and delivery of the Transaction Agreements by the Corporation;
- Enforceability opinion in respect of the Transaction Agreements;
- Regulatory approval opinion;
- Corporation is a "reporting issuer";
- Prospectus exemption opinion;
- First trade opinion; and
- Listing approval opinion.