PRAIRIESKY ROYALTY LTD.

- and -

EQUITY FINANCIAL TRUST COMPANY

SUBSCRIPTION RECEIPT AGREEMENT

Providing for the Issue of
Subscription Receipts

Dated December 2, 2015

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THIS SUBSCRIPTION RECEIPT AGREEMENT made as of the 2nd day of December, 2015.

AMONG:

PRAIRIESKY ROYALTY LTD., a company existing under the laws of the Province of Alberta (hereinafter referred to as the "**Company**" or "**PrairieSky**");

AND

EQUITY FINANCIAL TRUST COMPANY, a trust company incorporated under the laws of the Province of Ontario (hereinafter referred to as the "**Subscription Receipt Agent**");

WHEREAS the Company is proposing to issue and sell Subscription Receipts representing the right to receive Common Shares;

AND WHEREAS the Company acknowledges that:

(a) the Escrowed Funds are to be delivered to and held by the Subscription Receipt Agent and invested on behalf of the holders of Subscription Receipts in the manner set forth herein;

(b) if the Release Time occurs on or before the Deadline, each holder of Subscription Receipts shall be entitled to receive, without additional consideration or further action on the part of the holder, one Underlying Share for each Subscription Receipt held;

(c) if the Release Time occurs on or before the Deadline, then the Escrowed Funds and the Earned Interest shall be released in accordance with Section 3.2 hereof; and

(d) if the Termination Time occurs, the subscriptions for Underlying Shares represented by the Subscription Receipts shall be automatically terminated and cancelled and each holder of Subscription Receipts shall be entitled to receive the Subscription Receipt Price in respect of such holder's Subscription Receipts together with such holder's *pro rata* share of Earned Interest, less applicable withholding taxes.

AND WHEREAS all things necessary have been done and performed to make the Subscription Receipts, when certified by the Subscription Receipt Agent and issued as provided in this Agreement, legal, valid and binding obligations of the Company with the benefits and subject to the terms of this Agreement;

AND WHEREAS the foregoing recitals are by the Company and not by the Subscription Receipt Agent;

NOW THEREFORE THIS AGREEMENT WITNESSES that for good and valuable consideration mutually given and received, the receipt and sufficiency of which is hereby acknowledged, it is hereby agreed and declared as follows:

ARTICLE 1
INTERPRETATION

1.1 Definitions

In this Agreement and the recitals, unless there is something in the subject matter or context inconsistent therewith or unless otherwise expressly provided, the following terms shall have the respective meanings set out below and grammatical variations of such terms shall have corresponding meanings:

(a) "**1933 Act**" means the United States *Securities Act of 1933*, as amended, and the rules and regulations promulgated thereunder;

(b) "**1934 Act**" means the United States *Securities Exchange Act of 1934*, as amended, and the rules and regulations promulgated thereunder;

(c) "**Acquired Assets**" shall have the same meaning ascribed to the term "Royalty Assets" in the Acquisition Agreement;

(d) "**Acquisition**" means the proposed acquisition by the Company of the Acquired Assets from the Vendor pursuant to the terms of the Acquisition Agreement;

(e) "**Acquisition Agreement**" means the royalty assets purchase and sale agreement dated November 8, 2015 between PrairieSky and the Vendor;

(f) "**Agreement**" means this agreement, as amended, supplemented or otherwise modified from time to time in accordance with the provisions hereof;

(g) "**Approved Bank**" has the meaning set forth in Section 4.1(a);

(h) "**Book-Entry Only System**" means the book-based securities transfer system administered by CDS in accordance with its operating rules and procedures in force from time to time;

(i) "**Business Day**" means a day which is not Saturday or Sunday or a holiday in Calgary, Alberta;

(j) "**CDS**" means CDS Clearing and Depositary Services Inc. and its successors in interest;

(k) "**CDS Participants**" means institutions that participate directly or indirectly in CDS' Book-Entry Only System for the Subscription Receipts;

(l) "**Common Shares**" means the common shares in the capital of the Company;

(m) "**Court**" has the meaning set forth in Section 9.7(a);

(n) "**Counsel**" means a barrister or solicitor or a firm of barristers or solicitors, who may be counsel for the Company or the Subscription Receipt Agent, as applicable;

(o) "**Deadline**" means 5:00 p.m. (Calgary time) on December 31, 2015;

(p) "**Designated Office**" means the principal stock transfer office of the Subscription Receipt Agent from time to time in the City of Calgary;

(q) "**Earned Interest**" means the interest or other income actually earned on the investment of the Escrowed Funds between the date hereof and the earlier to occur of the Release Date and the Termination Date;

(r) "**Escrow Release Conditions**" means, collectively, that: (i) all conditions, undertakings and other matters to be satisfied, completed and otherwise met prior to the completion of the Acquisition (in accordance with the Acquisition Agreement and without material waiver or amendment thereof, in whole or in part, by any of the parties thereto) have been satisfied, completed or otherwise met, other than the payment of the consideration to be paid pursuant to the Acquisition for which the Escrowed Funds are required, in whole or in part; and (ii) the Shareholder Approval has been obtained;

(s) "**Escrowed Funds**" has the meaning set forth in Section 2.1(a) hereof;

(t) "**Irrevocable Direction**" means the written irrevocable direction of the Company to the registrar and transfer agent for the Common Shares instructing such agent to issue and deliver to the Subscription Receipt Agent the Underlying Shares, substantially in the form set forth in Schedule "C" hereto;

(u) "**Issuance Resolution**" means the ordinary resolution of the Shareholders approving the issuance of Common Shares pursuant to the Acquisition and the Subscription Receipts;

(v) "**Issue Date**" means the date upon which the Release Notice and Irrevocable Direction have been delivered pursuant to Section 3.1 hereof;

(w) "**Issue Time**" means 5:00 p.m. (Calgary time), on the Issue Date;

(x) "**Meeting**" means the special meeting of Shareholders to be held on December 14, 2015 to consider the Issuance Resolution, and any adjournments thereof;

(y) "**Private Placement**" means the private placement to certain investors of 26,976,000 Subscription Receipts at a price of $25.20 per Subscription Receipt for gross proceeds to the Company of $679,795,200;

(z) "**Prospectus**" means a (final) short form prospectus of the Company relating to the qualification of the distribution of the Underlying Shares and, unless the context otherwise requires, includes all documents incorporated or deemed to be incorporated therein by reference and any amendments thereto;

(aa) "**Person**" includes an individual, corporation, company, partnership, joint venture, association, trust, trustee, unincorporated organization or government or any agency or political subdivision thereof;

(bb) "**Receiptholders**", or "**holders**" means the Persons who are registered owners of Subscription Receipts, and includes, while the Subscription Receipts are registered in the form of one or more global subscription receipts (including in the Book-Entry Only System), the beneficial owners of Subscription Receipts;

(cc) "**Receiptholders' Request**" means an instrument signed in one or more counterparts by Receiptholders entitled to acquire in the aggregate not less than 25% of the aggregate number of Common Shares which could be acquired pursuant to all Subscription Receipts then outstanding, requesting the Subscription Receipt Agent to take some action or proceeding specified therein;

(dd) "**Release Amount**" means the aggregate of the Escrowed Funds and the Earned Interest;

(ee) "**Release Date**" means the date on which the Release Time occurs;

(ff) "**Release Notice**" means the notice provided by the Company to the Subscription Receipt Agent, substantially in the form set forth in Schedule "B" hereto, executed by the Company confirming that the Release Time has occurred;

(gg) "**Release Time**" means the time at which the last of the Escrow Release Conditions is satisfied;

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

(ii) "**Shareholder Approval**" means the approval by the Shareholders of the Issuance Resolution at the Meeting;

(jj) "**Shareholders**" means the registered holders from time to time of Common Shares;

(kk) "**Subscribers**" means the subscribers for Subscription Receipts pursuant to the Private Placement;

(ll) "**Subscription Receipt Certificate**" means a certificate evidencing Subscription Receipts in the form attached as Schedule "A" hereto;

(mm) "**Subscription Receipt Price**" means the sum of $25.20 per Subscription Receipt;

(nn) "**Subscription Receipt Agent**" means Equity Financial Trust Company, or its successors from time to time under this Agreement, in its capacity as escrow agent of the Escrowed Funds and subscription receipt agent for the issuance of the subscription receipts;

(oo) "**Subscription Receipts**" means the subscription receipts of the Company issued and certified hereunder and from time to time outstanding, each Subscription Receipt evidencing the rights set out in Section 2.2 hereof;

(pp) "**Termination Date**" means the date on which the Termination Time occurs;

(qq) "**Termination Payment Time**" means 5:00 p.m. (Calgary time) on the third Business Day after the Termination Date;

(rr) "**Termination Time**" means the earliest of: (i) the Deadline, provided that the Release Notice and the Irrevocable Notice have not previously been provided to the Subscription Receipt Agent, (ii) the time that the Acquisition is terminated in accordance with the terms of the Acquisition Agreement, or (iii) the time PrairieSky has advised the investors in the Private Placement or has announced to the public, that it does not intend to proceed with the Acquisition;

(ss) "**TSX**" means the Toronto Stock Exchange;

(tt) "**Underlying Shares**" means the Common Shares issuable pursuant to the Subscription Receipts;

(uu) "**Vendor**" means collectively, Canadian Natural Resources Limited, Canadian Natural Resources, CNR Northern Alberta Partnership and CNR Royalty Partnership; and

(vv) "**written request of the Company**" and "**certificate of the Company**" mean, respectively, a written request and certificate signed by an officer of the Company and may consist of one or more instruments so executed.

1.2 Headings

The headings, the table of contents and the division of this Agreement into Articles and Sections are for convenience of reference only and shall not affect the interpretation of this Agreement.

1.3 References

Unless otherwise specified in this Agreement references to Articles, Sections, and Schedules are to Articles, Sections, and Schedules in this Agreement; and "hereto", "herein", "hereby", "hereunder", "hereof " and similar expressions, without reference to a particular provision, refer to this Agreement.

1.4 Certain Rules of Interpretation

Unless otherwise specified in this Agreement the singular includes the plural and *vice versa*; and references to any gender shall include references to all genders.

1.5 Day Not a Business Day

In the event that any day on or before which any action is required to be taken hereunder is not a Business Day, then such action shall be required to be taken at or before the requisite time on the next succeeding day that is a Business Day.

1.6 Applicable Law

This Agreement and the Subscription Receipts shall be governed by and construed in accordance with the laws of the Province of Alberta and the laws of Canada applicable therein.

1.7 Conflict

In the event of a conflict or inconsistency between a provision in the body of this Agreement and in any Subscription Receipt Certificate issued hereunder, the provision in the body of this Agreement shall prevail to the extent of the inconsistency.

1.8 Currency

All dollar amounts expressed in this Agreement and in the Subscription Receipts are in lawful money of Canada and all payments required to be made hereunder or thereunder shall be made in Canadian dollars.

1.9 Severability

Each of the provisions in this Agreement is distinct and severable and a declaration of invalidity or unenforceability of any such provision or part thereof by a court of competent jurisdiction shall not affect the validity or enforceability of any of the other provisions hereof.

ARTICLE 2
ISSUE OF SUBSCRIPTION RECEIPTS

2.1 Payment Acknowledgement

(a) The Subscription Receipt Agent hereby acknowledges receipt from the Subscribers, or from the Company on behalf of the Subscribers of wire transfers of funds in the aggregate amount of $679,795,200 (the "**Escrowed Funds**") and confirms that the Escrowed Funds have been deposited in a segregated account in the name of the Company designated as "PrairieSky Royalty Ltd. – Subscription Receipts", or as otherwise directed by the Company, and shall retain such amount in accordance with the terms of this Agreement pending payment of such amount in accordance with the terms of this Agreement.

(b) The Company hereby:

(i) acknowledges that the Escrowed Funds represent $679,795,200, being the aggregate gross proceeds of the Private Placement;

(ii) acknowledges that the amounts received by the Subscription Receipt Agent pursuant to Section 2.1(a) represent payment in full by the Subscribers for 26,976,000 Subscription Receipts;

(iii) irrevocably directs the Subscription Receipt Agent to retain such amount in accordance with the terms of this Agreement pending payment of such amount in accordance with the terms of this Agreement.

2.2 Terms and Issue of Subscription Receipts

(a) Each Subscription Receipt shall evidence the right of the holder: (A) if the Release Time occurs on or before the Deadline, to receive, for no additional consideration or further action on the part of the holder, one Underlying Share; or (B) if the Termination Time occurs on or before the Deadline, to receive an amount per Subscription Receipt equal to the Subscription Receipt Price in respect of such holder's Subscription Receipts together with such holder's *pro rata* share of the Earned Interest, less applicable withholding taxes, all in the manner and on the terms and conditions set out in this Agreement.

(b) A maximum of 26,976,000 Subscription Receipts are hereby created and authorized to be issued.

(c) The Subscription Receipt Certificates (including all replacements issued in accordance with this Agreement) shall be substantially in the form attached hereto as Schedule "A", and shall bear such distinguishing letters and numbers as the Company may, with the approval of the Subscription Receipt Agent, prescribe, and shall be issuable in any whole number denominations.

(d) The Subscription Receipt Agent is hereby directed as set out in a written order or direction from the Company, immediately following the execution and delivery of this Agreement to, on behalf of the Subscribers, deposit electronically on a non-certificated basis, Subscription Receipts in the name of CDS or its nominee pursuant to the Book-Entry Only System, representing an aggregate of 26,976,000 Subscription Receipts.

2.3 Fractional Subscription Receipts

No fractional Subscription Receipts shall be issued or otherwise provided for hereunder.

2.4 Register for Subscription Receipts

The Company hereby appoints the Subscription Receipt Agent as registrar of the Subscription Receipts, and the Company shall cause to be kept by the Subscription Receipt Agent at the Designated Office, a securities register in which shall be entered the names and addresses of registered holders of Subscription Receipts and the other particulars, prescribed by law, of the Subscription Receipts held by them. The Company shall also cause to be kept by the Subscription Receipt Agent at the Designated Office, subject to Section 2.14, the register of transfers, and may also cause to be kept by the Subscription Receipt Agent, branch registers of transfers in which shall be recorded the particulars of the transfers of Subscription Receipts, registered in that branch register of transfers.

2.5 Registers Open for Inspection

The registers hereinbefore referred to shall be open at all reasonable times during regular business hours of the Subscription Receipt Agent on a Business Day for inspection by the Company, the Subscription Receipt Agent or any Receiptholder. The Subscription Receipt Agent shall, from time to time when requested to do so by the Company, furnish the Company with a list of the names and addresses of registered Receiptholders entered in the registers kept by the Subscription Receipt Agent and showing the number of Underlying Shares which might then be issued pursuant to the Subscription Receipts held by each such holder.

2.6 Receiptholder not a Shareholder

Nothing in this Agreement or in the holding of a Subscription Receipt evidenced by a Subscription Receipt Certificate or otherwise, shall confer or be construed as conferring upon a Receiptholder any right or interest whatsoever as a Shareholder, including, but not limited to, the right to vote at, to receive notice of, or to attend meetings of Shareholders, or the right to receive dividends or any continuous disclosure materials of the Company. Receiptholders are only entitled to exercise the rights expressly provided for in the Subscription Receipts and this Agreement on the terms and conditions set forth herein.

2.7 Subscription Receipts to Rank *Pari Passu*

All Subscription Receipts shall rank *pari passu*, whatever may be the actual date of issue of same.

2.8 Electronic Deposit of Subscription Receipts

(a) Except as otherwise provided herein, Subscription Receipts will be issued on a non-certificated basis and registered in the name of, and deposited electronically with, CDS or its nominee pursuant to the Book-Entry Only System.

(b) Unless the Book-Entry Only System is terminated, required to be terminated by applicable law, ceases to exist or the Company decides to terminate its participation in the Book-Entry Only System, owners of the beneficial interests in the Subscription Receipts through CDS shall not be entitled to have Subscription Receipts registered in their names, shall not receive or be entitled to receive Subscription Receipt Certificates or, unless otherwise requested, certificates for the

Underlying Shares, in definitive form and shall not be considered owners or holders thereof under this Agreement or any supplemental agreement except in circumstances where CDS resigns or is removed from its responsibility and the Company is unable or does not wish to locate a qualified successor.

(c) Beneficial interests in the Subscription Receipts will be represented solely through a non-certificated position which will be evidenced by Book-Entry Only System customer confirmations from the CDS Participant through which the Subscription Receipts are to be held in accordance with the practices and procedures of that CDS Participant. In addition, registration of interests in, and transfers of, the Subscription Receipts will be made only through the facilities of CDS. The Company and the Subscription Receipt Agent shall not have any responsibility or liability for any aspects of the records relating to or payments made by CDS, or its nominee, on account of the beneficial interests in the Subscription Receipts. Nothing herein shall prevent the owners of beneficial interests in the Subscription Receipts from voting such Subscription Receipts using duly executed proxies.

(d) All references herein to actions by, notices given or payments made to the Receiptholders shall, where Subscription Receipts are held through CDS, refer to actions taken by, or notices given or payments made to, CDS upon instruction from the CDS Participants in accordance with its rules and procedures. For the purposes of any provision hereof requiring or permitting actions with the consent of or at the direction of Receiptholders evidencing a specified percentage of the aggregate Subscription Receipts outstanding, such direction or consent may be given by holders of Subscription Receipts acting through CDS and the CDS Participants owning Subscription Receipts evidencing the requisite percentage of the Subscription Receipts. The rights of a Receiptholder whose Subscription Receipts are held through CDS shall be exercised only through CDS and the CDS Participants and shall be limited to those established by law and agreements between such holders and CDS and the CDS Participants upon instructions from the CDS Participants. Each of the Subscription Receipt Agent and the Company may deal with CDS for all purposes (including the making of payments) as the authorized representative of the respective Receiptholders and such dealing with CDS shall constitute satisfaction or performance, as applicable, of their respective obligations hereunder.

(e) For so long as Subscription Receipts are held through CDS, if any notice or other communication is required to be given to the Receiptholders, the Subscription Receipt Agent will give such notices and communications to CDS.

(f) If CDS resigns or is removed from its responsibility as depository and the Company is unable or does not wish to locate a qualified successor, CDS shall surrender a global certificate representing the Subscription Receipts to the Subscription Receipt Agent with instructions for registration of Subscription Receipts in the name and in the amount specified by CDS and the Company shall issue and the Subscription Receipt Agent shall certify and deliver the aggregate number of Subscription Receipts then outstanding in the form of definitive Subscription Receipt Certificates representing such Subscription Receipts to the Receiptholders.

2.9 Signing of Subscription Receipt Certificates

The Subscription Receipt Certificates shall be signed by an officer of the Company on behalf of the Company. The signature of such officer may be mechanically reproduced in facsimile (or other electronic copy) and Subscription Receipt Certificates bearing such facsimile (or other electronic copy) signature shall, subject to Section 2.11, be binding upon the Company as if they had been manually signed by such officer. Notwithstanding that the Person whose manual or facsimile (or other electronic copy) signature appears on any Subscription Receipt Certificate as such officer may no longer hold such position at the date of such Subscription Receipt Certificate or at the date of certification or delivery thereof, any Subscription Receipt Certificate signed as aforesaid shall, subject to Section 2.10, be valid and binding upon the Company and the holder thereof shall be entitled to the benefits of this Agreement.

2.10 Certification by the Subscription Receipt Agent

(a) No Subscription Receipt Certificate shall be issued or, if issued, shall be valid for any purpose or entitle the holder to the benefit hereof until the Subscription Receipt Certificate is certified by manual signature by or on behalf of the Subscription Receipt Agent, and such certification by the Subscription Receipt Agent upon any Subscription Receipt Certificate shall be conclusive evidence as against the Company that the Subscription Receipt Certificate so certified has been duly issued hereunder and that the holder is entitled to the benefits hereof.

(b) The certification of the Subscription Receipt Agent on Subscription Receipt Certificates issued hereunder shall not be construed as a representation or warranty by the Subscription Receipt Agent as to the validity of this Agreement or the Subscription Receipt Certificates (except the due certification thereof) and the Subscription Receipt Agent shall in no respect be liable or answerable for the use made of the Subscription Receipt Certificates or any of them or of the consideration therefor except as otherwise specified herein. The certificate by or on behalf of the Subscription Receipt Agent on Subscription Receipt Certificates shall constitute a representation and warranty by the Subscription Receipt Agent that the said Subscription Receipt Certificates have been duly certified by or on behalf of the Subscription Receipt Agent pursuant to the provisions of this Agreement.

2.11 Issue in Substitution for Subscription Receipt Certificates Lost, etc.

(a) In case any of the Subscription Receipt Certificates shall become mutilated or be lost, destroyed or stolen, the Company, subject to applicable law and compliance with Section 2.11(b) below, shall issue and thereupon the Subscription Receipt Agent shall certify and deliver, a new Subscription Receipt Certificate of like tenor as the one mutilated, lost, destroyed or stolen in exchange for and in place of and upon cancellation of such mutilated Subscription Receipt Certificate, or in lieu of and in substitution for such lost, destroyed or stolen Subscription Receipt Certificate, and the substituted Subscription Receipt Certificate shall be in a form approved by the Subscription Receipt Agent and shall be entitled to the benefits hereof and shall rank equally in accordance with its terms with all other Subscription Receipt Certificates issued or to be issued hereunder.

(b) The applicant for the issue of a new Subscription Receipt Certificate pursuant to this Section 2.11 shall bear the cost of the issue thereof and in case of loss, destruction or theft shall, as a condition precedent to the issue thereof, furnish to the Company and to the Subscription Receipt Agent such evidence of ownership and of the loss, destruction or theft of the Subscription Receipt Certificate so lost, destroyed or stolen as shall be satisfactory to the Company and to the Subscription Receipt Agent in their sole discretion, and such applicant may also be required to furnish an indemnity or surety bond in an amount and form satisfactory to the Company and the Subscription Receipt Agent in their sole discretion and shall pay the reasonable charges of the Company and the Subscription Receipt Agent in connection therewith.

2.12 Exchange of Subscription Receipt Certificates

(a) Subscription Receipt Certificates may, upon compliance with the reasonable requirements of the

Subscription Receipt Agent, be exchanged for another Subscription Receipt Certificate or Subscription Receipt Certificates entitling the holder thereof to, in the aggregate, the same number of Subscription Receipts as represented by the Subscription Receipt Certificates so exchanged.

(b) Subscription Receipt Certificates may be surrendered for exchange only at the Designated Office during regular business hours of the Subscription Receipt Agent.

2.13 Charges for Exchange

Except as otherwise herein provided, the Subscription Receipt Agent may charge to the holder requesting an exchange a reasonable sum for each new Subscription Receipt Certificate issued in exchange for Subscription Receipt Certificate(s). Payment of such charges and reimbursement of the Subscription Receipt Agent or the Company for any and all stamp taxes or governmental or other charges required to be paid shall be made by such holder as a condition precedent to such exchange.

2.14 Transfer and Ownership of Subscription Receipts

(a) Holders may not trade the Subscription Receipts before April 3, 2016 except in compliance with applicable laws and the Subscription Receipt Certificates will bear the legend included on the form of Subscription Receipt Certificate in Schedule "A" hereto. Other than the foregoing, there are no restrictions on the transfer of the Subscription Receipts, however, the Subscription Receipts may only be transferred on the register kept at the Designated Office by the registered holder or his legal representatives or his attorney duly appointed by an instrument in writing. Upon surrender for registration of transfer of Subscription Receipts at the Designated Office and upon compliance with this Section 2.14(a) and Section 2.15, the Company shall issue and thereupon the Subscription Receipt Agent shall certify and deliver a new Subscription Receipt Certificate of like tenor, including the legend included on the form of Subscription Receipt Certificate in Schedule "A" hereto, in the name of the designated transferee. If less than all the Subscription Receipts evidenced by the Subscription Receipt Certificate(s) so surrendered are transferred, the transferor shall be entitled to receive, in the same manner, a new Subscription Receipt Certificate registered in its name evidencing the Subscription Receipts not transferred. However, notwithstanding the foregoing, Subscription Receipts shall only be transferred:

(i) upon payment to the Subscription Receipt Agent of a reasonable sum for each new Subscription Receipt Certificate issued upon such transfer, and reimbursement of the Subscription Receipt Agent or the Company for any and all stamp taxes or governmental or other charges required to be paid in respect of such transfer;

(ii) in accordance with applicable securities laws, rules, regulations or policies; and

(iii) in accordance with such reasonable requirements as the Subscription Receipt Agent or the Company may prescribe,

and all such transfers shall be duly noted in such register by the Subscription Receipt Agent.

(b) The Company and the Subscription Receipt Agent will deem and treat the registered owner of any Subscription Receipt as the beneficial owner thereof for all purposes and neither the Company nor the Subscription Receipt Agent shall be affected by any notice to the contrary.

(c) The transfer register in respect of Subscription Receipts shall be closed at 5:00 p.m. (local time) at the Designated Office, on the earlier to occur of the Issue Date and the Termination Date (subject to settlement).

(d) The Subscription Receipt Agent shall promptly advise the Company of any requested transfer of Subscription Receipts. The Company shall be entitled, and may direct the Subscription Receipt Agent, to refuse to recognize any transfer, or enter the name of any transferee, of any Subscription Receipts on the registers referred to in this Article, if such transfer would constitute a violation of the securities laws of any jurisdiction or the rules, regulation or policies of any regulatory authority having jurisdiction.

(e) Subject to the provisions of this Agreement and applicable law, a Receiptholder shall be entitled to the rights and privileges attaching to the Subscription Receipts. Either the issue and delivery of Underlying Shares, as provided in Section 3.3, or the payment of the Subscription Receipt Price and the holder's *pro rata* entitlement of Earned Interest, less applicable withholding taxes, as provided in Section 3.5, all in accordance with the terms and conditions herein contained, shall discharge all responsibilities of the Company and the Subscription Receipt Agent with respect to such Subscription Receipts and neither the Company nor the Subscription Receipt Agent shall be bound to inquire into the title of a Receiptholder or a transferee of Subscription Receipts who surrenders a Subscription Receipt Certificate.

2.15 U.S. Purchaser Subscription Receipts

The parties to this Agreement acknowledge that (i) the Subscription Receipts and the Underlying Shares issuable pursuant thereto have not been, and will not be, registered under the 1933 Act or any securities laws of any state of the United States, (ii) the Subscription Receipts sold to Institutional Accredited Investors (within the meaning of Rule 501(a)(1), (2), (3) or (7) under the 1933 Act) pursuant to a private placement exemption and the Underlying Shares issued upon the exchange thereof are "restricted securities" within the meaning of Rule 144 under the 1933 Act and, accordingly, may not be offered, sold, pledged or otherwise transferred, directly or indirectly, except (A) to the Company or a subsidiary of the Company, (B) outside the United States in accordance with 904 of Regulation S under the 1933 Act; or (C) pursuant to a registration statement that has been declared effective under the 1933 Act; and in each case in compliance with any applicable state securities laws in the United States or securities laws of any other applicable jurisdiction.

2.16 Listing of Subscription Receipts and Underlying Shares

The parties to this Agreement acknowledge that the Subscription Receipts will not be listed and posted for trading on the TSX. The Company confirms that the Underlying Shares will be listed and posted for trading on the TSX, subject only to the Company satisfying all of the conditions imposed of the TSX with respect thereto.

2.17 Reliance by Subscription Receipt Agent

The Subscription Receipt Agent shall have no obligation to ensure or verify compliance with any applicable laws or regulatory requirements on the issue, conversion or transfer of any Subscription Receipts or any Underlying Shares issuable pursuant thereto provided such issue, conversion or transfer, as the case may be, is effected in accordance with the terms of this Agreement. The Subscription Receipt Agent may assume for the purposes of this Agreement that any address on the register is the registered holder's actual address and is also determinative as to residency and that the address of any transferee to whom any Subscription Receipts or Common Shares, as applicable, are to be registered, as shown on the transfer document, is the transferee's residency. The Subscription Receipt

Agent shall have no obligation to ensure that the legends appearing on the Subscription Receipts Certificates or Underlying Shares, as applicable, comply with regulatory requirements or securities laws of any applicable jurisdiction.

2.18 Rights of Rescission

(a) If a receipt has been obtained for a Prospectus and the Prospectus, together with any amendment thereto contains a misrepresentation (as such term is defined in the *Securities Act* (Alberta)) on the date of the Prospectus, any purchaser of Subscription Receipts who was the original purchaser of the Subscription Receipts (the "**Original Purchaser**") shall have a right of action against the Company for rescission to receive the Subscription Receipt Price, exercisable on notice given to the Company not more than 180 days subsequent to the date hereof. The right of action for rescission is only available to an Original Purchaser either while such Original Purchaser is a holder of the Subscription Receipts purchased or a holder of the Underlying Shares issuable pursuant to the Subscription Receipts.

(b) A permitted assignee of the interest of the Original Purchaser may exercise the rights of rescission set forth in Section 2.18(a) as if the permitted assignee was the Original Purchaser.

(c) In no event shall the Company be liable under this Section 2.18 if the Original Purchaser purchased the Subscription Receipts with the knowledge of the misrepresentation.

ARTICLE 3
SATISFACTION OF ISSUANCE RIGHT
OR TERMINATION PAYMENT RIGHT

3.1 Release Notice

If the Release Time occurs on or before the Deadline, the Company shall:

(a) as soon as practicable, deliver the executed Release Notice to the Subscription Receipt Agent substantially in the form set out in Schedule "B" hereto;

(b) concurrently deliver the executed Irrevocable Direction substantially in the form set out in Schedule "C" hereto, to the Subscription Receipt Agent as registrar and transfer agent for the Common Shares; and

(c) issue a press release setting out the Release Date and stating that the Underlying Shares have been issued or have been deemed to be issued effective as at the Issue Time.

3.2 Release of Funds Pending Completion of the Acquisition

Upon receipt of the Release Notice and the Irrevocable Direction, the Subscription Receipt Agent shall deliver the Release Amount to the following parties and in the following amounts and sequence as soon as reasonably practicable after such receipt:

(a) to the Vendor, in the manner directed by the Company in writing, an amount equal to $679,795,200 plus the portion of the Earned Interest attributable to such amount, up to a maximum of $680,000,000; and

(b) the remaining balance, if any, to the Company,

provided that the Subscription Receipt Agent shall in no event or circumstance be required to deliver an aggregate amount under this Section 3.2 in excess of the Release Amount.

3.3 Issue of Underlying Shares

(a) Immediately following the receipt of the Irrevocable Direction by the Subscription Receipt Agent, and provided that the Release Time occurs on or before the Deadline, the Underlying Shares issuable pursuant to the Subscription Receipts shall be and shall be deemed to be issued to the Receiptholders at the Issue Time, notwithstanding that a certificate therefor may not yet have been issued, or that a Book-Entry Only System customer confirmation many not yet have been issued, and the Persons to whom such Underlying Shares are to be issued in accordance with the provisions of this Agreement shall be deemed to have become the holders of record of such Underlying Shares at the Issue Time.

(b) Upon the issuance or deemed issuance of Underlying Shares pursuant to Subscription Receipts, the Subscription Receipt Agent shall issue and mail or deliver to holders of such Subscription Receipts at their registered addresses share certificates representing the Underlying Shares to which they are entitled, or direct CDS to cause to be entered and issued, as the case may be, to the Person or Persons in whose name or names such Underlying Shares have been issued a Book-Entry Only System confirmation.

(c) Effective immediately after the Underlying Shares have been deemed to be issued as contemplated in Section 3.3(a), the Subscription Receipts relating thereto shall be void and of no value or effect.

3.4 Fractions

Notwithstanding anything herein contained, the Company shall not be required, upon the issuance of the Underlying Shares pursuant to the Subscription Receipts, to issue fractions of Common Shares.

3.5 Payment on Termination

(a) If the Termination Time occurs, the Company shall forthwith notify the Subscription Receipt Agent thereof and shall issue a press release setting forth the Termination Date.

(b) If the Termination Time occurs, the subscription evidenced by each Subscription Receipt shall be automatically terminated and cancelled and each Receiptholder shall be entitled from and after the Termination Date, but shall receive no earlier than on the third Business Day following the Termination Date, a cheque or wire transfer in the aggregate amount of (i) the Subscription Receipt Price in respect of each of such holder's Subscription Receipts; and (ii) such holder's *pro rata* share of the Earned Interest, less applicable withholding taxes. Subject in each case to Sections 3.5(c) and (g), the amount paid to each Receiptholder under (i) shall be satisfied by the Escrowed Funds and the amount in (ii), if any, shall be satisfied by the Earned Interest.

(c) If the Escrowed Funds are not sufficient to meet the payment required by Section 3.5(b), the Subscription Receipt Agent shall promptly give notice of the amount of the deficiency to the Company.

(d) If the Release Time does not occur on or before the Deadline, registers shall be closed at the close of business on the Termination Date.

(e) The obligation to make the payment of the amount specified in Section 3.5(b) shall be satisfied by mailing payment by cheque payable at par in Calgary, Alberta or by wire transfer to and in the names of the registered holders of Subscription Receipts at their last address of record.

(f) Upon the mailing or delivery of any cheque or wire transfer as provided in Section 3.5(b) (and provided such cheque, if applicable, has been honoured for payment, if presented for payment within six months of the date thereof) all rights evidenced by the Subscription Receipts relating thereto shall be satisfied and such Subscription Receipts shall be void and of no value or effect. For greater certainty, any Escrowed Funds, interest or other monies held by the Subscription Receipt Agent pursuant hereto after the cheque or cheques for the amount specified in Section 3.5(d) have been mailed or wire transfers sent, shall be delivered to the Company as soon as reasonably practicable thereafter, except to the extent such Escrowed Funds relate to un-cleared cheques mailed as provided in Section 3.5(e), if applicable.

(g) The Company shall, no later than one Business Day after receiving the notice from the Subscription Receipt Agent described in Section 3.5(c), pay such amount as will allow the Subscription Receipt Agent to pay the Subscription Receipt Price in respect of such holder's Subscription Receipts plus any Earned Interest due (less withholdings).

3.6 Cancellation of Surrendered Subscription Receipt Certificates

All Subscription Receipt Certificates surrendered to the Subscription Receipt Agent pursuant to Sections 2.11, 2.12 or 5.1 shall be returned to or received by the Subscription Receipt Agent for cancellation and, if required by the Company, the Subscription Receipt Agent shall furnish the Company with a cancellation certificate identifying the Subscription Receipt Certificates so cancelled and the number of Subscription Receipts evidenced thereby.

Unless a receipt has been obtained for Prospectus prior to the Release Time, the certificates representing the Underlying Shares will bear the following legend:

UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY BEFORE APRIL 3, 2016.

THE SECURITIES REPRESENTED BY THIS CERTIFICATE ARE LISTED ON THE TORONTO STOCK EXCHANGE ("TSX"); HOWEVER, THE SAID SECURITIES CANNOT BE TRADED THROUGH THE FACILITIES OF TSX SINCE THEY ARE NOT FREELY TRANSFERABLE, AND CONSEQUENTLY ANY CERTIFICATE REPRESENTING SUCH SECURITIES IS NOT "GOOD DELIVERY" IN SETTLEMENT OF TRANSACTIONS ON TSX.

ARTICLE 4
INVESTMENT OF ESCROWED FUNDS
AND PAYMENT OF INTEREST

4.1 Investment of Escrowed Funds

(a) Until released in accordance with this Agreement, the Escrowed Funds shall be kept segregated in the records of the Subscription Receipt Agent and shall be deposited on behalf of Receiptholders in either: (i) short-term interest bearing obligations of, or guaranteed by, the Government of

Canada, or (ii) other approved investments as determined by the Company. If at any time the Escrowed Funds include cash that is not invested, the Subscription Receipt Agent shall deposit all such uninvested cash in an account, a term deposit or guaranteed investment certificates of the Subscription Receipt Agent or a bank as directed by the Company (and "**Approved Bank**"), having either no fixed term or no irrevocable term and which pays interest on the daily balance. Such direction to the Subscription Receipt Agent shall be provided by the Company no later than 7:00 a.m. (Calgary time) on the date which an investment is to be made. Any direction received by the Subscription Receipt Agent after 7:00 a.m. (Calgary time) or on a day which is not a Business Day, shall be deemed to have been given prior to 7:00 a.m. (Calgary time) on the next Business Day. If at any time the Escrowed Funds include cash that is not invested and the Company has not provided direction to the Subscription Receipt Agent to invest such cash, the Subscription Receipt Agent shall deposit all such uninvested cash in an interest bearing account.

(b) All amounts held by the Subscription Receipt Agent pursuant to this Agreement shall be held by the Subscription Receipt Agent for the Company and the delivery of the Escrowed Funds to the Subscription Receipt Agent shall not give rise to a debtor-creditor or other similar relationship between the Subscription Receipt Agent and the Company. The amounts held by the Subscription Receipt Agent pursuant to this Agreement are at the sole risk of the Company and, without limiting the generality of the foregoing, the Subscription Receipt Agent shall have no responsibility or liability for any diminution of the Escrowed Funds which may result from any deposit made with an Approved Bank pursuant to this Section, including any losses resulting from a default by the Approved Bank or other credit losses (whether or not resulting from such a default) and any credit or other losses on any deposit liquidated or sold prior to maturity. The Company acknowledges and agrees that the Subscription Receipt Agent acts prudently in depositing the Escrowed Funds at any Approved Bank, and that the Subscription Receipt Agent is not required to make any further inquiries in respect of any such bank.

(c) At any time and from time to time, the Company shall be entitled to direct the Subscription Receipt Agent by written notice (a) not to deposit any new amounts in any Approved Bank specified in the notice and/or (b) to withdraw all or any of the Escrowed Funds that may then be deposited with any Approved Bank specified in the notice. With respect to any withdrawal notice, the Subscription Receipt Agent will endeavour to withdraw such amount specified in the notice as soon as reasonably practicable and the Company acknowledges and agrees that such specified amount remains at the sole risk of the Company prior to and after such withdrawal.

4.2 Segregation of Escrowed Funds

The Escrowed Funds received by the Subscription Receipt Agent and any securities or other instruments received by the Subscription Receipt Agent upon the investment or reinvestment of such Escrowed Funds, shall be received as agent for, and shall be segregated and kept apart by the Subscription Receipt Agent as agent for, the Receiptholders.

ARTICLE 5
RIGHTS OF THE COMPANY AND COVENANTS

5.1 Optional Purchases by the Company

Subject to applicable law, the Company may from time to time purchase by private contract or otherwise any of the Subscription Receipts.

5.2 General Covenants

(a) The Company covenants with the Subscription Receipt Agent, that so long as any Subscription Receipts remain outstanding:

(i) it will use its best efforts to maintain its existence;

(ii) it will make all requisite filings under applicable Canadian securities legislation including those necessary to remain a reporting issuer not in default in each of the provinces of Canada;

(iii) it will announce by press release the Release Date or the Termination Date, as the case may be in accordance with Section 3.1(c) or Section 3.5(a), as the case may be;

(iv) generally, it will well and truly perform and carry out all of the acts or things to be done by it as provided in this Agreement;

(v) it will cause the Underlying Shares and the certificates representing the Underlying Shares from time to time issued pursuant to the Subscription Receipts to be duly issued and delivered in accordance with the Subscription Receipts, the terms hereof and applicable laws;

(vi) it will reserve and keep available a sufficient number of Common Shares for the purpose of enabling it to satisfy its obligations to issue Underlying Shares pursuant to the terms of the Subscription Receipts;

(vii) it will use its reasonable commercial efforts to ensure that (until the earlier of the Issue Date and the Termination Date) the Common Shares continue to be listed and posted for trading on the TSX;

(viii) it is duly authorized to create and issue the Subscription Receipts and to perform all other obligations of the Company under this Agreement, and the Subscription Receipts, when issued and countersigned as herein provided, will be valid, binding and enforceable obligations of the Company; and

(ix) all Underlying Shares issued pursuant to the terms of the Subscription Receipts shall be fully paid and non-assessable.

(b) In addition, the Company covenants with the Subscription Receipt Agent that, from the date hereof to the earlier of the Termination Date and the Issue Date, it will not do any of the following:

(i) amend its constating documents;

(ii) other than with respect to its normal course monthly dividend declaration of $0.10833 per Common Share, declare, set aside or pay any dividend or other distribution or make any other payment or distribution (whether in cash, shares or property) in respect of its outstanding securities;

(iii) split, combine or reclassify any of the Common Shares;

(iv) reduce the stated capital of the Company or any of the outstanding the Common Shares; or

(v) adopt a plan of liquidation or resolutions providing for the liquidation, dissolution, merger, consolidation or reorganization of the Company.

(c) In case the Company, after the date hereof, shall take any action affecting the Common Shares which, in the reasonable opinion of the directors of the Company, would materially affect the rights of the Receiptholders and/or the rights attached to the Subscription Receipts, then the number of Underlying Shares which are to be received pursuant to the Subscription Receipts shall be adjusted in such manner, if any, and at such time as the directors of the Company may, in their direction, reasonably determine to be equitable to the Receiptholders in such circumstances, subject to the approval of the TSX.

5.3 Subscription Receipt Agent's Remuneration and Expenses

(a) The Company covenants that it will pay to the Subscription Receipt Agent from time to time reasonable remuneration for its services hereunder and will pay or reimburse the Subscription Receipt Agent upon its request for all reasonable expenses, disbursements and advances incurred or made by the Subscription Receipt Agent in the administration or execution of this Agreement (including the reasonable compensation and the disbursements of its counsel and all other advisers and assistants not regularly in its employ) both before any default hereunder and thereafter until all duties of the Subscription Receipt Agent hereunder shall be finally and fully performed, except any such expense, disbursement or advance as may arise out of or result from the Subscription Receipt Agent's gross negligence, wilful misconduct or fraud. Any amount owing hereunder and remaining unpaid after 30 days from the invoice date will bear interest at the then current rate charged by the Subscription Receipt Agent against unpaid invoices and shall be payable on demand.

5.4 Performance of Covenants by Subscription Receipt Agent

If the Company shall fail to perform any of its covenants contained in this Agreement, the Subscription Receipt Agent may notify the Receiptholders of such failure on the part of the Company or may itself perform any of the said covenants capable of being performed by it, but shall be under no obligation to perform said covenants or to notify the Receiptholders of such performance by it. All sums expended or advanced by the Subscription Receipt Agent in so doing shall be repayable as provided in Section 5.3. No such performance, expenditure or advance by the Subscription Receipt Agent shall relieve the Company of any default hereunder or of its continuing obligations under the covenants contained herein.

5.5 Accounting

The Subscription Receipt Agent shall maintain accurate books, records and accounts of the transactions effected or controlled by the Subscription Receipt Agent hereunder and the receipt, investment, reinvestment and disbursement of the Escrowed Funds, and shall provide to the Company records and statements thereof monthly and periodically upon written request. The Company shall have the right to audit any such books, records, accounts and statements.

5.6 Payments by Subscription Receipt Agent

In the event that any funds to be disbursed by the Subscription Receipt Agent in accordance herewith are received by the Subscription Receipt Agent in the form of an uncertified cheque or cheques, the Subscription Receipt Agent shall be entitled to delay the time for disbursement of such funds hereunder until such uncertified cheque or cheques have cleared in the ordinary course the financial institution upon which the same are drawn. The Subscription Receipt Agent will disburse monies according to this Agreement only to the extent that monies have been deposited with it.

5.7 Regulatory Matters

The Company shall file all such documents, notices and certificates and take such steps and do such things as may be necessary under applicable securities laws to permit the issuance of the Underlying Shares in the circumstances contemplated by Section 3.3 such that such issuance will be exempt from the prospectus and registration requirements of applicable securities laws.

5.8 SEC Filer

The Company confirms that as at the date of the execution of this Agreement it does not have a class of securities registered pursuant to Section 12 of the 1934 Act or have a reporting obligation pursuant to Section 15(d) of the 1934 Act. The Company covenants that in the event that: (i) any class of its securities shall become registered pursuant to Section 12 of the 1934 Act or the Company shall incur a reporting obligation pursuant to Section 15(d) of the 1934 Act, or (ii) any such registration or reporting obligation shall be terminated by the Company in accordance with the 1934 Act, the Company shall promptly deliver to the Subscription Receipt Agent an Officers' Certificate (in a form provided by the Subscription Receipt Agent) notifying the Subscription Receipt Agent of such registration or termination and such other information as the Subscription Receipt Agent may reasonably require at the time. The Company acknowledges that the Subscription Receipt Agent is relying upon the foregoing representation and covenant in order to meet certain SEC obligations applicable to it with respect to clients of the Subscription Receipt Agent that are required to file reports with the SEC.

5.9 Privacy Consent

(a) The Company acknowledges that the Subscription Receipt Agent may, in the course of providing services hereunder, collect or receive financial and other personal information about the Company and/or the investors in the Private Placement and/or their representatives, as individuals, or about other individuals related to the subject matter hereof, and use such information for the following purposes: (i) to provide the services required under this Agreement and other services that may be requested from time to time; (ii) to help the Subscription Receipt Agent manage its servicing relationships with such individuals; (iii) to meet the Subscription Receipt Agent's legal and regulatory requirements; and (iv) if Social Insurance Numbers or Business Identification Numbers are collected by the Subscription Receipt Agent, to perform tax reporting and to assist in verification of an individual's identity for security purposes.

(b) The Company acknowledges and agrees that the Subscription Receipt Agent may receive, collect, use and disclose personal information provided to it or acquired by it in the course of this Agreement for the purposes described above and, generally, in the manner and on the terms described in its Privacy Policy which the Subscription Receipt Agent shall make available on its website or upon request, including revisions thereto. Some of this personal information may be transferred to servicers in the United States of America for data processing and/or storage. Further, each party agrees that it shall not provide or cause to be provided to the Subscription

Receipt Agent any personal information relating to an individual who is not a party to this agreement unless that party has used reasonable commercial efforts to assure itself that such individual has consented to the aforementioned terms, uses and disclosures.

5.10 Indemnity of Receiptholders

The Company agrees to indemnify the Receiptholders for and hold each of them harmless against, any loss, liability, claim, damage or expense imposed on, incurred by or asserted against any of them as a result of a breach by the Subscription Receipt Agent of its obligations under this Agreement, including the failure of the Subscription Receipt Agent to deliver the Underlying Shares or to make payment hereunder including any failure to refund the Subscription Receipt Price together with Earned Interest to the Receiptholders pursuant to the provisions hereof. The indemnity provided for in this Section 5.10 shall survive any termination of this Agreement.

ARTICLE 6
ENFORCEMENT

6.1 Suits by Receiptholders

Subject to Section 7.10 hereof, all or any of the rights conferred upon any Receiptholder by any of the terms of the Subscription Receipt Certificates or of this Agreement, or of both, may be enforced by the Receiptholder by appropriate proceedings but without prejudice to the right which is hereby conferred upon the Subscription Receipt Agent to proceed in its own name to enforce each and all of the provisions contained herein for the benefit of the Receiptholders.

6.2 Immunity of Shareholders, etc.

The Subscription Receipt Agent and, by the acceptance of the Subscription Receipt Certificates and as part of the consideration for the issue of the Subscription Receipts, the Receiptholders hereby waive and release any right, cause of action or remedy now or hereafter existing in any jurisdiction against any settlor or any past, present or future shareholder, director, officer, employee or agent of the Company or any successor entity for the issue of the Underlying Shares pursuant to any Subscription Receipt or on any covenant, agreement, representation or warranty by the Company contained herein or in the Subscription Receipt Certificate(s).

6.3 Limitation of Liability

The obligations hereunder are not personally binding upon, nor shall resort hereunder be had to, the private property of any of the past, present or future shareholders, directors, officers, employees or agents of the Company or of any successor entity, but only the property of the Company or any successor entity shall be bound in respect hereof.

6.4 Indemnification of Subscription Receipt Agent

Without limiting any protection or indemnity of the Subscription Receipt Agent under any other provision hereof, or otherwise at law, the Company hereby agrees to indemnify and hold harmless the Subscription Receipt Agent, its directors, officers, employees and agents, and all of their respective representatives, heirs, successors and assigns (collectively, the "**Indemnified Parties**") from and against any and all demands, claims, assessments, proceedings, suits, actions, costs, judgments, penalties, interest, liabilities, losses (other than loss of profits), damages, debts, expenses and disbursements (including expert consultant and legal fees and disbursements on a substantial indemnity, or solicitor and client, basis) which may at any time be suffered, incurred by or asserted against the Indemnified Parties in connection with the performance of the Subscription Receipt Agent's duties and obligations hereunder, other than such liabilities, losses, damages, penalties, claims, actions, suits, costs, expenses and disbursements arising by reason of the gross negligence, wilful misconduct or bad faith of the Subscription Receipt Agent. The Company agrees that its liability hereunder shall be absolute and unconditional regardless of the correctness of any representations of any third parties and regardless of any liability of third parties to the Indemnified Parties, and shall accrue and become enforceable without prior demand or any other precedent action or proceeding. This provision shall survive the resignation or removal of the Subscription Receipt Agent, or the termination of this Agreement. The Indemnified Parties shall not be under any obligation to prosecute or to defend any action or suit which, in the opinion of their counsel, may involve them in expense or liability, unless the Company shall, so often as required, furnish the Indemnified Parties with satisfactory indemnity and funding against such expense or liability. Notwithstanding any other provision of this Agreement, and whether such losses or damages are foreseeable or unforeseeable, the Subscription Receipt Agent shall not be liable under any circumstances whatsoever for any (a) indirect, incidental, consequential, exemplary, aggravated or punitive losses or damages.

ARTICLE 7
MEETINGS OF RECEIPTHOLDERS

7.1 Right to Convene Meetings

The Subscription Receipt Agent may at any time and from time to time, and shall on receipt of a written request of the Company or of a Receiptholders' Request and upon being indemnified to its reasonable satisfaction by the Company or by the Receiptholders signing such Receiptholders' Request against the cost which may be incurred in connection with the calling and holding of such meeting, convene a meeting of the Receiptholders. In the event of the Subscription Receipt Agent failing to so convene a meeting within ten (10) days after receipt of such written request of the Company or such Receiptholders' Request and indemnity given as aforesaid, the Company or such Receiptholders, as the case may be, may convene such meeting. Every such meeting shall be held in the City of Calgary or at such other place as may be determined by the Subscription Receipt Agent and approved by the Company.

7.2 Notice

At least ten (10) days prior notice of any meeting of Receiptholders shall be given to the Receiptholders in the manner provided for in Section 10.2 and a copy of such notice shall be sent by mail to the Subscription Receipt Agent (unless the meeting has been called by the Subscription Receipt Agent) and to the Company (unless the meeting has been called by the Company). Such notice shall state the date (which must be a Business Day) and time when, and the place where the meeting is to be held, shall state briefly the general nature of the business to be transacted thereat and shall contain such information as is reasonably necessary to enable the Receiptholders to make a reasoned decision on the matter, but it shall not be necessary for any such notice to set out the terms of any resolution to be proposed or any of the provisions of this Article 7.

7.3 Chairman

An individual (who need not be a Receiptholder) designated in writing by the Subscription Receipt Agent shall be chairman of the meeting and if no individual is so designated, or if the individual so designated is not present within fifteen (15) minutes from the time fixed for the holding of the meeting, the Receiptholders present in person or represented by proxy shall choose some individual present to be chairman.

7.4 Quorum

Subject to the provisions of Section 7.11, at any meeting of the Receiptholders a quorum shall consist of not less than two (2) Receiptholders present in person or represented by proxy and holding 25% of the then outstanding Subscription Receipts. If a quorum of the Receiptholders shall not be present within thirty (30) minutes from the time fixed for holding any meeting, the meeting, if summoned by the Receiptholders or on a Receiptholders' Request, shall be dissolved; but in any other case the meeting shall be adjourned to the same day in the next week (unless such day is not a Business Day, in which case it shall be adjourned to the next following Business Day) at the same time and place and no notice of the adjournment need be given. Any business may be brought before or dealt with at an adjourned meeting which might have been dealt with at the original meeting in accordance with the notice calling the same. No business shall be transacted at any meeting unless a quorum is present at the commencement of business. At the adjourned meeting the Receiptholders present in person or represented by proxy shall form a quorum and may transact the business for which the meeting was originally convened notwithstanding that they may not hold at least 25% of the then outstanding Subscription Receipts.

7.5 Power to Adjourn

The chairman of any meeting at which a quorum of the Receiptholders is present may, with the consent of the meeting, adjourn any such meeting and no notice of such adjournment need be given except such notice, if any, as the meeting may prescribe.

7.6 Show of Hands

Every question submitted to a meeting shall be decided in the first place by a majority of the votes given on a show of hands except that votes on an extraordinary resolution shall be given in the manner hereinafter provided. At any such meeting, unless a poll is duly demanded as herein provided, a declaration by the chairman that a resolution has been carried or carried unanimously or by a particular majority or lost or not carried by a particular majority shall be conclusive evidence of the fact.

7.7 Poll and Voting

On every extraordinary resolution, and on any other question submitted to a meeting and after a vote by show of hands when demanded by the chairman or by one or more of the Receiptholders acting in person or represented by proxy and holding at least 25% of the Subscription Receipts then outstanding, a poll shall be taken in such manner as the chairman shall direct. Questions other than those required to be determined by extraordinary resolution shall be decided by a majority of the votes cast on the poll.

On a show of hands, every Person who is present and entitled to vote, whether as a Receiptholder or as proxy for one or more absent Receiptholders, or both, shall have one vote. On a poll, each Receiptholder present in person or represented by a proxy duly appointed by instrument in writing shall be entitled to one vote in respect of each Underlying Share he is entitled to receive pursuant to the Subscription Receipt(s) then held or represented by him. A proxy need not be a Receiptholder. In the case of joint holders, any of them present in person or represented by proxy at the meeting may vote in the absence of the other or others; but in case more than one of them shall be present in person or represented by proxy, they shall vote together in respect of Subscription Receipts of which they are joint registered holders. The chairman of any meeting shall be entitled, both on a show of hands and on a poll, to vote in respect of the Subscription Receipts, if any, held or represented by him.

7.8 Regulations

The Company may from time to time make and from time to time vary such regulations as it shall think fit for:

(a) the setting of the record date for a meeting of holders of Subscription Receipts for the purpose of determining Receiptholders entitled to receive notice of and vote at such meeting;

(b) the issue of voting certificates by any bank, trust company or other depositary satisfactory to the Subscription Receipt Agent stating that the Subscription Receipt Certificates specified therein have been deposited with it by a named Person and will remain on deposit until after the meeting, which voting certificate shall entitle the Persons named therein to be present and vote at any such meeting and at any adjournment thereof or to appoint a proxy or proxies to represent them and vote for them at any such meeting and at any adjournment thereof in the same manner and with the same effect as though the Persons so named in such voting certificates were the actual holders of the Subscription Receipt Certificates specified therein;

(c) the deposit of voting certificates and instruments appointing proxies at such place and time as the Subscription Receipt Agent, the Company or the Receiptholders, convening the meeting, as the case may be, may in the notice convening the meeting direct;

(d) the deposit of voting certificates and instruments appointing proxies at some approved place or places other than the place at which the meeting is to be held and enabling particulars of such instruments appointing proxies to be mailed, faxed or otherwise sent electronically before the meeting to the Company or to the Subscription Receipt Agent at the place where the same is to be held and for the voting of proxies so deposited as though the instruments themselves were produced at the meeting;

(e) the form of the instrument of proxy; and

(f) generally for the calling of meetings of Receiptholders and the conduct of business thereat.

Any regulations so made shall be binding and effective and the votes given in accordance therewith shall be valid and shall be counted. Save as such regulations may provide, the only Persons who shall be recognized at any meeting as a Receiptholder, or be entitled to vote or be present at the meeting in respect thereof (subject to Section 7.9), shall be Receiptholders or their counsel, or duly appointed proxies of Receiptholders.

7.9 Company and Subscription Receipt Agent may be Represented

The Company and the Subscription Receipt Agent, by their respective authorized agent, and the counsel for the Company and for the Subscription Receipt Agent may attend any meeting of the Receiptholders, but shall have no vote as such unless in their capacity as Receiptholder or a proxy holder.

7.10 Powers Exercisable by Extraordinary Resolution

In addition to all other powers conferred upon them by any other provisions of this Agreement or by law, the Receiptholders at a meeting shall, subject to the provisions of Section 7.11, have the power, subject to all applicable regulatory and exchange approvals, exercisable from time to time by extraordinary resolution:

(a) to agree to any modification, abrogation, alteration, compromise or arrangement of the rights of Receiptholders or the Subscription Receipt Agent (in this case, with the approval of the Subscription Receipt Agent) against the Company or against its undertaking, property and assets or any part thereof whether such rights arise under this Agreement or the Subscription Receipt Certificates or otherwise;

(b) to amend, alter or repeal any extraordinary resolution previously passed or sanctioned by the Receiptholders;

(c) to direct or to authorize the Subscription Receipt Agent to enforce any of the covenants on the part of the Company contained in this Agreement or the Subscription Receipt Certificates or to enforce any of the rights of the Receiptholders in any manner specified in such extraordinary resolution or to refrain from enforcing any such covenant or right;

(d) to waive, and to direct the Subscription Receipt Agent to waive, any default on the part of the Company in complying with any provisions of this Agreement or the Subscription Receipt Certificates either unconditionally or upon any conditions specified in such extraordinary resolution;

(e) to restrain any Receiptholder from taking or instituting any suit, action or proceeding against the Company for the enforcement of any of the covenants on the part of the Company in this Agreement or the Subscription Receipt Certificates or to enforce any of the rights of the Receiptholders;

(f) to direct any Receiptholder who, as such, has brought any suit, action or proceeding to stay or to discontinue or otherwise to deal with the same upon payment of the costs, charges and expenses reasonably and properly incurred by such Receiptholder in connection therewith;

(g) to assent to any modification of, change in or omission from the provisions contained in the Subscription Receipt Certificates and this Agreement or any ancillary or supplemental instrument which may be agreed to by the Company, and to authorize the Subscription Receipt Agent to concur in and execute any ancillary or supplemental agreement embodying the change or omission, provided that such modification, change or omission will not prejudice the rights of the Receiptholders or the Subscription Receipt Agent;

(h) with the consent of the Company (such consent not to be unreasonably withheld), to remove the Subscription Receipt Agent or its successor in office and to appoint a new Subscription Receipt Agent to take the place of the Subscription Receipt Agent so removed; and

(i) to assent to any compromise or arrangement with any creditor or creditors or any class or classes of creditors, whether secured or otherwise, and with holders of any Common Shares or other securities of the Company.

7.11 Meaning of Extraordinary Resolution

(a) The expression "extraordinary resolution" when used in this Agreement means, subject as hereinafter provided in this Section 7.11 and in Section 7.14, a resolution proposed at a meeting of Receiptholders duly convened for that purpose and held in accordance with the provisions of this Article 7 at which there are present in person or represented by proxy at least two (2) Receiptholders holding more than 25% of the then outstanding Subscription Receipts and passed by the affirmative votes of Receiptholders holding not less than 66 2/3% of the then outstanding

Subscription Receipts represented at the meeting and voted on the poll upon such resolution.

(b) If, at any meeting called for the purpose of passing an extraordinary resolution, at least two (2) Receiptholders holding more than 25% of the then outstanding Subscription Receipts are not present in person or represented by proxy within thirty (30) minutes after the time appointed for the meeting, then the meeting, if convened by Receiptholders or on a Receiptholders' Request, shall be dissolved; but in any other case it shall stand adjourned to such day, being not less than fourteen (14) or more than thirty (30) days later, and to such place and time as may be appointed by the chairman. Not less than seven (7) days prior notice shall be given of the time and place of such adjourned meeting in the manner provided for in Section 10.2. Such notice shall state that at the adjourned meeting the Receiptholders present in person or represented by proxy shall form a quorum but it shall not be necessary to set forth the purposes for which the meeting was originally called or any other particulars. At the adjourned meeting:

(i) if the extraordinary resolution purports to exercise any of the powers conferred pursuant to Section 7.10(a), (d), (g) or (i) or purports to change the provisions of this Section 7.11 or of Section 7.14 or purports to amend, alter or repeal any extraordinary resolution previously passed or sanctioned by the Receiptholders in exercise of the powers referred to in this paragraph, a quorum for the transaction of business shall consist of Receiptholders holding more than 25% of the then outstanding Subscription Receipts present in person or represented by proxy; and

(ii) in any other case, a quorum for the transaction of business shall consist of such Receiptholders as are present in person or represented by proxy notwithstanding that Receiptholders holding more than 25% of the then outstanding Subscription Receipts are not present in person or represented by proxy at such adjourned meeting.

(c) Votes on an extraordinary resolution shall always be given on a poll and no demand for a poll on an extraordinary resolution shall be necessary.

7.12 Powers Cumulative

Any one or more of the powers or any combination of the powers in this Agreement stated to be exercisable by the Receiptholders by extraordinary resolution or otherwise may be exercised from time to time and the exercise of any one or more of such powers or any combination of powers from time to time shall not be deemed to exhaust the right of the Receiptholders to exercise such power or powers or combination of powers then or thereafter from time to time.

7.13 Minutes

Minutes of all resolutions and proceedings at every meeting of Receiptholders shall be made and duly entered in books to be provided from time to time for that purpose by the Subscription Receipt Agent at the expense of the Company, and any such minutes as aforesaid, if signed by the chairman or the secretary of the meeting at which such resolutions were passed or proceedings had or by the chairman or secretary of the next succeeding meeting held shall be prima facie evidence of the matters therein stated and, until the contrary is proved, every such meeting in respect of the proceedings of which minutes shall have been made shall be deemed to have been duly convened and held, and all resolutions passed thereat or proceedings taken shall be deemed to have been duly passed and taken.

7.14 Instruments in Writing

All actions which may be taken and all powers that may be exercised by the Receiptholders at a meeting held as provided in this Article 7 may also be taken and exercised by an instrument in writing signed in one or more counterparts by such Receiptholders in person or by attorney duly appointed in writing, by Receiptholders holding at least: (i) a majority of the outstanding Subscription Receipts with respect to a resolution other than an extraordinary resolution; and (ii) 66 2/3% of then outstanding Subscription Receipts with respect to an extraordinary resolution, and the expression "extraordinary resolution" when used in this Agreement shall include an instrument so signed by Receiptholders holding at least 66 2/3% of the then outstanding Subscription Receipts.

7.15 Binding Effect of Resolutions

Every resolution and every extraordinary resolution passed in accordance with the provisions of this Article 7 at a meeting of Receiptholders shall be binding upon all the Receiptholders, whether present at or absent from such meeting, and every instrument in writing signed by Receiptholders in accordance with Section 7.14 shall be binding upon all the Receiptholders, whether signatories thereto or not, and each and every Receiptholder and the Subscription Receipt Agent (subject to the provisions for indemnity herein contained) shall be bound to give effect accordingly to every such resolution and instrument in writing.

7.16 Holdings by Company Disregarded

In determining whether Receiptholders holding the required number of Subscription Receipts are present at a meeting of Receiptholders for the purpose of determining a quorum or have concurred in any consent, waiver, extraordinary resolution, Receiptholders' Request or other action under this Agreement, Subscription Receipts owned legally or beneficially by the Company or any affiliated entity of the Company shall be disregarded in accordance with the provisions of Section 10.8.

ARTICLE 8
SUPPLEMENTAL AGREEMENTS

8.1 Provision for Supplemental Agreements for Certain Purposes

From time to time, and subject to any applicable regulatory approval, the Company (when authorized by action by the directors) and the Subscription Receipt Agent may, subject to the provisions hereof, and they shall, when so directed in accordance with the provisions hereof, execute and deliver by their proper officers, agreements supplemental hereto, which thereafter shall form part hereof, for any one or more or all of the following purposes:

(a) adding to the provisions hereof such additional covenants and enforcement provisions as, in the opinion of Counsel, are necessary or advisable in the premises, provided that the same are not in the opinion of the Counsel of the Subscription Receipt Agent prejudicial to the interests of the Receiptholders;

(b) giving effect to any extraordinary resolution passed as provided in Article 7;

(c) making such provisions not inconsistent with this Agreement as may be necessary or desirable with respect to matters or questions arising hereunder, provided that such provisions are not, in the opinion of Counsel of the Subscription Receipt Agent, prejudicial to the interests of the Receiptholders;

(d) making provision for the exchange of Subscription Receipt Certificates, and making any modification in the form of the Subscription Receipt Certificates which does not affect the substance thereof,

(e) modifying any of the provisions of this Agreement, including relieving the Company from any of the obligations, conditions or restrictions herein contained, provided that such modification or relief shall be or become operative or effective only if, in the opinion of Counsel of the Subscription Receipt Agent, such modification or relief in no way prejudices any of the rights of the Receiptholders or of the Subscription Receipt Agent, and provided further that the Subscription Receipt Agent may in its sole discretion decline to enter into any such supplemental agreement which in its opinion may not afford adequate protection to the Subscription Receipt Agent when the same shall become operative; and

(f) for any other purpose not inconsistent with the terms of this Agreement, including the correction or rectification of any ambiguities, defective or inconsistent provisions, errors, mistakes or omissions herein, provided that in the opinion of Counsel of the Subscription Receipt Agent the rights of the Subscription Receipt Agent and of the Receiptholders are in no way prejudiced thereby.

ARTICLE 9
CONCERNING THE SUBSCRIPTION RECEIPT AGENT

9.1 Rights and Duties of Subscription Receipt Agent

(a) In the exercise of the rights and duties prescribed or conferred by the terms of this Agreement, the Subscription Receipt Agent shall exercise that degree of care, diligence and skill that a reasonably prudent Subscription Receipt Agent would exercise in comparable circumstances.

(b) The obligation of the Subscription Receipt Agent to commence or continue any act, action or proceeding for the purpose of enforcing any rights of the Subscription Receipt Agent or the Receiptholders hereunder shall be conditional upon the Receiptholders furnishing, when required by notice by the Subscription Receipt Agent, sufficient funds to commence or to continue such act, action or proceeding and an indemnity reasonably satisfactory to the Subscription Receipt Agent to protect and to hold harmless the Subscription Receipt Agent against the costs, charges and expenses and liabilities to be incurred thereby and any loss and damage it may suffer by reason thereof. None of the provisions contained in this Agreement shall require the Subscription Receipt Agent to expend or to risk its own funds or otherwise to incur financial liability in the performance of any of its duties or in the exercise of any of its rights or powers unless indemnified and funded as aforesaid.

(c) The Subscription Receipt Agent may, before commencing or at any time during the continuance of any such act, action or proceeding, require the Receiptholders at whose instance it is acting to deposit with the Subscription Receipt Agent the Subscription Receipts held by them, for which Subscription Receipts the Subscription Receipt Agent shall issue receipts.

(d) Every provision of this Agreement that by its terms relieves the Subscription Receipt Agent of liability or entitles it to rely upon any evidence submitted to it is subject to the provisions of this Section 9.1 and Section 9.2.

(e) The Subscription Receipt Agent shall have no duties except those expressly set forth herein, and it shall not be bound by any notice of a claim or demand with respect to, or any waiver, modification, amendment, termination or rescission of, this Agreement, unless received by it in writing and signed by the other parties hereto and, if its duties herein are affected, unless it shall have given its prior written consent thereto.

(f) The Subscription Receipt Agent shall not be responsible for ensuring that the Escrowed Funds are used in the manner contemplated by the offering of Subscription Receipts, except for its obligations under Sections 3.2 and 3.5.

(g) The Subscription Receipt Agent shall retain the right not to act and shall not be held liable for refusing to act unless it has received clear and reasonable documentation which complies with the terms of this Agreement, which documentation does not require the exercise of any discretion or independent judgment.

(h) The Subscription Receipt Agent shall incur no liability whatsoever with respect to the delivery or non-delivery of any certificates whether delivery by hand, mail or any other means.

(i) The Subscription Receipt Agent shall not be responsible or liable in any manner whatsoever for the deficiency, correctness, genuineness or validity of any securities deposited with it.

9.2 Evidence, Experts and Advisers

(a) In addition to the reports, certificates, opinions and other evidence required by this Agreement, the Company shall furnish to the Subscription Receipt Agent such additional evidence of compliance with any provision hereof, and in such form, as the Subscription Receipt Agent may reasonably require by written notice to the Company.

(b) In the exercise of its rights and duties hereunder, the Subscription Receipt Agent may, if it is acting in good faith, rely as to the truth of the statements and the accuracy of the opinions expressed in statutory declarations, opinions, reports, written requests, consents, or orders of the Company, certificates of the Company or other evidence furnished to the Subscription Receipt Agent pursuant to any provision hereof or pursuant to a request of the Subscription Receipt Agent.

(c) Whenever it is provided in this Agreement that the Company shall deposit with the Subscription Receipt Agent resolutions, certificates, reports, opinions, requests, orders or other documents, it is intended that the truth, accuracy and good faith on the effective date thereof and the facts and opinions stated in all such documents so deposited shall, in each and every such case, be conditions precedent to the right of the Company to have the Subscription Receipt Agent take the action to be based thereon.

(d) The Subscription Receipt Agent may employ or retain such Counsel, accountants, appraisers or other experts or advisers as it may reasonably require for the purpose of discharging its duties hereunder and may pay reasonable remuneration for all services so performed by any of them, without taxation of costs of any Counsel, and shall not be responsible for any misconduct or negligence on the part of any such experts or advisers who have been appointed with due care by the Subscription Receipt Agent.

9.3 Documents, Monies, etc. Held by Subscription Receipt Agent

Any securities, documents of title or other instruments that may at any time be held by the Subscription Receipt Agent pursuant to this Agreement may be placed in the deposit vaults of the

Subscription Receipt Agent or of any Approved Bank or deposited for safekeeping with any such bank. If the Subscription Receipt Agent has not received a direction under Section 4.1, any monies so held pending the application or withdrawal thereof under any provisions of this Agreement may be deposited in the name of the Subscription Receipt Agent in any Approved Bank, or in the deposit department of the Subscription Receipt Agent or any other loan or trust company authorized to accept deposits under the laws of Canada or a province thereof, at the rate of interest (if any) then current on similar deposits.

9.4 Actions by Subscription Receipt Agent to Protect Interest

The Subscription Receipt Agent shall have power to institute and to maintain such actions and proceedings as it may consider necessary or expedient to preserve, protect or enforce its interests and the interests of the Receiptholders.

9.5 Subscription Receipt Agent not Required to Give Security

The Subscription Receipt Agent shall not be required to give any bond or security in respect of the execution of this Agreement or otherwise in respect of the premises.

9.6 Protection of Subscription Receipt Agent

By way of supplement to the provisions of any law for the time being relating to subscription receipt agents it is expressly declared and agreed as follows:

(a) the Subscription Receipt Agent shall not be liable for or by reason of any statements of fact or recitals in this Agreement or in the Subscription Receipt Certificates (except the representation contained in Section 9.8 or in the certificate of the Subscription Receipt Agent on the Subscription Receipt Certificates) or be required to verify the same, but all such statements or recitals are and shall be deemed to be made by the Company;

(b) nothing herein contained shall impose any obligation on the Subscription Receipt Agent to see to or to require evidence of the registration or filing (or renewal thereof) of this Agreement or any instrument ancillary or supplemental hereto;

(c) the Subscription Receipt Agent shall not be bound to give notice to any Person or Persons of the execution hereof; and

(d) the Subscription Receipt Agent shall not incur any liability or responsibility whatever or be in any way responsible for the consequence of any breach on the part of the Company of any of the covenants herein contained or of any acts of any directors, officers, employees, agent or servants of the Company.

9.7 Replacement of Subscription Receipt Agent; Successor by Merger

(a) The Subscription Receipt Agent may resign its appointment and be discharged from all other duties and liabilities hereunder, subject to this Section 9.7, by giving to the Company not less than thirty (30) days prior notice in writing or such shorter prior notice as the Company may accept as sufficient. The Receiptholders by extraordinary resolution shall have power at any time to remove the existing Subscription Receipt Agent and to appoint a new Subscription Receipt Agent. In the event of the Subscription Receipt Agent resigning or being removed as aforesaid or being dissolved, becoming bankrupt, going into liquidation or otherwise becoming incapable of acting hereunder, the Company shall forthwith appoint a new Subscription Receipt Agent unless a new Subscription Receipt Agent has already been appointed by the Receiptholders; failing such appointment by the Company, the retiring Subscription Receipt Agent or any Receiptholder may apply to a justice of the Alberta Court of Queen's Bench (the "**Court**") on such notice as such justice may direct, for the appointment of a new Subscription Receipt Agent; but any new Subscription Receipt Agent so appointed by the Company, or by the Court shall be subject to removal as aforesaid by the Receiptholders. Any new Subscription Receipt Agent appointed under any provision of this Section 9.7 shall be a company authorized to carry on the business of a trust company in the provinces of Alberta and, if required by the applicable legislation for any other provinces, in such other provinces. On any such appointment the new Subscription Receipt Agent shall be vested with the same powers, rights, duties and responsibilities as if it had been originally named herein as Subscription Receipt Agent hereunder. At the request of the Company or the new Subscription Receipt Agent, the retiring Subscription Receipt Agent, upon payment of the amounts, if any, due to it pursuant to Section 5.3, shall duly assign, transfer and deliver to the new Subscription Receipt Agent all property and money held and all records kept by the retiring Subscription Receipt Agent hereunder or in connection herewith.

(b) Upon the appointment of a successor Subscription Receipt Agent, the Company shall promptly notify the Receiptholders thereof in the manner provided for in Article 10 hereof.

(c) Any company into or with which the Subscription Receipt Agent may be merged or consolidated or amalgamated, or any company resulting therefrom to which the Subscription Receipt Agent shall be a party, or any company succeeding to the corporate trust business of the Subscription Receipt Agent shall be the successor to the Subscription Receipt Agent hereunder without any further act on its part or any of the parties hereto, provided that such Company would be eligible for appointment as a successor Subscription Receipt Agent under Section 9.7(a).

(d) Any Subscription Receipt Certificates certified but not delivered by a predecessor Subscription Receipt Agent may be delivered by the successor Subscription Receipt Agent in the name of the predecessor or successor Subscription Receipt Agent.

9.8 Conflict of Interest

(a) The Subscription Receipt Agent represents to the Company that at the time of execution and delivery hereof no material conflict of interest exists between its role as an Subscription Receipt Agent hereunder and its role in any other capacity and agrees that in the event of a material conflict of interest arising hereafter it will, within thirty (30) days after ascertaining that it has such material conflict of interest, either eliminate the same or assign its appointment as Subscription Receipt Agent hereunder to a successor Subscription Receipt Agent approved by the Company and meeting the requirements set forth in Section 9.7(a). Notwithstanding the foregoing provisions of this Section 9.8(a), if any such material conflict of interest exists or hereafter shall exist, the validity and enforceability of this Agreement and the Subscription Receipt Certificates shall not be affected in any manner whatsoever by reason thereof.

(b) Subject to Section 9.8(a), the Subscription Receipt Agent, in its personal or any other capacity, may buy, lend upon and deal in securities of the Company and generally may contract and enter into financial transactions with the Company or any affiliated entity of the Company without being liable to account for any profit made thereby.

9.9 Acceptance of Appointment

The Subscription Receipt Agent hereby accepts the appointment as Subscription Receipt Agent in this Agreement and agrees to perform its duties hereunder upon the terms and conditions herein set forth.

9.10 Subscription Receipt Agent Not to be Appointed Receiver

The Subscription Receipt Agent and any Person related to the Subscription Receipt Agent shall not be appointed a receiver, a receiver and manager or liquidator of all or any part of the assets or undertaking of the Company.

ARTICLE 10
GENERAL

10.1 Notice to the Company and Subscription Receipt Agent

(a) Unless herein otherwise expressly provided, any notice to be given hereunder to the Company or the Subscription Receipt Agent shall be deemed to be validly given if delivered by hand courier or if transmitted by telecopier:

(i) if to the Company:

PrairieSky Royalty Ltd.
1700, 350 – 7th Avenue S.W.
Calgary, Alberta, T2P 3N9

Attention: Cameron Proctor
Email: Cameron.Proctor@prairiesky.com
Facsimile: (587) 293-4000

With a copy to:

Burnet, Duckworth & Palmer LLP
2400, 525 - 8th Avenue S.W.
Calgary, Alberta T2P 1G1

Attention: Alyson Goldman
Email: agoldman@bdplaw.com
Fax: (403) 260-0332

(ii) if to the Subscription Receipt Agent:

Equity Financial Trust Company
Suite 300, 200 University Avenue
Toronto, Ontario M5H 4H1

Attention: Vice President Corporate Trust
Facsimile: (416) 361-0470

and any such notice delivered in accordance with the foregoing shall be deemed to have been received on the date of delivery or, if telecopied on the day of transmission or, if such day is not a Business Day, on the first Business Day following the day of transmission.

(b) The Company or the Subscription Receipt Agent, as the case may be, may from time to time notify the other parties in the manner provided in Section 10.1(a) of a change of address which, from the effective date of such notice and until changed by like notice, shall be the address of the Company or the Subscription Receipt Agent, as the case may be, for all purposes of this Agreement.

10.2 Notice to Receiptholders

(a) Any notice to the Receiptholders under the provisions of this Agreement shall be valid and effective if delivered or sent by letter or circular through the ordinary post addressed to such holders at their post office addresses appearing on the register hereinbefore mentioned and shall be deemed to have been effectively given on the date of delivery or, if mailed, five (5) Business Days following actual posting of the notice.

(b) If, by reason of a strike, lockout or other work stoppage, actual or threatened, involving postal employees, any notice to be given to the Receiptholders hereunder could reasonably be considered unlikely to reach its destination, such notice shall be valid and effective only if it is delivered personally to such Receiptholders or if delivered to the address for such Receiptholders contained in the register of Subscription Receipts maintained by the Subscription Receipt Agent.

10.3 Force Majeure

Except for the payment obligations of the Company contained herein, none of the parties hereto shall be liable to any of the others, or held in breach of this Agreement, if prevented, hindered, or delayed in the performance or observance of any provision contained herein by reason of act of God, riots, terrorism, acts of war, epidemics, governmental action or judicial order, earthquakes, or any other similar causes (including, but not limited to, mechanical, electronic or communication interruptions, disruptions or failures). Performance times under this Agreement shall be extended for a period of time equivalent to the time lost because of any delay that is excusable under this section.

10.4 Ownership of Subscription Receipts

The Company and the Subscription Receipt Agent may deem and treat the registered owner of any Subscription Receipt Certificate as the absolute owner of the Subscription Receipt represented thereby for all purposes, and the Company and the Subscription Receipt Agent shall not be affected by any notice or knowledge to the contrary except where the Company or the Subscription Receipt Agent is required to take notice by statute or by order of a court of competent jurisdiction. A Receiptholder shall be entitled to the rights evidenced by such Subscription Receipt Certificate free from all equities or rights of set off or counterclaim between the Company and the original or any intermediate holder thereof and all Persons may act accordingly and the receipt of any such Receiptholder for the Underlying Shares which may be acquired pursuant thereto shall be a good discharge to the Company and the Subscription Receipt Agent for the same and neither the Company nor the Subscription Receipt Agent shall be bound to inquire into the title of any such holder except where the Company or the Subscription Receipt Agent is required to take notice by statute or by order of a court of competent jurisdiction.

10.5 Anti-Money Laundering

(a) The Company represents to the Subscription Receipt Agent that any account to be opened by, or interest to held by the Subscription Receipt Agent in connection with this Agreement, for or to the credit of such party, either (i) is not intended to be used by or on behalf of any third party; or (ii) is intended to be used by or on behalf of a third party, in which case such party hereto agrees to complete and execute forthwith a declaration in the Subscription Receipt Agent's prescribed form as to the particulars of such third party.

(b) The Subscription Receipt Agent shall retain the right not to act and shall not be liable for refusing to act if, due to a lack of information or for any other reason whatsoever, the Subscription Receipt Agent, in its sole judgment, determines that such act might cause it to be in non-compliance with any applicable anti-money laundering or anti-terrorist legislation, regulation or guideline. Further, should the Subscription Receipt Agent, in its sole judgment, determine at any time that its acting under this Agreement has resulted in its being in non-compliance with any applicable anti-money laundering or anti-terrorist legislation, regulation or guideline, then it shall have the right to resign on 10 days written notice to each of the Company, provided (i) that the Subscription Receipt Agent's written notice shall describe the circumstances of such non-compliance; and (ii) that if such circumstances are rectified to the Subscription Receipt Agent's satisfaction within such 10 day period, then such resignation shall not be effective.

10.6 Satisfaction and Discharge of Agreement

Upon the earliest of:

(a) the date by which there shall have been delivered to the Subscription Receipt Agent for surrender or cancellation all Subscription Receipt Certificates theretofore certified hereunder;

(b) the issue of certificates representing the Underlying Shares to all Receiptholders as provided in Section 3.3; or

(c) the payment of all monies as provided in Section 3.5(b) where the Termination Date occurs,

this Agreement shall cease to be of further effect and the Subscription Receipt Agent, on demand of and at the cost and expense of the Company and upon delivery to the Subscription Receipt Agent of a certificate of the Company stating that all conditions precedent to the satisfaction and discharge of this Agreement have been complied with, shall execute proper instruments acknowledging satisfaction of and discharging this Agreement. Notwithstanding the foregoing, the indemnities provided to the Subscription Receipt Agent by the Company hereunder shall remain in full force and effect and survive the termination of this Agreement.

10.7 Provisions of Agreement and Subscription Receipts for the Sole Benefit of Parties and Receiptholders

Nothing in this Agreement or in the Subscription Receipt Certificates, expressed or implied, shall give or be construed to give to any Person other than the parties hereto, and the Receiptholders any legal or equitable right, remedy or claim under this Agreement, or under any covenant or provision herein or therein contained, all such covenants and provisions being for the sole benefit of the parties hereto, the Receiptholders and such transferees.

10.8 Subscription Receipts Owned by the Company or its Subsidiaries - Certificate to be

Provided

For the purpose of disregarding any Subscription Receipts owned legally or beneficially by the Company or any affiliated entity of the Company in Section 7.16, the Company shall provide to the Subscription Receipt Agent, from time to time, a certificate of the Company setting forth as at the date of such certificate the number of Subscription Receipts owned legally or beneficially by the Company or any affiliated entity of the Company, and the Subscription Receipt Agent, in making the computations in Section 7.16, shall be entitled to rely on such certificate without requiring further evidence thereof.

10.9 Effect of Execution

Notwithstanding any provision of this Agreement, should any Subscription Receipt Certificates be issued and certified in accordance with the terms hereof prior to the actual time of execution of this Agreement by the Company and the Subscription Receipt Agent, any such Subscription Receipt Certificates shall be void and of no value and effect until such actual execution.

10.10 Time of Essence

Time is and shall remain of the essence of this Agreement.

10.11 Counterparts

This Agreement may be executed and delivered in counterparts, each of which when so executed and delivered shall be deemed to be an original and such counterparts together shall constitute one and the same instrument and notwithstanding their date of execution they shall be deemed to be dated as of the date hereof.

[This space left intentionally blank. Signature page to follow]

IN WITNESS WHEREOF the parties hereto have executed this Subscription Receipt Agreement under their respective corporate seals and the hands of their proper officers in that behalf.

PRAIRIESKY ROYALTY LTD.

Per: (Signed) "*Cameron Proctor*"
Cameron Proctor

EQUITY FINANCIAL TRUST COMPANY

Per: (Signed) "*Kathy Thorpe*"
Authorized Signatory

Per: (Signed) "*Donald Crawford*"
Authorized Signatory

SCHEDULE "A"

UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY BEFORE APRIL 3, 2016.

[***UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF CDS CLEARNING AND DEPOSITORY SERVICES ("CDS") TO PRAIRIESKY ROYALTY LTD. (THE "ISSUER") OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CERTIFICATE ISSUED IN RESPECT THEREOF IS REGISTERED IN THE NAME OF CDES & CO., OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF CDS (AND ANY PAYMENT IS MADE TO CDS & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF CDS), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL SINCE THE REGISTERED HOLDER HEREOF, CDS & CO., HAS A PROPERTY INTEREST IN THE SECURITIES REPRESENTED BY THIS CERTIFICATE HEREIN AND IT IS A VIOLATION OF ITS RIGHTS FOR ANOTHER PERSON TO HOLDER, TRANSFER OR DEAL WITH THIS CERTIFICATE.***][**BEO Global Certificate only**]

SUBSCRIPTION RECEIPT CERTIFICATE

PRAIRIESKY ROYALTY LTD.

(A corporation existing under the laws of Alberta)

Subscription Receipt Certificate No. •

Certificate for • Subscription Receipts, each entitling the holder to receive one Common Share of PrairieSky Royalty Ltd. (subject to the terms and conditions set forth in the Subscription Receipt Agreement)

THIS IS TO CERTIFY THAT, for value received, • (herein called the "**holder**") is entitled to receive in the manner herein provided and without further payment therefor or further action, subject as hereinafter provided and as more specifically set forth in the Subscription Receipt Agreement (defined below), one fully paid and non-assessable common share (a "**Common Share**") of PrairieSky Royalty Ltd. (the "**Company**"), for each Subscription Receipt. Capitalized terms used in this Subscription Receipt Certificate and not otherwise defined shall have the meanings ascribed to them in the Subscription Receipt Agreement.

The Subscription Receipts represented by this Subscription Receipt Certificate are issued under and pursuant to a subscription receipt agreement (the "**Subscription Receipt Agreement**") made as of December 2, 2015 between the Company and Equity Financial Trust Company, in its capacity as Subscription Receipt Agent, to which Subscription Receipt Agreement (and any instruments supplemental thereto) reference is hereby made for a full description of the rights of the holders of the Subscription Receipts and the terms and conditions upon which Subscription Receipts are, or are to be, issued, held, exchanged and surrendered, all to the same effect as if the provisions of the Subscription Receipt Agreement (and all instruments supplemental thereto) were herein set forth, and to all of which provisions the holder of this Subscription Receipt Certificate by acceptance hereof assents.

In the event of any inconsistency between the terms set forth in this Subscription Receipt

Certificate and the terms of the Subscription Receipt Agreement, the terms of the Subscription Receipt Agreement shall govern.

As provided in the Subscription Receipt Agreement, if the Release Time occurs on or before the Deadline, the Company shall:

(a) as soon as practicable, deliver the executed Release Notice to the Subscription Receipt Agent substantially in the form set out in Schedule "B" hereto;

(b) concurrently deliver the executed Irrevocable Direction substantially in the form set out in Schedule "C" hereto, to the Subscription Receipt Agent as registrar and transfer agent for the Common Shares; and

(c) issue a press release setting out the Release Date and stating that the Underlying Shares have been issued or have been deemed to be issued effective as at the Issue Time.

If the Termination Time occurs, the Company shall forthwith notify the Subscription Receipt Agent thereof and shall issue a press release setting forth the Termination Date.

If the Termination Time occurs, the subscription evidenced by each Subscription Receipt shall be automatically terminated and cancelled and each Receiptholder shall be entitled from and after the Termination Date, but shall receive no earlier than on the fifth Business Day following the Termination Date, a cheque or wire transfer in the aggregate amount of (i) the Subscription Receipt Price in respect of each of such holder's Subscription Receipts; and (ii) such holder's *pro rata* share of the Earned Interest less applicable withholding taxes. Subject in each case to Sections 3.5(c) and (g) of the Subscription Receipt Agreement, the amount paid to each Receiptholder under (i) shall be satisfied by the Escrowed Funds and the amount in (ii), if any, shall be satisfied by the Earned Interest.

The obligation to make the payment of the amount specified above shall be satisfied by mailing payment by cheque payable at par in Calgary, Alberta or by wire transfer to and in the names of the registered and/or beneficial holders of Subscription Receipts, as applicable, at their last address of record.

The holding of the Subscription Receipts evidenced by this Subscription Receipt Certificate shall not constitute the holder hereof a shareholder of the Company or entitle the holder to any right or interest in respect thereof except as herein and in the Subscription Receipt Agreement expressly provided.

The Subscription Receipts and the Common Shares issuable upon the exchange of the Subscription Receipts have not been and will not be registered under the United States Securities Act of 1933, as amended, or under the securities laws of any state or other jurisdiction of the United States.

This Subscription Receipt Certificate shall not be valid for any purpose whatsoever unless and until it has been manually countersigned by or on behalf of the Subscription Receipt Agent. The certification of the Subscription Receipt Agent on the Subscription Receipt Certificate issued hereunder shall not be construed as a representation or warranty by the Subscription Receipt Agent as to the validity of this Subscription Receipt Certificate (except the due certification thereof) and the Subscription Receipt Agent shall in no respect be liable or answerable for the use made of the Subscription Receipts or any of them or of the consideration therefor, except as otherwise specified herein.

Time shall be of the essence hereof.

IN WITNESS WHEREOF the Company has caused this Subscription Receipt Certificate to be signed by its duly authorized officer as of the 2nd day of December, 2015.

PRAIRIESKY ROYALTY LTD.

Per: ______________________________
Cameron Proctor
Chief Operating Officer

Countersigned by:

EQUITY FINANCIAL TRUST COMPANY

Per: ______________________________
Authorized Signing Officer

Date: ______________________________

SCHEDULE "B"

RELEASE NOTICE

TO: **EQUITY FINANCIAL TRUST COMPANY**

This notice is being provided pursuant to Section 3.1(a) of the Subscription Receipt Agreement (the "**Subscription Receipt Agreement**") dated December 2, 2015 between PrairieSky Royalty Ltd. (the "**Company**") and Equity Financial Trust Company (the "**Subscription Receipt Agent**").

Capitalized terms which are not otherwise defined herein shall have the meanings ascribed to such terms in the Subscription Receipt Agreement.

The Subscription Receipt Agent is hereby notified by the Company that the Escrow Release Conditions have been satisfied.

DATED at Calgary, Alberta, this _________ day of December, 2015.

PRAIRIESKY ROYALTY LTD.

Per: ____
Cameron Proctor
Chief Operating Officer

SCHEDULE "C"

IRREVOCABLE DIRECTION

TO: EQUITY FINANCIAL TRUST COMPANY

This Irrevocable Direction is being provided pursuant to Section 3.1(b) of the Subscription Receipt Agreement ("**Subscription Receipt Agreement**") dated December 2, 2015 between PrairieSky Royalty Ltd. (the "**Company**") and Equity Financial Trust Company (the "**Subscription Receipt Agent**").

Capitalized terms which are not otherwise defined herein shall have the meanings ascribed to such terms in the Subscription Receipt Agreement.

The Subscription Receipt Agent is hereby irrevocably directed and authorized, in its capacity as registrar and transfer agent of the Common Shares:

(a) to issue on behalf of the Company, 26,976,000 fully paid and non-assessable Common Shares to the person or persons to whom such Common Shares are to be issued pursuant to the terms of the Subscription Receipt Agreement and the Subscription Receipt Certificates at the Issue Time, all in accordance with the provisions of the Subscription Receipt Certificate and the Subscription Receipt Agreement. Such Common Shares shall be delivered to the Receiptholders in accordance with Section 3.3 of the Subscription Receipt Agreement; and

(b) to release the Release Amount in accordance with Section 3.2 of the Subscription Receipt Agreement.

DATED at Calgary, Alberta, this ________ day of ________________________, 2015.

PRAIRIESKY ROYALTY LTD.

Per: ______________________________________
Cameron Proctor
Chief Operating Officer