

UNDERWRITING AGREEMENT

Effective February 28, 2022

Journey Energy Inc.

700, 517 – 10 Avenue S.W.

Calgary, Alberta T2R 0A8

Attention: Alex Verge, President and Chief Executive Officer

Dear Sir:

Re: Offering of Flow-Through Common Shares of Journey Energy Inc.

Acumen Capital Finance Partners Limited (“**Acumen**” or the “**Underwriter**”) understands that Journey Energy Inc. (the “**Corporation**”) proposes to issue and sell 2,480,000 common shares in the capital of the Corporation (each an “**Initial Share**”) to be issued on a “flow through” basis in accordance with the provisions of the Tax Act (as defined herein) at a price of \$4.25 (the “**Offering Price**”) per Initial Share (the “**Offering**”).

We also understand that the Corporation will prepare and file, in accordance with the terms hereof, the Preliminary Prospectus (as defined herein), the Prospectus (as defined herein) and all other necessary documents in order to qualify for distribution in each of the Qualifying Jurisdictions (as defined herein), the Offered Shares (as defined herein) and the distribution of the Secondary Shares (as defined herein) in each of the Follow-On Transactions (as defined herein).

Upon and subject to the terms and conditions hereof, the Underwriter agrees to act as, and the Corporation by this Agreement appoints the Underwriter as, the sole and exclusive agent of the Corporation to offer the 2,480,000 Initial Shares for sale on the Closing Date (as defined herein) at the Offering Price, being an aggregate purchase price of up to \$10,540,000, provided that if less than 2,480,000 Initial Shares are sold by the Underwriter as agent, the Underwriter hereby agrees to purchase from the Corporation at the Closing Date that number of Initial Shares that, together with such Initial Shares sold by the Underwriter as agent, aggregates 2,480,000 Initial Shares. The Corporation hereby agrees to issue and sell to the Underwriter or, to the purchasers identified by the Underwriter subject to the provisions hereof, on the Closing Date, 2,480,000 Initial Shares.

The Corporation hereby grants to the Underwriter an option (the “**Over-Allotment Option**”) to purchase from the Corporation, at the Underwriter’s election, up to an additional 372,000 common shares in the capital of the Corporation (each an “**Over-Allotment Option Share**” and together with the Initial Shares, the “**Underwritten Shares**”) to be issued on a “flow through” basis in accordance with the provisions of the Tax Act. The Underwriter may exercise the Over-Allotment Option, in whole or in part, at any time and from time to time prior to 5:00 p.m. (Calgary time) on the date that is thirty (30) days following the Closing Date for the purpose of covering over-allotments at the Closing Time (as defined herein), if any, and for market stabilization purposes, by written notice to the Corporation by the Underwriter setting forth the number of Over-Allotment Option Shares to be purchased. In the event and to the extent that the Underwriter exercises the Over-Allotment Option, subject to the terms and conditions hereof, the Underwriter hereby agrees to act as the sole and exclusive agent of the Corporation to offer such Over-Allotment Option Shares for sale on the Additional Closing Date (as defined herein) at the Offering Price, provided that any Over-Allotment Option Shares not sold by the Underwriter, as agent, shall be purchased by the Underwriter as principal, and the Corporation hereby agrees to sell to the Underwriter or, to the purchasers certified by the Underwriter such number of Over-Allotment Option Shares.

The Corporation has been informed that the Subscribers (as defined below) may choose to dispose of some or all of the Underwritten Shares in subsequent transactions (each, a **“Follow-On Transaction”**), including by: (i) donating such Underwritten Shares to registered charitable organizations who may in turn choose to sell such shares to purchasers arranged by the Underwriter; or (ii) selling such Underwritten Shares to purchasers arranged by the Underwriter (such shares being disposed of being referred to herein as the **“Secondary Shares”** and together with the Underwritten Shares, the **“Offered Shares”**). The Prospectus will also qualify the distribution of the Secondary Shares.

The Underwriter shall be entitled (but not obligated) in connection with the Offering to retain as sub-agents other registered securities dealers and may receive subscriptions for Offered Shares from subscribers from other registered dealers. The fee payable to any such sub-agent shall be for the account of the Underwriter.

The Offered Shares shall be offered and sold in the Qualifying Jurisdictions, provided, however, that Secondary Shares may also be offered and sold as part of a Follow-On Transaction in the United States on a private placement basis in accordance with Schedule “A” attached hereto, and in compliance with U.S. Securities Laws (as defined herein) to persons who the Underwriter reasonably believes to be Qualified Institutional Buyers (as defined herein). Offers and sales of the Underwritten Shares shall only be made to persons outside the United States in accordance with Rule 903 of Regulation S (as defined below).

The Underwriter will offer the Underwritten Shares initially at the Offering Price. The Underwriter may subsequently reduce the price at which the Underwritten Shares are offered. Any such reduction shall not reduce the proceeds received by the Corporation in accordance with this Agreement.

1. Definitions

In this Agreement:

- (a) **“ABCA”** means the *Business Corporations Act* (Alberta), as amended from time to time, together with any and all the regulations promulgated thereunder;
- (b) **“Acumen”** or the **“Underwriter”** has the meaning ascribed to such term in the recitals hereto;
- (c) **“Additional Closing Date”** or **“Additional Closing Time”** has the meaning given to it in section 13(b);
- (d) **“affiliate”** has the meaning given to it in the *Securities Act* (Alberta);
- (e) **“Agreement”** means this underwriting agreement, including any schedules or exhibits attached hereto, and not any particular article or section or other portion except as may be specified, and words such as **“hereof”**, **“hereto”**, **“herein”** and **“hereby”** refer to this Agreement as the context requires;
- (f) **“AIF”** means the annual information form of the Corporation for the year ended December 31, 2020 and dated March 23, 2021;
- (g) **“Anti-Money Laundering Laws”** has the meaning given to it in section 7(b)(lxvi);
- (h) **“ASC”** means the Alberta Securities Commission;

- (i) **“Award”** means a restricted or performance award to acquire a Common Share granted under the Award Plan;
- (j) **“Award Plan”** means the restricted and performance award plan of the Corporation;
- (k) **“Business Day”** means any day, other than a Saturday or Sunday, on which commercial banks in Calgary, Alberta are open for commercial banking business during normal banking hours;
- (l) **“Canadian Development Expense(s)”** or **“CDE”** means Canadian development expense described in paragraphs (a) or (b) of the definition of “Canadian development expense” in subsection 66.2(5) of the Tax Act, or would be described in paragraph (f) of such definition if the words “paragraphs (a) to (e)” were read as “paragraph (a) or (b)”; excluding any amounts which are prescribed to constitute “Canadian exploration and development overhead expense” under the Tax Act and the amount of any assistance described in paragraphs 66(12.62)(a) and 66(12.601)(c) of the Tax Act;
- (m) **“Canadian Securities Laws”** means all applicable securities laws in each of the Qualifying Jurisdictions and the respective rules, regulations, instruments, blanket orders and blanket rulings under such laws together with applicable published policies, policy statements and notices of the Canadian Securities Regulators;
- (n) **“Canadian Securities Regulators”** means the securities commissions or similar regulatory authorities in the Qualifying Jurisdictions;
- (o) **“Closing Date”** means March 18, 2022 or such other date as the Underwriter and the Corporation may agree but not later than the date that is 42 days after the date of the Final Passport System Decision Document;
- (p) **“Closing Time”** means 6:30 a.m. (Calgary time) or such other time, on the Closing Date, as the Underwriter and the Corporation may agree;
- (q) **“Commitment Amount”** means the amount equal to \$4.25 multiplied by the number of Offered Shares subscribed and paid for pursuant to the Flow-Through Subscription Agreements;
- (r) **“Common Shares”** means the common shares in the capital of the Corporation;
- (s) **“Computershare”** means Computershare Trust Company of Canada;
- (t) **“Credit Agreement”** means the amended credit agreement between the Corporation and Alberta Investment Management Corporation dated June 18, 2021 providing for a credit facility;
- (u) **“distribution”** and **“distribution to the public”** have the respective meanings given to them under Canadian Securities Laws;
- (v) **“Documents”** means, collectively, the documents incorporated by reference in the Prospectuses and any Supplementary Material including, without limitation:

- (i) the AIF;
 - (ii) the Financial Statements;
 - (iii) management's discussion and analysis of the financial condition and results of operations of the Corporation for the year ended December 31, 2020;
 - (iv) management's discussion and analysis of the financial condition and results of operations of the Corporation for the three and nine months ended September 30, 2021;
 - (v) the material change report of the Corporation dated June 30, 2021;
 - (vi) the material change report of the Corporation dated August 19, 2021;
 - (vii) the proxy statement information circular of the Corporation dated July 8, 2020 for the annual and special meeting of the Corporation's shareholders held on August 12, 2020;
 - (viii) the proxy statement information circular of the Corporation dated April 21, 2021 for the annual and special meeting of the Corporation's shareholders held on May 26, 2021;
 - (ix) the Marketing Documents; and
 - (x) any documents of the type required by NI 44-101 to be incorporated by reference in a short form prospectus, including any material change reports (excluding confidential reports), interim financial statements, annual financial statements and the auditor's report thereon, management's discussion and analysis of financial condition and results of operations, information circulars, annual information forms, marketing materials and business acquisition reports filed by the Corporation with the Canadian Securities Regulators after the date of this Agreement and during the period of distribution;
- (w) **"Due Diligence Session"** has the meaning given to it in section 3(d);
- (x) **"Employment Laws"** has the meaning given to it in section 7(b)(xliii)(A);
- (y) **"Environmental Laws"** means any federal, state, provincial, territorial or local law, statute, ordinance, rule, regulation, order, decree, judgment, injunction, permit, license, authorization or other binding requirement, or common law, relating to health, safety or the regulation, protection, cleanup or restoration of the environment or natural resources, including those relating to the distribution, processing, generation, treatment, control, storage, disposal, transportation, other handling or release or threatened release of Hazardous Materials;
- (z) **"Expenditure Period"** means the period commencing on the date of acceptance of the Flow-Through Subscription Agreements and ending on the earlier of:
- (i) the date on which the Commitment Amount has been fully expended in accordance with the terms of the Flow-Through Subscription Agreements; and

- (ii) December 31, 2022;
- (aa) **“Final Passport System Decision Document”** means a receipt for the Prospectus issued in accordance with the Passport System;
- (bb) **“Financial Statements”** means:
 - (i) the audited consolidated financial statements of the Corporation as at and for the years ended December 31, 2020 and 2019, together with the report of KPMG thereon and the notes thereto; and
 - (ii) the condensed consolidated financial statements of the Corporation as at and for the three and nine months ended September 30, 2021 and 2020, together with the notes thereto;
- (cc) **“Flow-Through Subscription Agreements”** means the subscription and renunciation agreements for the Underwritten Shares, to be entered into by the Corporation and the Underwriter or any participants in the Selling Dealer Group on behalf of the Subscribers, each substantially in the form as set out in Schedule “B” to this Agreement;
- (dd) **“Follow-On Transaction”** has the meaning ascribed to such term in the recitals hereto;
- (ee) **“Forward-looking Statements”** as the meaning given to it in section 7(b)(lxxiv);
- (ff) **“GLJ”** means GLJ Ltd., independent qualified reserves evaluators;
- (gg) **“GLJ Reserves Report”** means the report prepared by GLJ dated February 11, 2022, evaluating the crude oil, natural gas and natural gas liquids reserves attributable to all of the assets of Journey as at December 31, 2021;
- (hh) **“Governmental Authorities”** means governments, regulatory authorities, governmental departments, agencies, commissions, bureaus, officials, ministers, Crown corporations, courts, bodies, boards, tribunals or dispute settlement panels or other law, rule or regulation-making organizations or entities: (i) having or purporting to have jurisdiction on behalf of any nation, province, territory or state or any other geographic or political subdivision of any of them; or (ii) exercising, or entitled or purporting to exercise any administrative, executive, judicial, legislative, policy, regulatory or taxing authority or power;
- (ii) **“GST”** means goods and services tax provided for under the *Excise Tax Act* (Canada);
- (jj) **“Hazardous Materials”** means any contaminant, pollutant, subject waste, hazardous waste, deleterious substance, industrial waste, toxic matter or any other substance that when released into the natural environment is likely to cause, at some immediate or future time, material harm or degradation to the natural environment or material risk to human health;
- (kk) **“IFRS”** means Canadian generally accepted accounting principles for publicly accountable enterprises, being International Financial Reporting Standards as issued by the International Accounting Standards Board, as adopted by the Canadian Institute of Chartered Accountants;

- (ll) “**Indemnified Parties**” and “**Indemnified Party**” has the meaning given to it in section 8(a);
- (mm) “**Intellectual Property**” has the meaning given to it in section 7(b)(lvii);
- (nn) “**IT Systems and Data**” has the meaning given to it in section 7(b)(lxxiv);
- (oo) “**Journey**” or “**Corporation**” means Journey Energy Inc.;
- (pp) “**KPMG**” means KPMG LLP, Chartered Professional Accountants;
- (qq) “**Lien**” means any mortgage, charge, pledge, hypothec, security interest, assignment, lien (statutory or otherwise), title retention agreement or arrangement, restrictive covenant or other encumbrance of any nature, or any other arrangement or condition which, in substance, secures payment or performance of an obligation;
- (rr) “**Marketing Documents**” means, collectively:
 - (i) all Standard Term Sheets; and
 - (ii) all Marketing Materials (including any template version, revised template version or limited use version thereof) approved by the Corporation and the Underwriter and provided to a potential investor in connection with the distribution of the Offered Shares;
- (ss) “**Marketing Materials**” has the meaning ascribed to such term in NI 41-101;
- (tt) “**Material Adverse Effect**” or “**Material Adverse Change**” means any fact, change, effect, event, occurrence or circumstances which, individually or in the aggregate:
 - (i) is, or is reasonably likely to be, materially adverse to the business, operations, revenues, capital, assets, properties, results of operations, cash flow, affairs, assets, capitalization, condition (financial or otherwise), rights or liabilities (contingent or otherwise) of the Corporation and the Subsidiaries (taken as a whole); or
 - (ii) would result in the Preliminary Prospectus, the Prospectus, the Preliminary U.S. Placement Memorandum, the U.S. Placement Memorandum or any Supplementary Material containing a misrepresentation;
- (uu) “**material change**” has the meaning given to it under Canadian Securities Laws;
- (vv) “**material fact**” has the meaning given to it under Canadian Securities Laws and/or the U.S. Exchange Act, as the context applies;
- (ww) “**MI 11-102**” means Multilateral Instrument 11-102, *Passport System* of the Canadian Securities Administrators;
- (xx) “**misrepresentation**” has the meaning given to it under Canadian Securities Laws;
- (yy) “**NGL**” means those hydrocarbon components that can be recovered from natural gas as liquids including, but not limited to, ethane, propane, butanes, pentanes plus, condensate and small quantities of non-hydrocarbons;

- (zz) “**NI 41-101**” means National Instrument 41-101, *General Prospectus Requirements* of the Canadian Securities Administrators;
- (aaa) “**NI 44-101**” means National Instrument 44-101, *Short Form Prospectus Distributions* of the Canadian Securities Administrators;
- (bbb) “**NI 51-102**” means National Instrument 51-102, *Continuous Disclosure Obligations* of the Canadian Securities Administrators;
- (ccc) “**NP 11-202**” means National Policy 11-202, *Process for Prospectus Reviews in Multiple Jurisdictions* of the Canadian Securities Administrators;
- (ddd) “**OFAC**” has the meaning given to it in section 7(b)(lxvii);
- (eee) “**Offered Shares**” has the meaning ascribed to such term in the recitals hereto;
- (fff) “**Offering Jurisdictions**” means the Qualifying Jurisdictions, the United States and any other jurisdiction permitted under this Underwriting Agreement;
- (ggg) “**Offering Price**” has the meaning ascribed to such term in the recitals hereto;
- (hhh) “**Option**” means an option to purchase a Common Share granted under the Option Plan;
- (iii) “**Option Plan**” means the amended and restated stock option plan of the Corporation;
- (jjj) “**Over-Allotment Option**” has the meaning ascribed to such term in the recitals hereto;
- (kkk) “**Over-Allotment Option Shares**” has the meaning ascribed to such term in the recitals hereto;
- (lll) “**Passport System**” means the system and procedures for the filing of prospectuses and related materials in one or more Canadian jurisdictions pursuant to MI 11-102 and NP 11-202;
- (mmm) “**Permitted Encumbrances**” has the meaning given to it in section 7(b)(xlvi);
- (nnn) “**person**” means any individual, sole proprietorship, partnership, firm, entity, unincorporated association, unincorporated syndicate, unincorporated organization, trust, body corporate, company, limited liability company, unlimited liability company or Governmental Authority and, where the context requires, any of the foregoing when they are acting as trustee, executor, administrator or other legal representative;
- (ooo) “**Preliminary Passport System Decision Document**” means a receipt for the Preliminary Prospectus issued in accordance with the Passport System;
- (ppp) “**Preliminary Prospectus**” means the preliminary short form prospectus of the Corporation to be dated March 4, 2022 and any amendments thereto, in respect of the distribution of the Offered Shares, including the documents incorporated by reference therein;
- (qqq) “**Preliminary U.S. Placement Memorandum**” means the preliminary U.S. private placement memorandum, including the Preliminary Prospectus, prepared in connection

with the offer and sale of the Secondary Shares in the United States, and any amendments thereto;

- (rrr) **“Prospectus”** means the (final) short form prospectus of the Corporation to be dated on or about March 11, 2022 and any amendments thereto, in respect of the distribution of the Offered Shares, including the documents incorporated by reference therein;
- (sss) **“Prospectuses”** means, collectively, the Preliminary Prospectus and the Prospectus;
- (ttt) **“Public Record”** means all information filed by or on behalf of the Corporation with the Canadian Securities Regulators since January 1, 2020, including without limitation, the Documents, the Prospectuses, any Supplementary Material and any other information filed with any Canadian Securities Regulator in compliance, or intended compliance, with any Canadian Securities Laws;
- (uuu) **“Qualifying Expenditures”** means expenses that are CDE at the date they are incurred to the extent permitted to be renounced to the Subscribers under the Flow-Through Subscription Agreements;
- (vvv) **“Qualified Institutional Buyer”** means a “qualified institutional buyer” as defined in Rule 144A;
- (www) **“Qualifying Jurisdictions”** means each of the provinces of Alberta, Ontario, British Columbia, Saskatchewan, and Manitoba;
- (xxx) **“Regulation S”** means Regulation S adopted by the SEC under the U.S. Securities Act.;
- (yyy) **“Responses”** means the responses delivered on behalf of the Corporation by certain officers of the Corporation at the Due Diligence Session;
- (zzz) **“Rule 144A”** means Rule 144A adopted by the SEC under the U.S. Securities Act;
- (aaaa) **“SEC”** means the United States Securities and Exchange Commission;
- (bbbb) **“Selling Dealer Group”** means the dealers and brokers other than the Underwriter who participate in the offer and sale of the Offered Shares pursuant to this Agreement;
- (cccc) **“Standard Term Sheet”** has the meaning given to it in NI 41-101;
- (dddd) **“Subscriber”** means a person who subscribes for the Underwritten Shares;
- (eeee) **“subsidiary”** has the meaning given to it in the *Securities Act* (Alberta);
- (ffff) **“Subsidiaries”** means, collectively, Journey Energy Partnership and 1332993 Alberta Ltd.;
- (gggg) **“Supplementary Material”** means, collectively, any amendment to the Preliminary Prospectus or Prospectus, any amended or supplemental Preliminary Prospectus or Prospectus or any ancillary material, information, evidence, return, report, application, statement or document which may be filed by or on behalf of the Corporation under the Canadian Securities Laws relating to the Offering;

- (hhhh) “**Swaps**” means any transaction which is a rate swap transaction, basis swap, forward rate transaction, commodity swap, commodity option, equity or equity index swap, equity or equity index option, bond option, interest rate option, foreign exchange transaction, cap transaction, floor transaction, collar transaction, currency swap transaction, cross-currency rate swap transaction, currency option, forward sale, exchange traded futures contract, hedging agreement or any other similar transaction (including any option with respect to any of these transactions or any combination of these transactions);
- (iiii) “**Tax Act**” means the *Income Tax Act* (Canada) and the regulations promulgated thereunder, as amended from time to time;
- (jjjj) “**template version**” has the meaning ascribed to such term in NI 41-101;
- (kkkk) “**to the best of the knowledge, information and belief**” or “**knowledge**” or similar terms mean, unless otherwise expressly stated, a statement of the declarant’s actual knowledge of the facts or circumstances to which such phrase relates, after having made reasonable inquiries and investigations in connection with such facts and circumstances;
- (llll) “**TSX**” means the Toronto Stock Exchange;
- (mmmm) “**United States**” or “**U.S.**” means the United States of America, its territories and possessions, any state of the United States and the District of Columbia;
- (nnnn) “**Underwritten Shares**” has the meaning ascribed to such term in the recitals hereto;
- (oooo) “**Underwriter’s counsel**” means Torys LLP or such other legal counsel as the Underwriter, with the consent of the Corporation, may appoint;
- (pppp) “**Underwriter’s Information**” means information and statements relating solely to the Underwriter which have been provided by the Underwriter to the Corporation in writing specifically for use in the Preliminary Prospectus, the Prospectus, the Preliminary U.S. Placement Memorandum, the U.S. Placement Memorandum or any Supplementary Material;
- (qqqq) “**Underwriting Fee**” has the meaning given to it in section 2;
- (rrrr) “**U.S. Affiliate**” means a United States registered broker-dealer affiliate of the Underwriter;
- (ssss) “**U.S. Exchange Act**” means the *United States Securities Exchange Act of 1934*, as amended;
- (tttt) “**U.S. Placement Memorandum**” means the final U.S. private placement memorandum, including the Prospectus, prepared in connection with the offer and sale of the Secondary Shares in the United States;
- (uuuu) “**U.S. Securities Act**” means the *United States Securities Act of 1933*, as amended;
- (vvvv) “**U.S. Securities Laws**” means all applicable securities laws in the United States, including without limitation, the U.S. Securities Act, the U.S. Exchange Act and the rules and regulations promulgated thereunder, and any applicable state securities laws; and

(www) “**Warrants**” means Common Share purchase warrants of the Corporation.

Unless otherwise defined herein capitalized terms shall have the meanings ascribed thereto in the AIF.

Unless otherwise expressly provided in this Agreement, words importing only the singular number include the plural and vice versa and words importing gender include all genders. References to “sections”, “paragraphs” and “clauses” are to the appropriate section, paragraph or clause of this Agreement.

All references to dollars or “\$” are to Canadian dollars unless otherwise expressed.

2. Underwriting Fee

In consideration for its services hereunder, the Corporation agrees to pay to Acumen:

- (a) at the Closing Time, a fee of \$0.255 (6.0%) for each Initial Share purchased (being an aggregate amount of \$632,400); and
- (b) if applicable, at each Additional Closing Time, a fee of \$0.255 (6.0%) for each Over-Allotment Option Share purchased.

The foregoing fees (collectively, the “**Underwriting Fee**”) may, at the sole option the Underwriter, be deducted from the aggregate gross proceeds of the sale of the Underwritten Shares and withheld for the account of the Underwriter. For greater certainty, the services provided by the Underwriter in connection herewith will not be subject to the GST provided for in the *Excise Tax Act* (Canada) and taxable supplies provided will be incidental to the exempt financial services provided. However, in the event that the Canada Revenue Agency determines that GST provided for in the *Excise Tax Act* (Canada) is exigible on the Underwriting Fee, the Corporation agrees to pay the amount of GST forthwith upon the request of the Underwriter. The Corporation also agrees to pay the Underwriter’s expenses as set forth in section 10 if applicable.

3. Qualification for Sale

- (a) The Corporation represents and warrants to the Underwriter that it is eligible to use the short form prospectus offering qualification system described in NI 44-101 for the distribution of the Offered Shares.
- (b) The Corporation shall elect and comply with the Passport System and shall:
 - (i) have:
 - (A) not later than 5:00 p.m. (Calgary time) on March 4, 2022, prepared and filed the Preliminary Prospectus (in the English language) and other documents required under Canadian Securities Laws with the Canadian Securities Regulators and designated the ASC as the principal regulator under the Passport System; and
 - (B) used commercially reasonable efforts to obtain from the ASC a Preliminary Passport System Decision Document dated March 4, 2022, evidencing that a receipt for the Preliminary Prospectus has been issued in Alberta, which receipt will also evidence that the Ontario Securities Commission has issued

a receipt for the Preliminary Prospectus, and has been deemed to have been issued in each of the Qualifying Jurisdictions other than Alberta;

- (ii) forthwith after any comments with respect to the Preliminary Prospectus have been received from the Canadian Securities Regulators but not later than March 11, 2022 (or such later date as may be agreed to by the Corporation and the Underwriter in writing), have:
 - (A) prepared and filed the Prospectus (in the English language) and other documents required under Canadian Securities Laws with the Canadian Securities Regulators; and
 - (B) obtained from the ASC a Final Passport System Decision Document, evidencing that a receipt for the Prospectus has been issued in Alberta, which receipt will also evidence that the Ontario Securities Commission has issued a receipt for the Prospectus, and has been deemed to have been issued in each of the Qualifying Jurisdictions other than Alberta or otherwise obtained a receipt for the Prospectus from each of the Canadian Securities Regulators;

and otherwise fulfilled all legal requirements to enable the Offered Shares to be offered and sold to the public in each of the Qualifying Jurisdictions through the Underwriter or any other investment dealer or broker registered in the appropriate category in the applicable Qualifying Jurisdiction; and

- (iii) until the completion of the distribution of the Offered Shares, promptly take all additional steps and proceedings that from time to time may be required under Canadian Securities Laws to continue to qualify the Offered Shares for distribution or, in the event that the Offered Shares have, for any reason, ceased to so qualify, to again qualify the Offered Shares for distribution.
- (c) Prior to the filing of the Prospectuses and, during the period of distribution of the Offered Shares, prior to the filing with any Canadian Securities Regulators of any Supplementary Material or any documents incorporated by reference therein after the date hereof, the Corporation shall have allowed the Underwriter and the Underwriter's counsel to participate fully in the preparation of, and to approve the form of, such documents and to have reviewed any documents incorporated by reference therein.
- (d) During the period from the date hereof until completion of the distribution of the Offered Shares, the Corporation shall allow the Underwriter to conduct all due diligence which it may reasonably require in order to fulfill its obligations as an underwriter and in order to enable the Underwriter responsibly to execute the certificates required to be executed by it in the Prospectuses or in any Supplementary Material. Without limiting the generality of the foregoing, the Corporation shall make available its directors and senior management and shall use its commercially reasonable efforts to cause its auditors, reserve evaluators (including of any predecessor entity or business), legal counsel and other experts to be available, to answer any questions which the Underwriter may have and to participate in one or more due diligence sessions to be held prior to the Closing Time (collectively, the **"Due Diligence Session"**). The Underwriter shall distribute a list of written questions to be answered in advance of such Due Diligence Session and the Corporation shall provide written responses to such questions in advance of such Due Diligence Session and shall

use its best efforts to have the above-mentioned auditors, reserve evaluators and legal counsel provide written responses to such questions in advance of the Due Diligence Session. In addition, the Corporation will ensure that management of the Corporation will make themselves available to, and shall assist in the marketing of, the Offered Shares at such times and in such manner as the Underwriter may reasonably request.

- (e) The Corporation shall take or cause to be taken all such other steps and proceedings, including fulfilling all legal, regulatory and other requirements, as required under Canadian Securities Laws to qualify the Offered Shares for distribution to the public in the Qualifying Jurisdictions, and, to the extent within the control of the Corporation, to qualify the Secondary Shares for sale in transactions exempt from registration under the U.S. Securities Act pursuant to Rule 144A and in reliance upon exemptions from registration under applicable state securities laws and other jurisdictions outside of Canada and the United States.
- (f) During the period of distribution of the Offered Shares:
 - (i) the Corporation and Acumen shall approve in writing, prior to such time Marketing Materials are provided to potential investors, a template version of any Marketing Materials reasonably requested to be provided by the Underwriter to any such potential investor, such Marketing Materials to comply with Canadian Securities Laws. The Corporation shall file a template version of such Marketing Materials with the Canadian Securities Regulators as soon as reasonably practicable after such Marketing Materials are so approved in writing by the Corporation and Acumen, and in any event on or before the day the Marketing Materials are first provided to any potential investor of Offered Shares, and such filing shall constitute the Underwriter's authority to use such Marketing Materials in connection with the distribution of the Offered Shares. Any comparables shall be redacted from the template version in accordance with NI 44-101 prior to filing such template version with the Canadian Securities Regulators and a complete template version containing such comparables and any disclosure relating to the comparables, if any, shall be delivered to the Canadian Securities Regulators by the Corporation. The Corporation shall prepare and file with the Canadian Securities Regulators a revised template version of any Marketing Materials provided to potential investors of Offered Shares where required under Canadian Securities Laws; and
 - (ii) the Corporation and the Underwriter, on a several basis (and not joint, nor joint and several), covenant and agree:
 - (A) not to provide any potential investor of Offered Shares with any Marketing Materials unless a template version of such Marketing Materials has been filed by the Corporation with the Canadian Securities Regulators on or before the day such Marketing Materials are first provided to any potential investor of Offered Shares;
 - (B) not to provide any potential investor with any materials or information in relation to the distribution of the Offered Shares or the Corporation other than: (1) such Marketing Materials that have been approved and filed in accordance with this subsection 3(f); (2) the Preliminary Prospectus and

the Prospectus; and (3) any Standard Term Sheets approved in writing by the Corporation and Acumen; and

- (C) that any Marketing Materials approved and filed in accordance with this subsection 3(f), and any Standard Term Sheets approved in writing by the Corporation and Acumen, shall only be provided to potential investors of Offered Shares in the Qualifying Jurisdictions and such other jurisdictions as may be agreed to by the Corporation and the Underwriter.

4. Delivery of Prospectus and Related Documents

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

- (a) prior to or contemporaneously, as nearly as practicable, with the filing with the Canadian Securities Regulators of each of the Preliminary Prospectus and the Prospectus:
 - (i) copies of the Preliminary Prospectus and the Prospectus (in the English language) signed as required by Canadian Securities Laws;
 - (ii) copies of the Preliminary U.S. Placement Memorandum and the U.S. Placement Memorandum; and
 - (iii) upon request by the Underwriter, copies of any documents incorporated by reference (in the English language) in the Preliminary Prospectus and the Prospectus which have not previously been delivered to the Underwriter;
- (b) as soon as they are available, copies of any Supplementary Material (in the English language) signed as required by Canadian Securities Laws and including, in each case, copies of any documents incorporated by reference therein which have not been previously delivered to the Underwriter;
- (c) prior to the filing of the Prospectus with the Canadian Securities Regulators, a "comfort letter" from KPMG and any other auditors who have audited any of the financial statements included or incorporated by reference in the Prospectus, dated the date of the Prospectus, addressed to the Underwriter and the board of directors of the Corporation and satisfactory in form and substance to the Underwriter and the Underwriter's counsel, acting reasonably, to the effect that they have carried out certain procedures performed for the purposes of comparing certain specified financial information and percentages appearing in the Prospectus and the documents incorporated therein by reference with indicated amounts in the financial statements or accounting records of the Corporation or other applicable entity or business, as applicable, and have found such information and percentages to be in agreement, which comfort letter shall be based on the Corporation's auditor and other applicable auditors' review having a cut-off date of not more than two Business Days prior to the date of the Prospectus; and
- (d) prior to or contemporaneously with the filing of the Prospectus, evidence satisfactory to the Underwriter of the conditional approval of the listing and posting for trading on the TSX of the Offered Shares subject only to satisfaction by the Corporation of customary post-closing conditions imposed by the TSX for conditional listing approval (the "**Listing Conditions**").

Comfort letters similar to the foregoing shall be provided to the Underwriter and the board of directors of the Corporation with respect to any Supplementary Material and any other relevant document at the time the same is presented to the Underwriter for its signature or, if the Underwriter's signature is not required, at the Closing Time. All such letters shall be in form and substance acceptable to the Underwriter and the Underwriter's counsel, acting reasonably.

The filings and deliveries referred to in this Agreement shall also constitute the Corporation's consent to the use by the Underwriter, the U.S. Affiliate and other members of the Selling Dealer Group of the Documents, the Prospectuses, the Preliminary U.S. Placement Memorandum, the U.S. Placement Memorandum and any Supplementary Material in connection with the Offering.

5. Commercial Copies

- (a) The Corporation shall, as soon as possible but in any event not later than noon (local time at the place of delivery) on the Business Day following the date of receipt of the Preliminary Passport System Decision Document or the Final Passport System Decision Document, as the case may be (or such other date or time as the Underwriter and the Corporation may agree in writing), from the Canadian Securities Regulators and no later than noon (local time) on the first Business Day after the execution of any Supplementary Material in connection with the Prospectuses cause to be delivered to the Underwriter, without charge, commercial copies of the Preliminary Prospectus, the Prospectus, the Preliminary U.S. Placement Memorandum, the U.S. Placement Memorandum or such Supplementary Material (in the English language) in such numbers and in such cities as the Underwriter may reasonably request by oral or written instructions to the Corporation, the Corporation's counsel or the printer thereof given no later than the time when the Corporation authorizes the printing of the commercial copies of such documents.
- (b) The Corporation shall cause to be provided to the Underwriter such number of copies of any documents incorporated by reference in the Preliminary Prospectus, the Prospectus, the Preliminary U.S. Placement Memorandum, the U.S. Placement Memorandum or any Supplementary Materials (in the English language) as the Underwriter may reasonably request.
- (c) The Corporation will similarly cause to be delivered to the Underwriter, at those delivery points as the Underwriter may reasonably request, commercial copies of any Supplementary Material required to be delivered to purchasers or prospective purchasers of the Offered Shares, as applicable.

6. Material Change and Certain Other Covenants

- (a) During the period of distribution of the Offered Shares, the Corporation will promptly inform the Underwriter in writing of the full particulars of:
 - (i) any material change (actual, anticipated or, to the knowledge of the Corporation, threatened) in or affecting the business, operations, revenues, capital, properties, results of operations, affairs, assets, capitalization, condition (financial or otherwise), rights or liabilities (contingent or otherwise) of the Corporation and the Subsidiaries (taken as a whole);

- (ii) any change in any material fact contained or referred to in the Preliminary Prospectus, the Prospectus, the Preliminary U.S. Placement Memorandum, the U.S. Placement Memorandum or any Supplementary Material; and
- (iii) the occurrence or discovery of a material fact or event which, in any such case, is, or may be, of such a nature as to:
 - (A) render the Preliminary Prospectus, the Prospectus, the Preliminary U.S. Placement Memorandum, the U.S. Placement Memorandum or any Supplementary Material untrue, false or misleading in any material respect;
 - (B) result in a misrepresentation in the Preliminary Prospectus, the Prospectus, the Preliminary U.S. Placement Memorandum, the U.S. Placement Memorandum or any Supplementary Material; or
 - (C) result in the Preliminary Prospectus, the Prospectus, the Preliminary U.S. Placement Memorandum, the U.S. Placement Memorandum or any Supplementary Material not complying in any material respect with Canadian Securities Laws or U.S. Securities Laws, as applicable,

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

- (b) During the period of distribution of the Offered Shares, the Corporation will promptly inform the Underwriter in writing of the full particulars of:
 - (i) any request of any Canadian Securities Regulator or other Governmental Authority for:
 - (A) any amendment to, or to suspend or prevent the use of, the Preliminary Prospectus, the Prospectus, the Preliminary U.S. Placement Memorandum, the U.S. Placement Memorandum or any other part of the Public Record; or
 - (B) any additional information relating to the Offering or which may be relevant to the Offering;
 - (ii) the issuance by any Canadian Securities Regulator, the TSX or other Governmental Authority of:
 - (A) any order to cease or suspend trading of any securities of the Corporation; or
 - (B) of the institution or threat of institution of any proceedings for that purpose; and

- (iii) the receipt by the Corporation of any communication from any Canadian Securities Regulator, the TSX or other Governmental Authority relating to:
 - (A) the Preliminary Prospectus, the Prospectus, the Preliminary U.S. Placement Memorandum, the U.S. Placement Memorandum or any other part of the Public Record; or
 - (B) the distribution of the Offered Shares.
- (c) During the period of Distribution of the Offered Shares, the Corporation will promptly comply, to the reasonable satisfaction of the Underwriter and the Underwriter's counsel, with Canadian Securities Laws with respect to any material change, change, occurrence or event of the nature referred to in subsections 6(a) or (b) above and the Corporation will prepare and file promptly at the Underwriter's reasonable request any amendment to the Preliminary Prospectus, the Prospectus, the Preliminary U.S. Placement Memorandum, the U.S. Placement Memorandum or Supplementary Material as may be required under Canadian Securities Laws; provided that the Corporation shall have allowed the Underwriter and the Underwriter's counsel to participate fully in the preparation of any Supplementary Material, to have reviewed any other documents incorporated by reference therein and conduct all due diligence investigations which the Underwriter may reasonably require in order to fulfill its obligations as an underwriter and in order to enable the Underwriter to responsibly execute the certificate required to be executed by it in, or in connection with, any Supplementary Material. The Corporation shall further promptly deliver to the Underwriter and the Underwriter's counsel a copy of each Supplementary Material (in the English language) as filed with the Canadian Securities Regulators, and of opinions and comfort letters with respect to each such Supplementary Material substantially similar to those referred to in section 4.
- (d) The Corporation will renounce to Subscribers Qualifying Expenditures *pro rata* by number of Offered Shares issued or to be issued pursuant to the Offering prior to renouncing Qualifying Expenditures pursuant to any flow-through share subscription agreements dated after the Closing Date.
- (e) The Corporation shall cause each of the directors and officers of the Corporation to execute agreements (the "**Lock-Up Agreements**") on or prior to the Closing Date, in such form acceptable to the Underwriter acting reasonably, in favour of the Underwriter, agreeing not to, directly or indirectly, offer, sell, contract to sell, lend, swap, or enter into any other agreement to transfer the economic consequences of, or otherwise dispose of or deal with, or publicly announce any intention to offer, sell, contract to sell, grant or sell any option to purchase, hypothecate, pledge, transfer, assign, purchase any option or contract to sell, lend, swap, or enter into any agreement to transfer the economic consequences of, or otherwise dispose of or deal with, whether through the facilities of a stock exchange, by private placement or otherwise, any Common Shares or securities exercisable or exchangeable for or convertible into Common Shares held by them, directly or indirectly, for a period ending 90 days from the Closing Date unless (among other customary exceptions set forth in the Lock-Up Agreements): (a) they first obtain the prior written consent of Acumen, which consent will not be unreasonably withheld, (b) there occurs a merger, amalgamation, arrangement, business combination or take-over bid in respect of the Corporation, (c) in respect of sales to affiliates of such person, or (d) as a result of the death of such person. For greater certainty, the Lock-Up Agreements shall not amend, limit,

alter, reduce or impair the terms of any escrow, standstill and/or lock-up agreement to which the foregoing persons or entities are currently subject.

(f) During the period of distribution of the Offered Shares, the Corporation will promptly provide to the Underwriter, for review on a confidential basis by the Underwriter and the Underwriter's counsel, prior to filing or issuance:

- (i) any financial statement or management's discussion and analysis of the Corporation;
- (ii) any proposed document, including without limitation any amendment to the Documents and any new annual information form, material change report, interim report, business acquisition report or information circular, which may be incorporated, or deemed to be incorporated, by reference in the Prospectus;
- (iii) any press release of the Corporation; and
- (iv) any amendment to the Preliminary Prospectus, the Prospectus, the Preliminary U.S. Placement Memorandum, the U.S. Placement Memorandum,

and provide to the Underwriter, for review by the Underwriter and the Underwriter's counsel any draft or final independent engineering evaluation of the crude oil, natural gas and NGL reserves relating to the properties of the Corporations prepared by GLJ or any other independent engineer as soon as practicable following receipt thereof by the Corporation.

7. Representations and Warranties of the Corporation

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

- (i) all of the information and statements (except the Underwriter's Information) contained in the Preliminary Prospectus, the Prospectus, the Preliminary U.S. Placement Memorandum, the U.S. Placement Memorandum or any Supplementary Material, as applicable:
 - (A) are at the respective dates of such documents, true and correct in all material respects;
 - (B) contain no misrepresentation; and
 - (C) constitute full, true and plain disclosure of all material facts relating to the Corporation and the Offered Shares as required by Canadian Securities Laws; and
- (ii) the Preliminary Prospectus, the Prospectus or any Supplementary Material, as applicable, comply in all material respects with the Canadian Securities Laws,

including without limitation NI 44-101 and the Preliminary U.S. Placement Memorandum, the U.S. Placement Memorandum and any related Supplementary Material, as applicable, complies in all material respects with U.S. Securities Laws; and

- (iii) there has been no intervening material change (actual, anticipated or, to the knowledge of the Corporation, threatened) from the date of the Preliminary Prospectus, the Prospectus and any Supplementary Material to the time of delivery thereof, in or affecting the business, operations, revenues, capital, properties, results of operations, affairs, assets, capitalization, condition (financial or otherwise), rights or liabilities (contingent or otherwise) of the Corporation and the Subsidiaries (taken as a whole);
- (b) In addition to the representations and warranties contained in subsection 7(a) hereof, the Corporation represents and warrants to the Underwriter, and acknowledges that the Underwriter is relying upon such representations and warranties in entering into this Agreement that:
 - (i) each of the Corporation the Subsidiaries: (A) has been duly incorporated, amalgamated or formed (as the case may be) and organized and is valid and subsisting existing under the laws of the jurisdiction of its incorporation, amalgamation or formation (as the case may be); (B) has all requisite corporate capacity, power and authority to carry on its business as now conducted and to own, lease and operate its properties and assets; and (C) no proceedings have been instituted or, to the knowledge of the Corporation, are pending for the dissolution or liquidation or winding up of the Corporation or the Subsidiaries;
 - (ii) the Corporation has all requisite corporate power, authority and capacity to enter into this Agreement and the Flow-Through Subscription Agreements and to perform all of its obligations hereunder (including, without limitation, to create, issue and sell the Offered Shares and grant the Over-Allotment Option) and thereunder, and this Agreement and the Flow-Through Subscription Agreements and the performance of its obligations hereunder and thereunder, has been duly authorized by all necessary corporate action on the part of the Corporation and has been duly executed and delivered by the Corporation and this Agreement and the and the Flow-Through Subscription Agreements constitute a legal, valid and binding obligation of the Corporation enforceable against the Corporation in accordance with its terms, subject to the general qualifications that:
 - (A) enforceability may be limited by bankruptcy, insolvency, moratorium, reorganization or other laws affecting creditors' rights generally,
 - (B) equitable remedies, including the remedies of specific performance and injunctive relief, are available only in the discretion of the applicable court,
 - (C) the courts in Canada having jurisdiction may have equitable or statutory powers to stay proceedings before them and the execution of judgments,
 - (D) rights to indemnity and contribution hereunder may be limited under applicable law,

- (E) enforceability of provisions which purport to sever any provision which is prohibited or unenforceable under applicable law without affecting the enforceability of validity of the remainder of such document would be determined only in the discretion of the court, and
 - (F) enforceability of the provisions exculpating a party from liability or duty otherwise owed by it may be limited under applicable law;
- (iii) at the Closing Time or the Additional Closing Time, as applicable, the Offered Shares will be duly and validly authorized, for issuance and, upon receipt of the purchase price therefor, the Offered Shares will be duly and validly issued as fully paid and non-assessable;
- (iv) the execution and delivery of this Agreement and the Flow-Through Subscription Agreements, and the performance of and compliance with the terms of this Agreement and the Flow-Through Subscription Agreements by the Corporation, does not and will not result in a breach of, or constitute a default under, any provision of the articles or by-laws of the Corporation, any resolutions of the directors (including committees of directors) or the shareholders of the Corporation, any statute, rule, policy or regulation applicable to the Corporation, any judgment, decree or order applicable to the Corporation or any agreement or instrument to which it is a party or by which it or any of its assets or property is bound, which default or breach would constitute a Material Adverse Effect or would impair the ability of the Corporation to consummate the transactions contemplated hereby or to perform any of its covenants or obligations contained in this Agreement or the Flow-Through Subscription Agreements;
- (v) the corporate records and minute book of the Corporation and the Subsidiaries are complete in all material respects;
- (vi) the books of account and other records of the Corporation and the Subsidiaries, whether of a financial or accounting nature or otherwise, have been maintained in all material respects accordance with prudent business practices that are customary in the business in which the Corporation is engaged;
- (vii) neither the Corporation nor any of the Subsidiaries has received any notice of and is not in default or violation of any order, rule, regulation, writ, injunction or decree of any Governmental Authority or any statute, regulation, rule, policy or by-law, which default or violation would constitute a Material Adverse Effect;
- (viii) the Corporation is not aware of any applicable law or regulation or governmental position, or any announced, pending or contemplated change thereto or announced, pending or contemplated new law or regulation or governmental position (including without limitation any law, regulation or governmental position regarding greenhouse gas emissions or the oil and gas exploration and production business) that, in any of these cases, would constitute a Material Adverse Effect;
- (ix) no Canadian Securities Regulator, the TSX or other Governmental Authority has issued any order which is currently outstanding preventing or suspending trading in any securities of the Corporation, no such proceeding is, to the knowledge of the Corporation, pending, contemplated or threatened;

- (x) to the knowledge of the Corporation, none of its directors or officers are subject to an order or ruling of any securities regulatory authority or stock exchange prohibiting such individual from acting as a director or officer of a public company or of a corporation listed on a particular stock exchange;
- (xi) Computershare, at its principal office in the city of Calgary, Alberta, has been duly appointed as registrar and transfer agent for the Common Shares;
- (xii) the provisions of the Common Shares conform, in all material respects, with the description thereof contained in the Prospectuses;
- (xiii) KPMG has advised that they are independent with respect to the Corporation within the meaning of the Rules of Professional Conduct of the Institute of Chartered Professional Accountants of Alberta and there has not been any reportable event (within the meaning of NI 51-102) with such firm or any other prior auditor of the Corporation;
- (xiv) the form and terms of definitive certificates representing the Common Shares (including the Offered Shares) have been duly approved and adopted by the Corporation and comply, in all material respects, with all legal and TSX requirements relating thereto and do not conflict with the Corporation's by-laws or constating documents;
- (xv) no approval, authorization, consent or other order of, and no filing, registration or recording with, any Governmental Authority is required of the Corporation in connection with the execution and delivery of this Agreement or the Flow-Through Subscription Agreements, or the performance by the Corporation of its obligations hereunder or thereunder, except as has been or will have been obtained on or prior to the Closing Date and are or will be in full force and effect or as required by Canadian Securities Laws with regard to the distribution of the Offered Shares, if any, in the Qualifying Jurisdictions, or except where the failure to obtain or make, as the case may be, such approval, authorization, consent, order, filing, registration or recording would not constitute a Material Adverse Effect or would not impair the ability of the Corporation to consummate the transactions contemplated hereby or thereby or to duly observe and perform any of its covenants or obligations contained in this Agreement or the Flow-Through Subscription Agreements;
- (xvi) the Corporation has filed in a timely manner each document or report required to be filed by it pursuant to NI 51-102 and all other applicable Canadian Securities Laws and under the rules of the TSX, and each such document or report set forth in the Public Record and any amendment thereto, after giving effect and taking into account any re-filing of any such document, at the time it was filed conformed in all material respects to the requirements of such Canadian Securities Laws and applicable rules of the TSX and the Corporation has not filed any confidential material change reports still maintained on a confidential basis;
- (xvii) the issued and outstanding Common Shares are listed and posted for trading on the TSX; the Offered Shares will be listed and posted for trading on the TSX upon the Corporation complying with the Listing Conditions and the Corporation is in compliance in all material respects with rules of the TSX;

- (xviii) the Corporation is a “reporting issuer” in all provinces of Canada within the meaning of Canadian Securities Laws in such provinces and is not included on a list of defaulting reporting issuers maintained by the Canadian Securities Regulators of such provinces and the Corporation is not in default of any material requirement of Canadian Securities Laws;
- (xix) the Corporation and each of the Subsidiaries has complied, in all respects, with all laws, regulations, rules, policies and by-laws of Governmental Authorities applicable to the Corporation and the conduct of its business except to the extent that the failure to do so would not constitute a Material Adverse Effect;
- (xx) the Corporation and each of the Subsidiaries has all requisite power and authority and has obtained all necessary registrations, licenses and permits to carry on its business as presently proposed to be conducted by it and to own its assets except to the extent that the failure to do so would not constitute a Material Adverse Effect;
- (xxi) the Corporation has no subsidiaries other than the Subsidiaries and the Corporation is not, directly or indirectly, a partner of any partnerships, limited partnerships or material joint ventures other than as described in the Prospectuses;
- (xxii) the Corporation does not own, directly or indirectly, any shares or any other equity or long-term debt securities of any corporation or other person other than the Subsidiaries;
- (xxiii) all of the issued and outstanding securities and equity and voting interests, as the case may be, in the capital of the Subsidiaries are validly issued as fully paid and non assessable and beneficially owned, directly or indirectly, by the Corporation with valid and marketable title free and clear of all mortgages, liens charges, pledges, security interests, encumbrances, claims or demands whatsoever except for security granted to lenders as disclosed in the Public Record and no person holds any securities convertible into or exchangeable for issued or unissued securities of any Subsidiary or has any agreement, warrant, option, right or privilege (whether pre emptive or contractual) being or capable of becoming an agreement, warrant, option or right for the acquisition of any unissued or issued securities of any Subsidiary;
- (xxiv) since December 31, 2020, the Corporation has not made any acquisition that would be a significant acquisition for the purposes of Canadian Securities Laws, and no proposed acquisition by the Corporation has progressed to a state where a reasonable person would believe that the likelihood of the Corporation completing the acquisition is high and that, if completed by the Corporation at the date of the Prospectuses, would be a significant acquisition for the purposes of Canadian Securities Laws, in each case, that would require the prescribed disclosure in the Prospectus pursuant to such laws;
- (xxv) the Corporation maintains internal controls over financial reporting (“**ICFR**”) and disclosure controls and procedures (“**DC&P**”) as contemplated by the certifications required under Form 52-109F1 – Certification of Annual Filings – Full Certificate and Form 52-109F2 – Certification of Interim Filings – Full Certificate under National Instrument 52-109, *Certificate of Disclosure in Issuers*’

Annual and Interim Filings, such ICFR and DC&P were effective as of the dates of the applicable certificates of the Corporation therefor, and the Corporation is now aware of any material weakness in its ICFR;

- (xxvi) since December 31, 2020, neither the Corporation nor any of the Subsidiaries has:
 - (i) incurred any material liabilities (absolute, accrued, contingent or otherwise) other than in the ordinary course of business, or (ii) suffered any Material Adverse Change;
- (xxvii) there are no outstanding judgments against the Corporation or any of the Subsidiaries or any consent decrees or injunctions to which the Corporation or any of the Subsidiaries is subject or by which its assets are bound and there are no claims, proceedings, actions or lawsuits in existence or, to the Corporation's knowledge, threatened or pending against the Corporation or any of the Subsidiaries or with respect to any of the assets of the Corporation or any of the Subsidiaries or the interests of the Corporation or any of the Subsidiaries therein that would constitute a Material Adverse Effect, including but not limited to, environmental actions or claims;
- (xxviii) the share capital of the Corporation consists of an unlimited number of Common Shares and an unlimited number of Restricted Voting Shares; of which as of the date hereof, there are 48,060,333 Common Shares issued and outstanding and such outstanding Common Shares are validly issued, fully paid and non-assessable;
- (xxix) as at the date hereof, there are Options outstanding to purchase 80,000 Common Shares outstanding, 1,494,413 Awards outstanding, and Warrants to acquire 6,137,000 Common Shares;
- (xxx) other than pursuant to the Credit Agreement, neither the Corporation nor any of the Subsidiaries have outstanding any debentures, notes or mortgages that are or will be material to the Corporation;
- (xxxi) there are no restrictions on the transfer of the Offered Shares contained in the articles or by-laws of the Corporation;
- (xxxii) with the exceptions of: (i) Offered Shares to be sold pursuant to the Offering; (ii) Common Shares issuable on the exercise of any Options or Warrants; and (iii) Common Shares issuable on the vesting of any Awards, or as otherwise set out in the Prospectus, no person has any agreement with the Corporation or any warrant, convertible security or option exercisable against the Corporation or any right capable of being an agreement with the Corporation for the purchase of any of the Common Shares or any other unissued securities of the Corporation or any agreement with the Corporation or any warrant, convertible security or option exercisable against the Corporation or any right capable of becoming an agreement with the Corporation for the purchase, subscription or issuance of any unissued Common Shares or any other unissued securities of the Corporation;
- (xxxiii) the Corporation has established on its books and records reserves which are adequate for the payment of all taxes not yet due and payable and there are no Liens for taxes on the assets of the Corporation or any of the Subsidiaries except for taxes not yet due, and there are no audits of any of the tax returns of the

Corporation or any of the Subsidiaries which are known by the Corporation's management to be pending, and there are no claims which have been or may be asserted relating to any such tax returns which, if determined adversely, would result in the assertion by any Governmental Authority of any deficiency which would constitute a Material Adverse Effect;

- (xxxiv) other than the fees and payments set out in the Prospectus, neither the Corporation nor any of the Subsidiaries is a party to or bound by any written or oral agreement or instrument under which the completion of the Offering would require a payment of any amount or cause the acceleration of the payment of any amount by the Corporation or any of the Subsidiaries;
- (xxxv) other than this Agreement, the Flow-Through Subscription Agreements and the agreements described in the Prospectus and agreements entered into in the ordinary course of business, neither the Corporation nor any of the Subsidiaries is a party to or bound by any agreement of guarantee, indemnification (other than an indemnification of directors and officers in accordance with its by-laws and indemnity agreements entered into among the Corporation and its directors and officers) or any other like commitment in respect of the obligations, liabilities (contingent or otherwise) or indebtedness of any other person;
- (xxxvi) except as set out in the Prospectuses, none of the directors, officers, shareholders or employees of the Corporation or any person not dealing at arm's length with the Corporation is currently indebted to or has any obligation or liability to the Corporation, except for customary indemnity agreements and for employment or consulting arrangements with employees or consultants of the Corporation;
- (xxxvii) to the knowledge of the Corporation, no insider (as such term is defined in the Canadian Securities Laws) of the Corporation has a present intention to sell any securities of the Corporation held by it;
- (xxxviii) neither the Corporation nor any of the Subsidiaries is in breach or default, has not received any notice of default or violation, and is not aware of any potential or threatened notice of alleged default or violation, of the provisions of any material contracts, agreements, indentures or instruments to which the Corporation or any of the Subsidiaries is a party except to the extent any such breach, default or violation would not constitute a Material Adverse Effect;
- (xxxix) except for such matters as would not constitute a Material Adverse Effect: (i) neither the Corporation nor any of the Subsidiaries is in default or breach of any agreement; (ii) to the knowledge of the Corporation, no other party is in default or breach in the observance or performance of any term or obligation to be performed by it under any contract to which the Corporation or any of the Subsidiaries is a party or by which it is bound which is material to the business of the Corporation; and (ii) no event has occurred which, with notice or lapse of time or both, would constitute such a default or breach;
- (xl) subject to any conflicts of interest that a director may have from time to time in respect of his or her duties as a director of other corporations, to the knowledge of the Corporation, no officer, director or employee of the Corporation is subject to any limitations or restrictions on their activities or investments, including any non-

competition provisions, that would in any way limit or restrict their involvement with the Corporation or the business affairs of the Corporation;

- (xli) neither the Corporation nor any of the Subsidiaries is a party to any contracts of employment which may not be terminated on one month or less notice or which provide for payments occurring on the change of control of the Corporation;
- (xlii) except as described in the Prospectus, there are no material contracts or agreements to which the Corporation or any of the Subsidiaries is a party or by which it is bound which are outside of the ordinary course of business. For the purposes of this subparagraph, any contract or agreement pursuant to which the Corporation or any of the Subsidiaries will, or may reasonably be expected to result in, a requirement of the Corporation or any of the Subsidiaries to expend more than an aggregate of \$250,000 or receive or be entitled to receive revenue of more than \$250,000, in either case in the next 12 months, or is out of the ordinary course of business of the Corporation, shall be considered to be material;
- (xliii) except for such matters as would not, individually or in the aggregate, constitute a Material Adverse Effect:
 - (A) the Corporation and each of the Subsidiaries is in compliance with the provisions of all applicable federal, provincial, local and foreign laws and regulations respecting employment and employment practices, terms and conditions of employment and wages and hours (collectively, **“Employment Laws”**);
 - (B) no collective labour dispute, grievance, arbitration or legal proceeding is ongoing or, to the knowledge of the Corporation, pending or threatened, and no individual labour dispute, grievance, arbitration or legal proceeding is ongoing or, to the knowledge of the Corporation, pending or threatened, with any employee of the Corporation or any of the Subsidiaries and, to the knowledge of the Corporation, none has occurred during the past year, and
 - (C) no union has been accredited or otherwise designated to represent any employees of the Corporation or any of the Subsidiaries and, to the knowledge of the Corporation, no accreditation request or other representation question is pending with respect to the employees of the Corporation and no collective agreement or collective bargaining agreement or modification thereof has expired or is in effect in any of the facilities of the Corporation or any of the Subsidiaries and none is currently being negotiated by the Corporation or any of the Subsidiaries;
- (xliv) except to the extent that any violation or other matter referred to in this subparagraph would not, individually or in the aggregate, constitute a Material Adverse Effect:
 - (A) to the Corporation’s knowledge, neither the Corporation nor any of the Subsidiaries is in violation of any Environmental Laws,

- (B) neither the Corporation nor any of the Subsidiaries has operated its business and has received, handled, used, stored, treated, shipped and disposed of all contaminants in violation of Environmental Laws,
 - (C) there have been no spills, releases, deposits or discharges of Hazardous Materials into the earth, air or into any body of water or any municipal or other sewer or drain water systems by the Corporation or any of the Subsidiaries that have not been remedied or that are not presently being remedied,
 - (D) no orders, directions or notices have been issued and remain outstanding pursuant to any Environmental Laws relating to the business or assets of the Corporation or any of the Subsidiaries and, to the Corporation's knowledge, no orders, directions or notices have been issued and remain outstanding pursuant to any Environmental Laws relating to the business or assets of third parties on or in respect of the assets and properties of the Corporation or any of the Subsidiaries,
 - (E) neither the Corporation nor any of the Subsidiaries has failed to report to the proper federal, provincial, municipal or other political subdivision, government, department, commission, board, bureau, agency or instrumentality, domestic or foreign the occurrence of any event which is required to be so reported by any Environmental Law, and
 - (F) the Corporation and each of the Subsidiaries holds all licenses, permits and approvals required under any Environmental Laws in connection with the operation of its business and the ownership and use of its assets, all such licenses, permits and approvals are in full force and effect, and except for:
 - (A) notifications and conditions of general application to assets of the type owned by the Corporation; and
 - (B) notifications relating to reclamation obligations under the *Environmental Protection and Enhancement Act* (Alberta), neither the Corporation nor any of the Subsidiaries has received any notification pursuant to any Environmental Laws that any work, repairs, constructions or capital expenditures are required to be made by it as a condition of continued compliance with any Environmental Laws, or any licence, permit or approval issued pursuant thereto, or that any licence, permit or approval referred to above is about to be reviewed, made subject to limitation or conditions, revoked, withdrawn or terminated;
- (xlv) any and all operations of the Corporation and the Subsidiaries and, to its knowledge, any and all operations by third parties on or in respect of the assets and properties of the Corporation and any of the Subsidiaries, have been conducted in accordance with good oil and gas industry practices;
- (xlvi) in respect of the assets and properties of the Corporation and the Subsidiaries that are operated by it, the Corporation and each of the Subsidiaries holds all valid licenses, permits and similar rights and privileges that are required and necessary under applicable law to operate its assets and properties as presently operated or as proposed to be operated and where the failure to so hold such licenses and permits would constitute a Material Adverse Effect;

- (xlvii) although it does not warrant title, the Corporation has no reason to believe that it or the Subsidiaries does not have good and marketable title to or the right to use the property and assets material to the operation of its business; and (i) the properties and assets of the Corporation and the Subsidiaries are free and clear of all Liens other than those encumbrances that are standard in the oil and gas industry (excluding Liens granted pursuant to the Credit Agreement) and which would not constitute a Material Adverse Effect on the ownership or operation of such assets and properties, including the Liens created pursuant to the Credit Agreement (“**Permitted Encumbrances**”); and (ii) other than Permitted Encumbrances, neither the Corporation nor any of the Subsidiaries has done any act or suffered or permitted any action whereby any person has acquired or may acquire an interest in the properties and assets of the Corporation or any of the Subsidiaries, nor have they done any act, omitted to do any act or permitted any act to be done that may adversely affect or defeat its title to any of such properties and assets;
- (xlviii) to the knowledge of the Corporation, policies of insurance in force as of the date hereof naming the Corporation and, where applicable, its directors and officers as insured(s) provide terms and coverage generally comparable to those that are customarily carried and insured against by similar size owners of comparable business, properties and assets. Unless replaced by policies providing substantially similar terms and coverage, all such policies of insurance shall remain in full force and effect and shall not be cancelled or otherwise terminated as a result of the transactions contemplated hereby and the Corporation is not in default as to the payment of premiums or otherwise under the terms of any such policy; and the Corporation has not received any notice of the non-renewal of any such policy, or of any reservation of claims pursuant to any such policy; there are no material claims by the Corporation under any such policies or instruments as to which any insurance company is denying liabilities or defending under a reservation of rights clause; and the Corporation has no reason to believe that it will not be able to renew its existing insurance coverage as and when such coverage expires or to obtain similar coverage from similar insurers as may be necessary to continue its business at a cost that would not constitute a Material Adverse Effect;
- (xlix) all tax returns required to be filed or made by or on behalf of the Corporation and the Subsidiaries have been duly filed or made on a timely basis, except to the extent any failure to file or make such tax returns would not constitute a Material Adverse Effect, and such tax returns are true, complete and correct in all material respects. All taxes shown to be payable on the tax returns or on subsequent assessments with respect thereto have been paid in full on a timely basis or have been accrued for in the Financial Statements, and no other material taxes are payable by the Corporation and the Subsidiaries with respect to items or periods covered by such tax returns;
- (l) for the year ended December 31, 2020, the Corporation and each the Subsidiaries has paid all applicable material taxes or the Corporation has provided adequate accruals in the Financial Statements for all such unpaid material taxes. The Financial Statements disclose all future income taxes in conformity in all material respects with IFRS;
- (li) no material deficiencies exist or have been asserted with respect to taxes of the Corporation or any of the Subsidiaries. Neither the Corporation nor any of the

Subsidiaries is party to any action or proceeding for assessment or collection of any material amount of taxes, nor has such event been asserted or threatened against the Corporation or any of the Subsidiaries or their assets. No waiver or extension of any statute of limitations is in effect with respect to taxes or tax returns of the Corporation or any of the Subsidiaries. The material tax returns of the Corporation and the Subsidiaries for periods ending on or after December 31, 2014 have never been audited by a government or taxing authority, no such audit in process nor to the knowledge of the Corporation is any such audit pending or threatened;

- (lii) the Financial Statements fairly present, in accordance with IFRS, consistently applied, the financial position and condition of the Corporation and the Subsidiaries, on a consolidated basis, at the dates thereof and the results of the operations of the Corporation and the Subsidiaries, on a consolidated basis for the periods then ended and reflect in accordance with IFRS, consistently applied, all assets, liabilities or obligations (absolute, accrued, contingent or otherwise) of the Corporation and the Subsidiaries as at the date thereof;
- (liii) the Corporation and each of the Subsidiaries:
 - (A) has no retirement savings plans (either registered or unregistered) or other similar employee retirement benefit plans, and has not made any promises with respect to increased benefits under such plans, and
 - (B) has provided adequate accruals in the Financial Statements (or such amounts are fully funded) for all pension or other employee benefit obligations of the Corporation or any of the Subsidiaries arising under or relating to each of the pension or retirement income plans or other employee benefit plans or agreements or policies maintained by or binding on the Corporation or any of the Subsidiaries as well as for any other payment required to be made by the Corporation or any of the Subsidiaries in connection with the termination of employment or retirement of any employee of the Corporation or any of the Subsidiaries in respect of the fiscal period ended December 31, 2020;
- (liv) a true and complete copy of the GLJ Reserve Report has been provided to the Underwriter;
- (lv) the Corporation co-operated with GLJ in the preparation of the GLJ Reserve Report which has been accepted and approved by the reserves committee and the board of directors of the Corporation. The Corporation has made available to GLJ prior to the issuance of the GLJ Reserve Report for the purpose of preparing such report, all information requested by GLJ, which information did not, at the time such information was provided, contain any material misrepresentation, and the Corporation does not have any knowledge of a material adverse change in any production, cost, reserves, resources or other relevant information provided to GLJ since the date that such information was so provided. The Corporation believes that the GLJ Reserve Report reasonably presents the estimated quantity and pre-tax net present values of the oil and natural gas reserves associated with the crude oil, natural gas and NGL properties evaluated in such report as at December 31, 2021, based upon information available at the time such reserves information was

prepared, and the Corporation believes that at the date of such report it reasonably presents the aggregate estimated quantity and pre-tax net present values of such reserves and resources or the estimated monthly productions volumes therefrom;

- (lvi) other than as disclosed in the Prospectus, neither the Corporation nor any of the Subsidiaries is a party to, or bound by any outstanding Swaps;
- (lvii) except for such matters as would not constitute a Material Adverse Effect: (i) the Corporation and the Subsidiaries will own all rights in or have obtained valid and enforceable licenses or other rights to use the patents, patent applications, inventions, copyrights, know how (including trade secrets and other proprietary or confidential information), trade-marks (both registered and unregistered), trade names or any other intellectual property (collectively, “**Intellectual Property**”) which is necessary for the conduct of its business as currently carried on, free and clear of any Liens or other adverse claims or interest of any kind or nature affecting its assets (subject to Permitted Encumbrances); and (ii) to the knowledge of the Corporation, there is no infringement by third parties of any Intellectual Property to be then owned, licensed or commercialized by the Corporation or any of the Subsidiaries;
- (lviii) the Corporation is not aware of any defects, failures or impairments in the title of the Corporation or any of the Subsidiaries to its assets or properties and has not received notice of, and does not have knowledge of, any dispute or claim, potential or otherwise, involving any Governmental Authority or other person, including, without limitation, aboriginal groups, which the Corporation reasonably believes would constitute a material adverse effect on any oil and gas exploration, development or production operations of the Corporation, the quantity and pre-tax present value of estimated further net revenue values of oil and natural gas reserves of the Corporation as shown in the GLJ Reserve Report or the current cash flow of the Corporation;
- (lix) subject to the solvency restrictions in the ABCA and restrictions under the Credit Agreement, the Corporation is not currently prohibited, directly or indirectly, from paying any dividends, from making any other distribution on the Common Shares or other securities, or from paying any interest or repaying any loans, advances or other indebtedness;
- (lx) in respect of all amounts of Qualifying Expenditures which are to be renounced by the Corporation in favour of the initial purchasers of the Offered Shares, the Corporation would, but for the renunciation, be entitled to claim a deduction if it had sufficient income in respect of such Qualifying Expenditures in computing its income for the purposes of Part I of the Tax Act;
- (lxi) the Corporation is a “principal-business corporation” as defined in subsection 66(15) of the Tax Act and will be a “principal business corporation” at all times relevant to the valid renunciation of Qualifying Expenditures to the initial purchasers of Offered Shares;
- (lxii) except as a result of any agreement, arrangement, understanding or undertaking to which the Corporation is not a party and of which it has no knowledge, upon issuance, the Offered Shares will be “flow-through shares” as defined in

subsection 66(15) of the Tax Act and will not constitute “prescribed shares” for the purpose of Regulation 6202.1 of the Tax Act;

- (lxiii) the Corporation has no reason to believe that it will be unable to incur (or be deemed to incur) during the Expenditure Period and renounce to the initial purchasers of Offered Shares Qualifying Expenditures equal to the Commitment Amount effective on or before December 31, 2022;
- (lxiv) the representations and warranties of the Corporation in the Flow-Through Subscription Agreements are, or will on the Closing Date be, true and correct and the Corporation will fulfill its obligations and comply with all the covenants, terms and conditions of the Flow-Through Subscription Agreements;
- (lxv) the Corporation has not entered into any agreements or made any covenants with any parties that would restrict the Corporation from entering into the Flow-Through Subscription Agreements and agreeing to incur and renounce Qualifying Expenditures during the Expenditure Period in accordance with the Flow-Through Subscription Agreements, nor that would require the prior renunciation to any other person of Qualifying Expenditures prior to the renunciation of the aggregate Commitment Amount in favour of the initial purchasers of Offered Shares and the Corporation has no outstanding obligations in respect of any amount to incur and renounce Qualifying Expenditures to any persons;
- (lxvi) the operations of the Corporation and each of the Subsidiaries are and have been conducted at all times in compliance with the anti-money laundering statutes of all applicable jurisdictions, the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any governmental agency to which they are subject (collectively, the “**Anti-Money Laundering Laws**”) and no action, suit or proceeding by or before any Governmental Authority or any arbitrator involving the Corporation with respect to the Anti-Money Laundering Laws is pending or, to the knowledge of the Corporation, threatened;
- (lxvii) neither the Corporation, any of the Subsidiaries, nor, to the knowledge of the Corporation, any director, officer, agent, employee, affiliate or other person acting on behalf of the Corporation or any of the Subsidiaries, is currently the target of any U.S. sanctions administered by the Office of Foreign Assets Control of the U.S. Treasury Department (“**OFAC**”); and the Corporation will not directly or indirectly use the proceeds of the Offering, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person or entity, for the purpose of financing the activities of any person that is currently the target of any U.S. sanctions administered by OFAC;
- (lxviii) neither the Corporation, any of the Subsidiaries, nor, to the knowledge of the Corporation, any director, officer, agent, employee, or other person acting on behalf of the Corporation or any of the Subsidiaries has: (i) used any of the Corporation’s funds for any unlawful contribution, gift, entertainment or other unlawful expense relating to political activity; (ii) made any direct or indirect unlawful payment to any foreign or domestic governmental official from corporate funds; (iii) violated or is in violation of any provision of the *U.S. Foreign Corrupt*

Practices Act of 1977, as amended, the *Corruption of Foreign Public Officials Act* (Canada) or any other law, rule or regulation of similar purpose and scope; or (iv) made any unlawful bribe, rebate, payoff, influence payment, kickback or other unlawful payment;

- (lxix) (i) to the knowledge of the Corporation, there are, and will be on the Closing Date, no shareholder agreements, voting agreements, investors' rights agreements or other agreements in force or effect which in any manner affects or will affect the voting or control of any of the securities of the Corporation; and (ii) there are, and will be on the Closing Date, no persons with registration rights or other similar rights to have any securities of the Corporation registered or qualified for distribution pursuant to any Canadian Securities Laws, the U.S. Securities Act or the securities laws of any state thereof, or the laws, rules or regulations of any other country;
- (lxx) other than as provided for in this Agreement, the Corporation has not incurred any obligation or liability, contingent or otherwise, brokerage fees, finder's fees, underwriter's or agent's commission or other similar forms of compensation with respect to the transactions contemplated hereby;
- (lxxi) neither the Corporation nor any affiliate of the Corporation has taken, and neither the Corporation nor any affiliate of the Corporation will take, any action which constitutes stabilization or manipulation of the price of any security of the Corporation to facilitate the sale or resale of the Offered Shares;
- (lxxii) any market, independent third-party and industry data included in the Prospectuses is based on or derived from sources that the Corporation believes to be reliable and accurate in all material respects;
- (lxxiii) no forward-looking information within the meaning of Canadian Securities Laws contained in the Prospectuses has been made or reaffirmed without a reasonable basis or has been disclosed other than in good faith;
- (lxxiv) there has been no security breach or other compromise of or relating to any of the Corporation's or any of the Subsidiaries' information technology and computer systems, networks, hardware, software, data (including the data of its customers, employees, suppliers, vendors and any third party data maintained by or on behalf of it), equipment or technology (collectively, "**IT Systems and Data**") and neither the Corporation nor any of the Subsidiaries has been notified of, and the Corporation has no knowledge of any event or condition that would reasonably be expected to result in, any security breach or other compromise to its IT Systems and Data; (ii) the Corporation and each of the Subsidiaries is presently in compliance with all applicable laws or statutes and all judgments, orders, rules and regulations of any court or arbitrator or governmental or regulatory authority, internal policies and contractual obligations relating to the privacy and security of IT Systems and Data and to the protection of such IT Systems and Data from unauthorized use, access, misappropriation or modification; (iii) the Corporation and each of the Subsidiaries has implemented and maintained commercially reasonable safeguards to maintain and protect their material confidential information and the integrity, continuous operation, redundancy and security of all IT Systems and Data; and (iv) the Corporation and each of the Subsidiaries has

implemented backup and disaster recovery technology consistent with industry standards and practices, except as would not, in the case of clause (i) or clause (ii), individually or in the aggregate, have a Material Adverse Effect;

- (lxxv) the Responses will be true and correct where they relate to matters of fact, and in all material respects as at the time such responses are given and, to the knowledge of the Corporation, such responses taken as a whole shall not omit any fact or information necessary to make any of the responses not misleading in light of the circumstances in which such responses were given. Where the Responses reflect the opinion or view of the Corporation or its directors or officers (including, Responses or portions of such Responses, which are forward-looking or otherwise relate to projections, forecasts or estimates of future performance or results (operating, financial or otherwise)) ("**Forward-looking Statements**"), such opinions or views are subject to the qualifications and provisions set forth in the Responses and will be honestly held and believed to be reasonable at the time they are given; provided, however, it shall not constitute a breach of this paragraph solely if the actual results vary or differ from those contained in Forward-looking Statements; and
- (lxxvi) to the knowledge of the Corporation, the Prospectuses accurately disclose the material impacts of the novel coronavirus disease outbreak ("**COVID-19**") on the Corporation. The Corporation has been monitoring the COVID-19 outbreak and the potential impact at all of its operations and has used reasonable commercial efforts to put appropriate control measures in place to, in good faith and based on its judgment at the relevant time, minimize the risk to the wellness of all of its employees while continuing to operate.

8. Indemnity

- (a) The Corporation agrees to indemnify and save harmless the Underwriter and each of its affiliates, and each of their respective directors, officers, partners, employees, agents and controlling persons (collectively, the "**Indemnified Parties**" and individually an "**Indemnified Party**") from and against all liabilities, claims, losses (but excluding any loss of profits or other indirect or consequential damages), costs, damages and expenses, or actions in respect thereof and to reimburse such parties for any legal and other expenses reasonably incurred by such parties in connection with investigating or defending any such claim as such expenses are incurred, in any way caused by, or arising directly or indirectly from, or in consequence of:
 - (i) any information or statement (other than the Underwriter's Information) contained in the Preliminary Prospectus, the Prospectus, the Preliminary U.S. Placement Memorandum, the U.S. Placement Memorandum, any Supplementary Material, any other part of the Public Record or in any certificates of the Corporation delivered pursuant to this Agreement which at the time and in the light of the circumstances under which it was made contains or is alleged to contain a misrepresentation within the meaning of Canadian Securities Law, or an untrue statement of a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading, within the meaning of the U.S. Exchange Act;

- (ii) any omission or alleged omission to state in the Preliminary Prospectus, the Prospectus, the Preliminary U.S. Placement Memorandum, the U.S. Placement Memorandum, any Supplementary Material, any other part of the Public Record or any certificates of the Corporation delivered pursuant to this Agreement, any material fact (other than a material fact relating solely to the Underwriter's Information) required to make any statement therein or necessary in order to make any statement therein not a misrepresentation under Canadian Securities Laws or necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading, within the meaning of the U.S. Exchange Act;
- (iii) any order made or enquiry, investigation or proceeding commenced or threatened by any court, securities commission or other competent authority based upon any actual or alleged untrue statement of a material fact or omission or alleged omission to state a material fact necessary to make any statement not misleading in the light of the circumstances under which it was made (within the meaning of the U.S. Exchange Act) or any misrepresentation or alleged misrepresentation (in each case, other than relating solely to any Underwriter's Information) contained in or omitted from the Preliminary Prospectus, the Prospectus, the Preliminary U.S. Placement Memorandum, the U.S. Placement Memorandum, any Supplementary Material, any other part of the Public Record or based upon any failure to comply with Canadian Securities Laws or the U.S. Securities Laws (other than any failure or alleged failure to comply by the Underwriter), preventing or restricting the trading in or the sale or distribution of the Offered Shares in any of the Offering Jurisdictions;
- (iv) the non-compliance or alleged non-compliance by the Corporation with any of Canadian Securities Laws or the U.S. Securities Laws in connection with the transactions contemplated by this Agreement; or
- (v) any breach by the Corporation of its representations, warranties, covenants or obligations to be complied with under this Agreement or any other document delivered by it pursuant to this Agreement;

provided, however, no party who has engaged in any gross negligence, fraud or wilful misconduct (as determined by a court of competent jurisdiction in a final non-appealable judgment) shall be entitled, to the extent that the liabilities, claims, losses, costs, damages or expenses resulted from such activity, to claim indemnification hereunder. For greater certainty, the Corporation and the Underwriter agree that they do not intend that any failure by the Underwriter to conduct such reasonable investigation as necessary to provide the Underwriter with reasonable grounds for believing the Prospectuses contained no misrepresentation shall constitute "negligence" or "willful misconduct" for purposes of this section 8 or otherwise disentitle the Underwriter from indemnification hereunder.

- (b) If any claim contemplated by subsection (a) shall be asserted against any Indemnified Party in respect of which indemnification is or might reasonably be considered to be provided for in such subsections the Indemnified Party shall notify the Corporation (provided that failure to so notify the Corporation of the nature of such claim in a timely fashion shall relieve the Corporation of liability hereunder only if and to the extent that such failure to give notice as herein required prejudices the defense of such claim or results in any material increase in the liability which the Corporation has under this indemnity) as soon as possible

of the nature of such claim and the Corporation shall be entitled (but not required) to assume the defence of any suit brought to enforce such claim, provided however, that the defence shall be through legal counsel selected by the Corporation and acceptable to the Indemnified Party acting reasonably. The Indemnified Party shall have the right to retain its own counsel in any proceeding relating to a claim contemplated by subsection 8(a) if:

- (i) the Indemnified Party has been advised in writing by outside counsel that there may be a reasonable legal defense available to the Indemnified Party which is different from or additional to a defense available to the Corporation and that representation of the Indemnified Party and the Corporation by the same counsel would be inappropriate due to the actual or potential differing interests between them (in which case the Corporation shall not have the right to assume the defense of such proceedings on the Indemnified Person's behalf);
- (ii) the Corporation shall not have taken the defense of such proceedings and employed counsel within ten (10) days after notice has been given to the Corporation of commencement of such proceedings; or
- (iii) the employment of such counsel has been authorized by the Corporation in connection with the defense of such proceedings;

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

- (c) No settlement, compromise or consent to the entry of any judgment of any proceeding in respect of which indemnification has been or could be sought under this Agreement (whether or not an Underwriter or any other Indemnified Party is an actual or potential party to such claim, action or proceeding) shall be made by the Corporation without the prior written consent of the Indemnified Parties affected unless such settlement, compromise or consent: (i) includes an unconditional written release of the Indemnified Parties from all liability arising out of such claim, action or proceeding; and (ii) does not include any statement as to, or an admission of, fault, culpability or failure to act by or on behalf of any of the Indemnified Parties. No settlement, compromise or consent to the entry of any judgment of any proceeding in respect of which indemnification has been or could be sought under this Agreement shall be made by an Indemnified Party without the prior written consent of the Corporation, such consent not to be unreasonably withheld, and the Corporation shall not be liable for any settlement, compromise or consent to the entry of any judgment of any matter made without the Corporation's consent.
- (d) The Corporation hereby waives its rights to recover contribution from the Underwriter with respect to any liability of the Corporation by reason of or arising out of any misrepresentation in the Preliminary Prospectus, the Prospectus, the Preliminary U.S. Placement Memorandum, the U.S. Placement Memorandum, any Supplementary Material or any other part of the Public Record provided, however, that such waiver shall not apply in respect of liability caused or incurred by reason of any misrepresentation which is based upon information relating to the Indemnified Party contained in such document and furnished to the Corporation by the Indemnified Party in writing expressly for inclusion in

the Preliminary Prospectus, the Prospectus, the Preliminary U.S. Placement Memorandum, the U.S. Placement Memorandum, any Supplementary Material or any other part of the Public Record.

- (e) If any legal proceedings shall be instituted against the Corporation in respect of the Preliminary Prospectus, the Prospectus, the Preliminary U.S. Placement Memorandum, the U.S. Placement Memorandum, any Supplementary Material or any other part of the Public Record or the Offered Shares or if any Governmental Authority shall carry out an investigation of the Corporation in respect of the Preliminary Prospectus, the Prospectus, the Preliminary U.S. Placement Memorandum, the U.S. Placement Memorandum, any Supplementary Material or any other part of the Public Record or the Offered Shares and, in either case, any Indemnified Party is required to testify, or respond to procedures designed to discover information, in connection with or by reason of the services performed by the Underwriter hereunder, the Indemnified Parties may employ one local law firm as their own legal counsel and, provided such proceeding is not brought as a result of any gross negligence, fraud or wilful misconduct of the Indemnified Party (as determined by a court of competent jurisdiction in a non-appealable final judgment), the Corporation shall pay and reimburse the Indemnified Parties for the reasonable fees, charges and disbursements (on a full indemnity basis) of such legal counsel, the other documented out-of-pocket expenses reasonably incurred by the Indemnified Parties in connection with such proceedings or investigation and a fee at the normal per diem rate for any director, officer or employee of the Underwriter involved in the preparation for or attendance at such proceedings or investigation.
- (f) The rights and remedies of the Indemnified Parties set forth in sections 8, 9 and 11 (in the case of the Underwriter) hereof are to the fullest extent possible in law cumulative and not alternative and the election by any Underwriter or other Indemnified Party to exercise any such right or remedy shall not be, and shall not be deemed to be, a waiver of any other rights and remedies.
- (g) The Corporation hereby acknowledges that the Underwriter is acting as agent for its affiliates and each of their respective directors, officers, managers, members, partners, employees, and agents under this section 8 and under section 9 with respect to all such agents, affiliates, directors, officers, shareholders, partners, advisors and employees.
- (h) The Corporation waives any right it may have of first requiring an Indemnified Party to proceed against or enforce any other right, power, remedy or security or claim or to claim payment from any other person before claiming under this indemnity. It is not necessary for an Indemnified Party to incur expense or make payment before enforcing such indemnity.
- (i) The rights of indemnity contained in this section 8 shall not apply if the Corporation has complied with the provisions of sections 3 and 5 and the person asserting any claim contemplated by this section 8 was not provided with a copy of the Prospectuses or any amendment to the Prospectuses or other document which corrects any misrepresentation or alleged misrepresentation which is the basis of such claim and which was required, under Canadian Securities Law, to be delivered to such person by the Underwriter.
- (j) If the Corporation has assumed the defense of any suit brought to enforce a claim hereunder, the Indemnified Party shall provide the Corporation copies of all documents and information in its possession pertaining to the claim, take all reasonable actions

necessary to preserve its rights to object to or defend against the claim, consult and reasonably cooperate with the Corporation in determining whether the claim and any legal proceeding resulting therefrom should be resisted, compromised or settled and reasonably cooperate and assist in any negotiations to compromise or settle, or in any defense of, a claim undertaken by the Corporation.

9. Contribution

In order to provide for just and equitable contribution in circumstances in which the indemnification provided for in this Agreement is due in accordance with its terms but is, for any reason, held by a court to be unavailable from the Corporation on grounds of policy or otherwise, the Corporation and the party or parties seeking indemnification shall contribute to the aggregate liabilities, claims, demands, losses (other than losses of profit), costs (including, without limitation, reasonable legal fees and disbursements, of one set of local legal counsel that may be incurred in advising with respect to and/or defending any claim made against the Underwriter), damages and expenses to which they may be subject or which they may suffer or incur:

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

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

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

Each of the Corporation and the Underwriter agree that it would not be just and equitable if contributions pursuant to this Agreement were determined by *pro rata* allocation or by any other method of allocation which does not take into account the equitable considerations referred to in the immediately preceding

sections. The rights to contribution provided in this section 9 shall be in addition to, and without prejudice to, any other right to contribution which the Underwriter or other Indemnified Parties may have.

Any liability of the Underwriter under this section 9 shall be limited to the amount actually received by the Underwriter under section 2. In no event shall the Indemnified Parties be responsible for or required to contribute an aggregate amount in excess of the aggregate fees actually received by the Underwriter.

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

10. Expenses

Whether or not the transactions contemplated herein shall be completed, except as hereinafter specifically provided, all expenses of or incidental to the authorization, creation, issue and sale of the Offered Shares and all expenses of or incidental to all other matters in connection with the Offering including, without limitation, listing and filing fees, fees and expenses of the Corporation's transfer agent, expenses payable in connection with the qualification of the Offered Shares for distribution, the fees and expenses of counsel for the Corporation, all fees and expenses of local counsel to the Corporation, all fees and expenses of the auditors to the Corporation and to other entities or businesses in respect of which financial information is included in the Prospectus, all costs incurred in connection with preparing, printing, and providing copies of the Preliminary Prospectus, the Prospectus, the Preliminary U.S. Placement Memorandum, the U.S. Placement Memorandum and any Supplementary Materials and certificates representing the Offered Shares, the fees of Canadian legal counsel to the Underwriter (up to a maximum of \$90,000 exclusive of disbursements and taxes), and disbursements (up to a maximum of \$10,000 exclusive of taxes) and taxes, the fees of U.S. legal counsel to the Underwriter and reasonable disbursements and taxes, and all other Underwriter's reasonable and documented out-of-pocket expenses of the Underwriter together with all related taxes (including, without limitation, provincial sales taxes, harmonized sales tax and GST) shall be borne by and for the account of the Corporation. The Underwriter's expenses may be deducted by the Underwriter from the gross proceeds of the Offering immediately prior to those proceeds being distributed to the Corporation and such Underwriter's expenses will be payable by the Corporation to Acumen at the Closing Time or if the Offering is not completed upon receipt of an invoice from Acumen in respect thereof.

11. Termination

- (a) In addition to any other rights or remedies available to the Underwriter, Acumen may, without liability, terminate its obligations hereunder, by written notice to the Corporation in the event that after the date hereof:
 - (i) there should occur or there should be announced by the Corporation or discovered by the Underwriter any material change, any change in a material fact or new material fact or undisclosed material fact which, in the sole opinion of the Underwriter, acting reasonably, would be expected to have a significant adverse effect on the market price or value of the Common Shares or could reasonably be expected to result in the purchasers of a material number of Offered Shares exercising their rights under Canadian Securities Laws to withdraw from or rescind their purchase thereof or sue for damages in respect thereof;
 - (ii) (A) there should develop, occur or come into effect or existence any event, action, state, condition or major financial occurrence of national or international consequence which, in the opinion of the Underwriter, acting reasonably, seriously

adversely affects, or involves, or may seriously adversely affect, or involve, the financial markets in Canada or the United States or the business, operations or affairs of the Corporation; (B) there shall have occurred any outbreak or escalation of hostilities, declaration by Canada or the United States of a national emergency or war, or other calamity or crisis (including without limitation matters caused by, related to or resulting from COVID-19 to the extent that there are material adverse developments related thereto after the date hereof), which, in the sole opinion of the Underwriter, acting reasonably, seriously adversely affects, or involves, or may seriously adversely affect, or involve, the financial markets in Canada or the United States or the business, operations or affairs of Corporation and the Subsidiaries (taken as a whole); or (C) there should develop, occur or come into effect or existence any governmental action, law, regulation, inquiry or other similar occurrence which, in the sole opinion of the Underwriter, acting reasonably, seriously adversely affects, or involves, or may seriously adversely affect, or involve, the financial markets in Canada or the United States or the business, operations or affairs of the Corporation;

- (iii) any inquiry, action, suit, investigation or other proceeding, whether formal or informal, is instituted, announced or threatened or any order is made by any Governmental Authority in relation to the Corporation, which, in the sole opinion of the Underwriter, acting reasonably, operates to prevent, restrict, suspend, delay or materially impact the distribution or marketability of, or the trading in the Common Shares;
 - (iv) any order to cease or suspend trading in the Corporation's securities or to prohibit or restrict the distribution of the Common Shares is made, or proceedings are announced, commenced or threatened for the making of any such order, by any of the Canadian Securities Regulators or the TSX and has not been rescinded, revoked or withdrawn;
 - (v) the Corporation shall be in breach of or in default under or non-compliance with any covenant, term or condition of this Agreement in any material respect, or any representation or warranty given by the Corporation in this Agreement becomes or is false in any material respect; or
 - (vi) there is announced any change or proposed change in the income tax laws of Canada or the interpretation or administration thereof and such change, which in the sole opinion of the Underwriter, acting reasonably, could be expected to have a significant adverse effect on the market price or value of the Offered Shares.
- (b) The Underwriter may exercise any or all of the rights provided for in subsection 11(a) or section 12 or 16 notwithstanding any material change, change, event or state of facts and notwithstanding any act or thing taken or done by the Underwriter or any inaction by the Underwriter, whether before or after the occurrence of any material change, change, event or state of facts including, without limitation, any act of the Underwriter related to the Offering or continued offering of the Offered Shares for sale and any act taken by the Underwriter in connection with any amendment to the Prospectus (including the execution of any amendment or any other Supplementary Material) and the Underwriter shall only be considered to have waived or be estopped from exercising or relying upon any of its rights under or pursuant to subsection 11(a) or section 12 or 16 if such waiver or estoppel is in writing and specifically waives or estops such exercise or reliance.

- (c) Any termination pursuant to the terms of this Agreement shall be effected by notice in writing delivered to the Corporation, provided that no termination shall discharge or otherwise affect any obligation of the Corporation under section 8, 9, 10, 16 or 17. The rights of the Underwriter to terminate its obligations hereunder are in addition to, and without prejudice to, any other rights or remedies it may have.
- (d) If the Underwriter elects to terminate its obligation to purchase the Offered Shares pursuant to this section 11, whether the reason for such termination is within or beyond the control of the Corporation, the liability of the Corporation hereunder with respect to such Underwriter shall be limited to the indemnity referred to in section 8, the contribution rights referred to in section 9 and the payment of expenses referred to in section 10.

12. Closing Documents

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

- (a) favourable legal opinions of the Corporation's counsel, McCarthy Tetrault LLP, addressed to the Underwriter, in form and substance reasonably satisfactory to the Underwriter, with respect to such matters as the Underwriter may reasonably request relating to the Corporation, the Offering and the transactions contemplated hereby, including, without limitation, that:
 - (i) each of the Corporation and the Subsidiaries, has been duly incorporated, amalgamated or formed (as the case may be) and organized and is validly subsisting under the laws of the jurisdiction of its incorporation, amalgamation or formation (as the case may be) and has all requisite corporate capacity, power and authority, as applicable, to carry on its business as described in the Prospectus and to own, lease and operate its properties and assets as described in the Prospectus;
 - (ii) as to the authorized capital of the Corporation and that the outstanding Common Shares have been duly authorized and have been validly issued by the Corporation and are outstanding as fully paid and non-assessable Common Shares;
 - (iii) the Corporation is the direct or indirect registered and/or beneficial holder of all issued and outstanding securities of the Subsidiaries;
 - (iv) the issuance of the Initial Shares has been duly authorized by all necessary corporate action on the part of the Corporation and, on receipt by the Corporation of the consideration for the Initial Shares, such Initial Shares will be validly issued as fully paid and non-assessable shares and the Over-Allotment Option has been duly authorized by all necessary corporate action and the Over-Allotment Option Shares will be, when issued in accordance with the terms of the Over-Allotment Option and upon receipt of the consideration for the Over-Allotment Option Shares, validly issued as fully paid and non-assessable shares;
 - (v) all necessary corporate action has been taken by the Corporation to authorize the execution of each of the Preliminary Prospectus, the Prospectus or any

Supplementary Material and the filing of such documents under Canadian Securities Laws in each of the Qualifying Jurisdictions, and to authorize the use and delivery of the Preliminary U.S. Placement Memorandum and the U.S. Placement Memorandum including any amendments or supplements thereto;

- (vi) no approval, authorization, consent or other order of, and no filing, registration or recording with, any Governmental Authority is required of the Corporation in the Qualifying Jurisdictions in connection with the execution and delivery of or with the performance by the Corporation of its obligations under this Agreement, except as have been obtained or made and are in full force and effect, or as required by Canadian Securities Laws with regard to the distribution of the Offered Shares, if any, in the Qualifying Jurisdictions;
- (vii) all necessary corporate action has been taken by the Corporation to authorize the execution and delivery of this Agreement and the Flow-Through Subscription Agreements and the performance by the Corporation of its obligations hereunder and thereunder;
- (viii) this Agreement and each of the Flow-Through Subscription Agreements has been duly executed and delivered by the Corporation and constitutes a legal, valid and binding obligation of the Corporation and is enforceable against the Corporation in accordance with its terms, subject to customary qualifications for enforceability opinions;
- (ix) the execution and delivery of this Agreement and the Flow-Through Subscription Agreements and the performance by the Corporation of its obligations hereunder and thereunder do not and will not result in a breach (whether after notice or lapse of time or both) of, or constitute a default under: (1) any of the terms, conditions or provisions of the articles or by-laws or resolutions of the Corporation; (2) any statute, published rule or regulation under the laws of the Province of Alberta or the federal laws of Canada applicable to the Corporation; (3) to such counsel's knowledge, any judgment, order or decree of any Governmental Authority having jurisdiction over the Corporation; or (4) to such counsel's knowledge, any material contract, mortgage, note, indenture, deed of trust, joint venture or partnership arrangement, instrument or lease to which the Corporation is a party;
- (x) the attributes of the Offered Shares conform in all material respects with the descriptions thereof contained in the Prospectuses;
- (xi) the form and terms of the certificates representing the Common Shares have been duly approved by the Corporation and comply with the requirements of the ABCA;
- (xii) Computershare, at its principal office in the city of Calgary, Alberta has been duly appointed as the transfer agent and registrar for the Common Shares;
- (xiii) all necessary documents have been filed, all requisite proceedings have been taken and all necessary approvals, permits, consents and authorizations have been obtained by the Corporation under Canadian Securities Laws to qualify the distribution of the Offered Shares to the public in each of the Qualifying Jurisdictions through registrants registered under the applicable securities laws of

the Qualifying Jurisdictions who have complied with the relevant provisions of such applicable securities laws and terms of their registration;

- (xiv) the Offered Shares are “flow-through shares” as defined in subsection 66(15) of the Tax Act and will not constitute “prescribed shares” or “prescribed rights” for purposes of Regulation 6202.1 of the Regulations of the Tax Act;
- (xv) the statements set out in the Prospectus under the heading “Eligibility for Investment” fairly summarize, in all material respects, the matters described therein, subject to the limitations, qualifications, assumptions and exceptions stated or referred to therein;
- (xvi) the Offered Shares are conditionally approved for listing and posting for trading on the TSX, subject only to the satisfaction of the Listing Conditions;
- (xvii) the Corporation is a “reporting issuer” not in default of any requirement of the *Securities Act* (Alberta) and the regulations thereunder and has a similar status under the Canadian Securities Laws of each of the other Qualifying Jurisdictions; and
- (xviii) as to any other legal matters reasonably requested by the Underwriter;

It is understood that the Corporation’s counsel may rely on (or arrange for separate delivery of) the opinions of local counsel acceptable to them as to matters governed by the laws of jurisdictions other than where they are qualified to practice law, and on certificates of officers of the Corporation, the transfer agent and KPMG as to relevant matters of fact;

- (b) in the event of the resale of Secondary Shares in the United States, a legal opinion, dated the Closing Date, of special U.S. counsel to the Corporation, in form and substance satisfactory to the Underwriter, to the effect that it is not necessary in connection with the resale of the Secondary Shares by or through the Underwriter in accordance with the provisions of this Underwriting Agreement, to register the Secondary Shares under the U.S. Securities Act, it being understood that such counsel need express no opinion as to any subsequent reoffer or resale of the Secondary Shares;
- (c) a certificate of the Corporation dated the Closing Date addressed to the Underwriter and signed on behalf of the Corporation by the Chief Executive Officer and Chief Financial Officer of the Corporation or such other officers of the Corporation satisfactory to the Underwriter, acting reasonably, certifying for and on behalf of the Corporation, and not in their personal capacity, that:
 - (i) the Corporation has complied with and satisfied in all material respects all terms and conditions of this Agreement on its part to be complied with or satisfied at or prior to the Closing Time;
 - (ii) the representations and warranties of the Corporation set forth in this Agreement are true and correct in all material respects at the Closing Time, as if made at such time (except for such representations and warranties which refer to or are made as of another specified date, in which case, such representations and warranties will have been true and correct as of that date and for such representations and warranties which are already qualified as to materiality or with respect to a

Material Adverse Effect, in which case, such representations and warranties will be true and correct in all respects); and

- (iii) no event of a nature referred to in subsection 11(a)(i), 11(a)(ii) or 11(a)(iii) has occurred or to the knowledge of such officer is pending, contemplated or threatened (excluding any requirement to make any determination as to an Underwriter's opinion);
- (d) a comfort letter of the Corporation's auditor addressed to the Underwriter and the board of directors of the Corporation and dated the Closing Date, satisfactory in form and substance to the Underwriter, acting reasonably, bringing the information contained in the comfort letters referred to in subsection 4(c) hereof up to the Closing Time, which comfort letters shall be not more than two (2) Business Days prior to the Closing Date;
- (e) evidence satisfactory to the Underwriter that the Offered Shares have been conditionally listed on the TSX, and upon notice to the TSX shall be posted for trading as at the opening of business on the Closing Date;
- (f) evidence satisfactory to the Underwriter that Alberta Investment Management Corporation has waived the application of the cash sweep provisions under the Credit Agreement in respect of the gross proceeds of the sale of the Offered Shares hereunder;
- (g) executed copies of the Flow-Through Subscription Agreements; and
- (h) executed Lock-Up Agreements from all of the officers and directors of the Corporation.

13. Deliveries

- (a) The sale of the Initial Shares to be purchased hereunder shall be completed electronically. Subject to the conditions set forth in section 12, the Underwriter, on the Closing Date, shall deliver to the Corporation by wire transfer, an amount equal to the Offering Price per Offered Share (being an aggregated amount of \$10,540,000) against delivery by the Corporation of:
 - (i) the opinions, certificates and documents referred to in section 12;
 - (ii) delivery of the Initial Shares pursuant to section 13(c); and
 - (iii) payment to Acumen, by certified cheque, bank draft or wire transfer or such other means as the Corporation and the Underwriter may agree, of the Underwriting Fee provided for in section 2 in respect of the Initial Shares and the expenses of the Underwriter provided for in section 10;

or the Underwriter may, in its sole discretion, deliver by wire transfer, the net amount of the amount in respect of the Initial Shares referred to above and the amount referred to in section 13(a)(iii) above.

- (b) The sale of the Over-Allotment Option Shares, if applicable, shall be completed electronically, on the date (the "**Additional Closing Date**") and at the time ("**Additional Closing Time**") specified by the Underwriter in the written notice given by the Underwriter pursuant to its election to purchase such Over-Allotment Option Shares (provided that in

no event shall such time be earlier than the Closing Time or earlier than two (2) or later than ten (10) Business Days after the date of the written notice of the Underwriter to the Corporation in respect of the purchase of the Over-Allotment Option Shares), or at such other time and date as the Underwriter and the Corporation may agree upon in writing. Subject to the conditions set forth in section 12 hereof (with the references therein to the Closing Time and Closing Date changed to the Additional Closing Time and Additional Closing Date and the references to Initial Shares changed to Over-Allotment Option Shares), the Underwriter, at the Additional Closing Time, shall deliver to the Corporation, by certified cheque, bank draft or wire transfer or such other means as the Corporation and the Underwriter may agree, an amount equal to the Offering Price per Over-Allotment Option Share agreed to be purchased by the Underwriter from the Corporation pursuant to the exercise of the Over-Allotment Option, against delivery by the Corporation of:

- (i) the opinions, certificates and documents referred to in section 12 hereof;
- (ii) delivery of all of the Over-Allotment Option Shares for which the Over-Allotment Option has been exercised pursuant to section 13(c); and
- (iii) payment to Acumen, by certified cheque, bank draft or wire transfer or such other means as the Corporation and the Underwriter may agree, of the Underwriting Fee provided for in subsection 2(b) hereof in respect of the Over-Allotment Option Shares;

or the Underwriter may, in its sole discretion, deliver by certified cheque, bank draft or wire transfer the net amount of the amount in respect of the Over-Allotment Option Shares referred to above and the amount referred to in subsection 13(b)(iii) above.

Whether or not specifically contemplated in this Agreement, all provisions of this Agreement shall apply in the same manner and upon the same terms and conditions in respect of any Over-Allotment Option Shares as would apply to the Initial Shares issued and sold pursuant to this Agreement, and any steps to be taken or conditions to be satisfied at the Additional Closing Time shall be the same as those steps to be taken or conditions to be satisfied at Closing Time.

- (c) All of the Offered Shares shall be issued on a non-certificated basis in accordance with the rules and procedures of CDS Clearing and Depository Services Inc. (“CDS”) as follows:
 - (i) the Underwriter will provide a direction to the Corporation with respect to the crediting of the Offered Shares to the accounts of the participants of CDS as shall be designated by the Underwriter in writing in sufficient time prior to the Closing Date or Additional Closing Date to permit such crediting; and
 - (ii) the Corporation shall cause Computershare Trust Company of Canada Inc. to electronically deposit to CDS, on behalf of the Underwriter, the Offered Shares to be purchased hereunder, in the name of “CDS & Co.” as the nominee of CDS, in accordance with the rules and procedures of CDS.

14. Restrictions on Offerings

The Corporation agrees not to, without the prior written consent of Acumen (such consent not to be unreasonably withheld or delayed); (i) issue, offer, sell (including without limitation, any short sale),

contract or agree to sell, hypothecate, pledge, grant any option to purchase or otherwise dispose of or agree to dispose of or transfer, directly or indirectly, any Common Shares, or any securities convertible into or exchangeable or exercisable for, or warrants or other rights to purchase, the foregoing; (ii) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of Common Shares or any other of the Corporation's securities that are substantially similar to Common Shares, or any securities convertible into or exchangeable or exercisable for, or any warrants or other rights to purchase, the foregoing, whether any such transaction is to be settled by delivery of Common Shares or such other securities, in cash or otherwise; or (iii) publicly announce an intention to do any of the foregoing, for a period of 90 days following the Closing Date, other than (A) the Initial Shares and the Over-Allotment Option Shares, if any, (B) the issuance of Options pursuant to the Option Plan, Awards pursuant to the Award Plan or awards or rights granted pursuant to any shareholder approved security-based compensation arrangement, (C) the issuance of Common Shares upon the exercise of Options, vesting of Awards or pursuant to any shareholder approved security-based compensation arrangement, (D) the issuance of Common Shares upon the exercise or conversion of currently outstanding other convertible securities of the Corporation, or (E) Common Shares issued by the Corporation directly to the vendors of assets or shares acquired by the Corporation pursuant to an arm's length acquisition.

15. Notices

Unless otherwise expressly provided in this Agreement, any notice or other communication to be given under this Agreement (a "**notice**") shall be in writing addressed as follows:

If to the Corporation, addressed and sent to:

Journey Energy Inc.
700, 517 – 10 Avenue S.W.
Calgary, Alberta T2R 0A8

Attention: Alex Verge
E-mail: [Redacted : Email address]

with a copy to:

McCarthy Tetrault LLP
421 7 Avenue S.W.
Calgary, Alberta T2P 4K9

Attention: Brad Squibb
E-mail: [Redacted : Email address]

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

Acumen Capital Finance Partners Limited
800, 500 – 4th Avenue S.W.
Calgary, Alberta T2P 2V6

Attention: Kelly Hughes
Email: [Redacted : Email address]

with a copy to:

Torlys LLP
4600, 525- 8 Avenue S.W.
Calgary, Alberta T2P 1G1

Attention: Scott R. Cochlan
Email: [Redacted : Email address]

or to such other address as any of the parties may designate by giving notice to the others in accordance with this section 15. Each notice shall be personally delivered to the addressee or sent by e-mail to the addressee. A notice which is personally delivered or delivered by e-mail shall, if delivered prior to 5:00 p.m. (Calgary time) on a Business Day, be deemed to be given and received on that day and, in any other case, be deemed to be given and received on the first Business Day following the day on which it is delivered.

16. Conditions

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

17. Survival of Representations and Warranties

All representation, warranties, covenants, obligations and agreements herein contained or contained in any documents delivered pursuant to this Agreement or in connection with the transaction of purchase and sale herein contemplated shall survive the purchase and sale of the Offered Shares and the termination of this Agreement and shall continue in full force and effect for the benefit of the Underwriter the purchasers and/or the Corporation, as the case may be, in accordance with applicable law, regardless of the closing of the sale of the Offered Shares, any subsequent disposition of the Offered Shares and shall not be limited or prejudiced by any investigation by or on behalf of the Underwriter with respect thereto.

18. Underwriter Covenants

The Underwriter covenants and agrees with the Corporation that it will:

- (a) conduct activities in connection with the proposed offer and sale of the Offered Shares in compliance with all the Canadian Securities Laws and cause a similar covenant to be contained in any written agreement entered into with any Selling Dealer Group established in connection with the distribution of the Offered Shares; the Underwriter may also offer and sell the Secondary Shares in a Follow-On Transaction in the United States in accordance with Schedule "A" hereto. The Underwriter will be entitled to assume that the Offered Shares are qualified for distribution in any Qualifying Jurisdiction where the Prospectus has been filed.
- (b) not solicit subscriptions for the Offered Shares, trade in Offered Shares or otherwise do any act in furtherance of a trade of Offered Shares in any jurisdictions outside of the

Qualifying Jurisdictions, except as contemplated in Schedule “A” hereto or in such other jurisdictions outside of Canada and the United States as may be agreed to by the Corporation provided that such sales, solicitations or other contracts in jurisdictions outside of Canada: (i) are made in accordance with the securities law of such other jurisdictions; (ii) do not subject the Corporation (or any of its directors, officers or employees) to any requirement to register, complete filings, or obtain approvals or to any inquiry, investigation or proceeding of any regulatory authority in such other jurisdictions nor require the qualification or registration of such Offered Shares in that jurisdiction or the filing of a prospectus, registration statement or other notice or documents with respect to the distribution of such Offered Shares under the laws of such jurisdiction nor impose any disclosure obligations on the Corporation (or any of its directors, officers or employees); and (iii) do not constitute Directed Selling Efforts (as defined in Schedule “A” hereto). For greater certainty, the Underwriter will not directly or indirectly, solicit offers to purchase or sell the Offered Shares or deliver any document to purchasers so as to require registration of the Offered Shares or the filing of a prospectus or registration statement with respect to the Offered Shares under the laws of any jurisdiction other than the Qualifying Jurisdictions, including without limitation, the United States;

- (c) use its commercially reasonable efforts to complete the distribution of the Offered Shares as promptly as possible after the Closing Time or Additional Closing Time, as applicable, and notify the Corporation as soon as possible when, in such Underwriter’s opinion, the Underwriter and the Selling Dealer Groups have ceased the distribution of the Offered Shares, and cause any Selling Dealer Group appointed hereunder to do the foregoing;
- (d) will obtain from each Subscriber and deliver to the Corporation a Flow-Through Subscription Agreement in respect of any Underwritten Shares purchased by the Subscribers, excluding the Underwriter or member of the Selling Dealer Groups, as agent for the Subscribers. The Underwriter acknowledges and agrees that it has the authority to execute and deliver the Flow-Through Subscription Agreements on behalf of the Subscribers; and
- (e) as soon as reasonably practicable after the Closing Date but in any event no later than thirty (30) days thereof provide the Corporation with a breakdown of the number of Offered Shares sold in each of the Qualifying Jurisdictions and, upon completion of the distribution of the Offered Shares, provide to the Corporation and to the Canadian Securities Regulators notice to that effect, if required by Canadian Securities Laws.

19. Follow-On Transactions

The Underwriter acknowledges and agrees that:

- (a) any person to whom Underwritten Shares are donated or resold by any person, including the Underwriter or the Subscribers, will not be eligible for the tax benefits available to the Subscribers under federal and provincial tax legislation;
- (b) the Corporation has no knowledge of any Follow-On Transactions other than that they may or may not occur, the Corporation will have no involvement or participation in any Follow-On Transactions, other than to register any transfer of securities required as a result, and the Corporation makes no representation or warranty with respect to the tax effect any Follow-On Transaction may have on the status of the Underwritten Shares as “flow-through shares” for the purposes of the Tax Act;

- (c) if the Underwritten Shares are determined to be “prescribed shares” under subsection 6202.1(1) of the regulations to the Tax Act as a result of a Follow-On Transaction or any other action taken by Subscribers which cause the Underwritten Shares to be or become “prescribed shares” within the meaning of section 6202.1 of the regulations to the Tax Act, the Corporation shall not be liable or responsible for any breach of any covenant or representation given in this Underwriting Agreement as a result of such determination; and
- (d) the Underwriter does not act, and will not purport to act, as agent or representative of the Corporation in connection with any Follow-On Transaction and services or activities, if any, performed by the Underwriter in connection with any Follow-On Transaction are excluded from this Underwriting Agreement. The consideration payable to the Underwriter hereunder is for the Underwriter’s services in respect of the offering of the Underwritten Shares only.

20. Severance

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

21. Relationship Between the Corporation and the Underwriter

- (a) The Corporation acknowledges and agrees that: (i) the purchase and sale of the Offered Shares pursuant to this Agreement is an arm’s-length commercial transaction between the Corporation, on the one hand, and the Underwriter and any affiliate through which it may be acting, on the other; (ii) the Underwriter is not as a fiduciary of the Corporation; and (iii) the Corporation’s engagement of the Underwriter in connection with the Offering and the process leading up to the offering of Offered Shares is as independent contractors and not in any other capacity. Furthermore, the Corporation agrees that it is solely responsible for making its own judgments in connection with the offering of Offered Shares (irrespective of whether the Underwriter has advised or is currently advising the Corporation on related or other matters). The Corporation agrees that it will not claim that the Underwriter has rendered advisory services of any nature or respect, or owes an agency, fiduciary or similar duty to the Corporation, in connection with such transaction or the process leading thereto.
- (b) The Corporation acknowledges and agrees that: (i) the Underwriter has certain statutory obligations as registrants under the Canadian Securities Laws and have relationships with its clients; and (ii) consents to the Underwriter acting hereunder while continuing to act for its clients. To the extent that the Underwriter’s statutory obligations as a registrant under the Canadian Securities Laws or relationships with its clients conflicts with its obligations hereunder, the Underwriter shall be entitled to fulfill its statutory obligations as a registrant under the Canadian Securities Laws and their duties to its clients. Nothing in this Agreement shall be interpreted to prevent the Underwriter from fulfilling its statutory obligations as a registrant under the Canadian Securities Laws or duties to its clients.

22. Stabilization

In connection with the distribution of the Offered Shares, the Underwriter may over-allot or effect within the transactions which stabilize or maintain the market price of the Offered Shares and Common Shares at

levels other than those which might otherwise prevail on the open market, but in each case only as permitted by applicable laws. Such stabilizing transactions, if any, may be discontinued at any time.

23. Governing Law

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

24. Time of the Essence

Time shall be of the essence of this Agreement.

25. Counterpart Execution

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

26. Further Assurances

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

27. Use of Proceeds

The Corporation hereby covenants and agrees to use the net proceeds of the sale of the Offered Shares hereunder in accordance with the disclosure in the Prospectus.

28. Entire Agreement

It is understood that the terms and conditions of this Agreement, including Schedule "A" hereto, supersede any previous verbal or written agreement between the Underwriter and the Corporation.

29. U.S. Offers

- (a) The Underwriter makes the representations, warranties, covenants and agreements applicable to it in Schedule "A" hereto, which is incorporated by reference into and forms part of this Agreement, and agrees, on behalf of itself and the U.S. Affiliate, for the benefit of the Corporation to comply with the U.S. selling restrictions imposed by the laws of the United States and set forth in Schedule "A" hereto.
- (b) The Corporation makes the representations, warranties, covenants and agreements applicable to it in Schedule "A" hereto.

[Signatures follow on next page]

Yours very truly,

**ACUMEN CAPITAL FINANCE
PARTNERS LIMITED**

By: (signed) "Kelly Hughes"

The foregoing offer is accepted and agreed to as of the date first above written.

JOURNEY ENERGY INC.

By: (signed) "Alex Verge"

SCHEDULE “A”

UNITED STATES OFFERS AND SALES

1. Definitions

As used in this Schedule and related exhibits, the following terms shall have the meanings indicated:

“**Directed Selling Efforts**” means “directed selling efforts” as that term is defined in Rule 902(c) of Regulation S, which, without limiting the foregoing, but for greater clarity in this Schedule, includes, subject to the exclusions from the definition of directed selling efforts contained in Regulation S, any activity undertaken for the purpose of, or that could reasonably be expected to have the effect of, conditioning the market in the United States for the Offered Shares and includes the placement of any advertisement in a publication with a general circulation in the United States that refers to the Offering or the Follow-On Transactions;

“**Foreign Private Issuer**” means a “foreign private issuer” as that term is defined in Rule 405 under the U.S. Securities Act;

“**General Solicitation**” and “**General Advertising**” mean “general solicitation” and “general advertising”, respectively, as used in Rule 502(c) under the U.S. Securities Act, including advertisements, articles, notices or other communications published in any newspaper, magazine or similar media or broadcast over radio or television or the internet, or any seminar or meeting whose attendees had been invited by general solicitation or general advertising;

“**Investment Company Act**” means the U.S. Investment Company Act of 1940, as amended, and the rules and regulations promulgated thereunder;

“**Offshore Transaction**” means an “offshore transaction” as that term is defined in Rule 902(h) of Regulation S;

“**Qualified Institutional Buyer Letter**” means the Qualified Institutional Buyer Letter, in substantially the same form appended to the U.S. Placement Memorandum as Exhibit I thereto agreed to by the Corporation and the Underwriter;

“**Regulation S**” means Regulation S adopted by the SEC under the U.S. Securities Act;

“**SEC**” means the United States Securities and Exchange Commission;

“**Substantial U.S. Market Interest**” means “substantial U.S. market interest” as that term is defined in Rule 902(j) of Regulation S; and

“**U.S. Purchasers**” means purchasers of Secondary Shares pursuant to Follow-On Transactions who are in the United States.

All other capitalized terms used but not otherwise defined in this Schedule shall have the meanings given to them in the Underwriting Agreement to which this Schedule is attached and of which this Schedule forms a part.

2. Representations, Warranties and Covenants of the Corporation

The Corporation represents, warrants and covenants to the Underwriter that:

- (a) it is a Foreign Private Issuer and reasonably believes that there is no Substantial U.S. Market Interest with respect to the common shares of the Corporation;
- (b) in connection with offers and sales of the Offered Shares outside the United States, the Corporation, each of its affiliates, and any person acting on its or their behalf (other than the Underwriter and the U.S. Affiliate or any members of the banking and selling group formed by them (the “**Selling Group**”), as to which no representation or warranty is made) have complied and will comply with the requirements for an Offshore Transaction;
- (c) neither the Corporation nor any of its affiliates, nor any person acting on its or their behalf (other than the Underwriter, the U.S. Affiliate or any members of the Selling Group, as to whom the Corporation makes no representation), has engaged or will engage in any Directed Selling Efforts or any form of General Solicitation or General Advertising (or has acted in any manner involving a public offering within the meaning of Section 4(a)(2) of the U.S. Securities Act) with respect to the Offered Shares or the Secondary Shares, or has taken or will take any action that would cause the applicable exemption or exclusion from registration under the U.S. Securities Act afforded by Rule 144A to be unavailable for offers and sales of Secondary Shares in any Follow-On Transaction in the United States in accordance with this Underwriting Agreement or by Rule 903 of Regulation S to be unavailable for offers and sales of the Offered Shares outside of the United States in accordance with this Underwriting Agreement;
- (d) the Offered Shares are not, and as of the Closing Date will not be, and no securities of the same class as the Offered Shares are: (i) listed on a national securities exchange in the United States registered under Section 6 of the U.S. Exchange Act; (ii) quoted in an “automated inter-dealer quotation system”, as such term is used in the U.S. Exchange Act; or (iii) convertible or exchangeable into, or exercisable for, securities so listed or quoted at an effective conversion or exercise premium (calculated as specified in paragraph (a)(6) and (a)(7) of Rule 144A) of less than ten percent for securities so listed or quoted;
- (e) in connection with the resale of Secondary Shares to Qualified Institutional Buyers in each of the Follow-On Transactions, the Corporation shall make available to such Qualified Institutional Buyers the information required to be provided pursuant to Rule 144A(d)(4) under the U.S. Securities Act;
- (f) none of the Corporation, its affiliates or any person acting on its or their behalf has engaged or will engage in any violation of Regulation M under the U.S. Exchange Act in connection with the Offering or any Follow-On Transaction;
- (g) the Corporation is not, and after giving effect to the Offering and the application of the proceeds as contemplated herein and the U.S. Placement Memorandum will not be, registered as an investment company nor will it be required to register as an investment company under the Investment Company Act;
- (h) none of the Corporation’s securities are registered or are required to be registered under Section 12 of the U.S. Exchange Act and the Corporation does not, and will not upon the offer and sale of the Offered Shares or the Secondary Shares, have a reporting obligation under Section 13 or Section 15(d) of the U.S. Exchange Act;

- (i) except with respect to offers and sales by or through the Underwriter in accordance with this Schedule “A” to Qualified Institutional Buyers in reliance upon the exemption from registration under the U.S. Securities Act provided by Rule 144A, neither the Corporation nor any of its affiliates, nor any person acting on its or their behalf (other than the Underwriter, the U.S. Affiliate, any members of the Selling Group or any person acting on their behalf, in respect of which no representation, warranty, covenant or agreement is made), has made or will make: (A) any offer to sell, or any solicitation of an offer to buy, any Offered Shares in the United States; or (B) any sale of Offered Shares unless, at the time the buy order was or will have been originated, the purchaser is (i) outside the United States, or (ii) the Corporation, its affiliates, and any person acting on their behalf (other than the Underwriter, the U.S. Affiliates, any members of the Selling Group or any person acting on their behalf, in respect of which no representation, warranty, covenant or agreement is made) reasonably believe that the purchaser is outside the United States;
- (j) the U.S. Placement Memorandum includes statements to the effect that the Offered Shares have not been registered under the U.S. Securities Act and may not be offered or sold in the United States unless an exemption from the registration requirements of the U.S. Securities Act and all applicable state securities laws is available. Such statements have appeared, or will appear, (i) on the cover page of the U.S. Placement Memorandum; (ii) in the “Notice to Investors” section of the U.S. Placement Memorandum; and (iii) in any press release or other public statement made or issued by the Corporation or anyone acting on the Corporation’s behalf; and
- (k) none of the Corporation or any of its predecessors has had the registration of a class of securities under the U.S. Exchange Act revoked by the SEC pursuant to Section 12(j) of the U.S. Exchange Act and any rules or regulations promulgated under the U.S. Securities Act.

3. Representations, Warranties and Covenants of the Underwriter

The Underwriter acknowledges, represents, warrants and covenants to the Corporation that:

- (a) the Offered Shares have not been and will not be registered under the U.S. Securities Act or any U.S. state securities laws and may be offered and sold only in transactions exempt from or not subject to the registration requirements of the U.S. Securities Act and applicable state securities laws. It has offered and sold, and will offer and sell the Offered Shares forming part of its allotment (a) only in Offshore Transactions in accordance with Rule 903 of Regulation S or (b) in accordance with paragraphs 3(b) through 3(l) below. Accordingly, neither the Underwriter, its U.S. Affiliate nor any persons acting on its or their behalf, has made or will make (except as permitted in paragraphs 3(b) through 3(l) below): (i) any offer to sell or any solicitation of an offer to buy, any Offered Shares in the United States; (ii) any sale of Offered Shares to any purchaser unless, at the time the buy order was or will have been originated, the purchaser was outside the United States, or the Underwriter, its U.S. Affiliate or persons acting on its or their behalf reasonably believed that such purchaser was outside the United States; or (iii) any Directed Selling Efforts in the United States with respect to the Offered Shares;
- (b) it and its affiliates, including its U.S. Affiliate, have not, either directly or through a person acting on its or their behalf, solicited and will not solicit offers for, and have not offered to sell and will not offer to sell, any of the Offered Shares in the United States by any form of General Solicitation or General Advertising, Directed Selling Efforts or in any manner

involving a public offering within the meaning of Section 4(a)(2) of the U.S. Securities Act;

- (c) it has not entered and will not enter into any contractual arrangement with respect to the distribution of the Secondary Shares, except with its U.S. Affiliate, any Selling Group members or with the prior written consent of the Corporation;
- (d) it shall require each selling group member to agree, for the benefit of the Corporation, to comply with, and shall use its commercially reasonable efforts to ensure that each Selling Group member complies with, the provisions of this Schedule “A” applicable to the Underwriter as if such provisions applied to such Selling Group member;
- (e) it and its U.S. Affiliate are Qualified Institutional Buyers, and all offers and sales of Secondary Shares have been or will be made in the United States in Follow-On Transactions in accordance with any applicable U.S. federal or state laws or regulations governing the registration or conduct of securities brokers or dealers and applicable rules of the Financial Industry Regulatory Authority, Inc. Its U.S. Affiliate is on the date hereof, and will be on the date of each offer and sale of Secondary Shares in the United States, duly registered as a broker-dealer pursuant to Section 15(b) of the U.S. Exchange Act and the securities laws of each state in which such offer or sale is made (unless exempted from the respective state’s broker-dealer registration requirements) and all applicable rules, and in good standing with, the Financial Industry Regulatory Authority, Inc.;
- (f) it will solicit (and will cause its U.S. Affiliate to solicit, as applicable) offers for the Secondary Shares in the United States only from, and will offer the Secondary Shares in Follow-On Transactions only in accordance with Rule 144A to persons whom it reasonably believes to be Qualified Institutional Buyers in accordance with Rule 144A, pursuant to transactions that are exempt from registration under or in compliance with applicable U.S. state securities laws;
- (g) it will inform (and will cause its U.S. Affiliate to inform, as applicable) all U.S. Purchasers and all persons who were offered Secondary Shares in the United States that the Secondary Shares have not been and will not be registered under the U.S. Securities Act and are being offered and sold to such purchasers and offerees without registration in reliance on the exemption from the registration requirements of the U.S. Securities Act provided by Rule 144A or another exemption from registration under the U.S. Securities Act, in each case, and in compliance with U.S. state securities laws;
- (h) it shall cause its U.S. Affiliate to deliver a copy of the Preliminary U.S. Placement Memorandum and the U.S. Placement Memorandum, together with any amendment thereto, as applicable, to each of its offerees in the United States at or prior to the time of purchase of Secondary Shares in any Follow-On Transaction, as applicable, and no other written material other than the Preliminary U.S. Placement Memorandum and the U.S. Placement Memorandum shall be used in connection with the offer or sale of the Secondary Shares in the United States;
- (i) neither the Underwriter, its U.S. Affiliate nor any persons acting on its or their behalf has engaged or will engage in any violation of Regulation M under the U.S. Exchange Act in connection with the Offering or any Follow-On Transaction;

- (j) at Closing it, together with its U.S. Affiliate offering or selling Secondary Shares in the United States, will provide a certificate, substantially in the form of Exhibit A to this Schedule “A”, relating to the manner of the offer and sale of the Secondary Shares in the United States, or will be deemed to have represented and warranted for the benefit of the Corporation that neither it nor its U.S. Affiliate offered or sold Secondary Shares in any Follow-On Transaction in the United States; and
- (k) prior to the Closing Time, it will deliver signed copies of each Qualified Institutional Buyer Letter, from each of the U.S. Purchasers to which it has offered and sold Secondary Shares.

Exhibit A

UNDERWRITER'S CERTIFICATE

In connection with the offer and sale, under Rule 144A of common shares of Journey Energy Inc. (the “**Corporation**”) in the United States pursuant to the underwriting agreement (the “**Underwriting Agreement**”) dated as of February 28, 2022 between the Corporation and Acumen Capital Finance Partners Limited (the “**Underwriter**”), the Underwriter and ■, in its capacity as placement agent in the United States for the Underwriter (the “**U.S. Affiliate**”), each hereby certifies that:

- (a) all offers to sell, solicitations of offers to buy and sales of the Secondary Shares in the United States were made only through the U.S. Affiliate, or by the Underwriter in compliance with Rule 15a-6 under the U.S. Exchange Act, in Follow-On Transactions in compliance with all applicable United States state and federal broker-dealer requirements. The U.S. Affiliate is a Qualified Institutional Buyer, a duly registered broker or dealer with the SEC and in each state applicable to the U.S. Affiliate (unless exempt therefrom) and is a member of and in good standing with the Financial Industry Regulatory Authority, Inc. on the date hereof and at the time of such offers and sales by it of Secondary Shares;
- (b) all offers and sales of the Secondary Shares in the United States have been conducted by us in accordance with the terms of Schedule “A” to the Underwriting Agreement;
- (c) immediately prior to our making of any offers of Secondary Shares to offerees in the United States, we had reasonable grounds to believe and did believe that each such offeree was a Qualified Institutional Buyer and, on the date hereof, we have reasonable grounds to believe and continue to believe that each purchaser of Secondary Shares in the United States or who was offered Secondary Shares in the United States is a Qualified Institutional Buyer;
- (d) no form of General Solicitation or General Advertising was used by us in connection with the offer or sale of the Secondary Shares in the United States and we did not engage in any Directed Selling Efforts in connection with the offer or sale of the Secondary Shares; and
- (e) prior to any sale by us of Secondary Shares in the United States, we caused each U.S. Purchaser to execute and deliver a Qualified Institutional Buyer Letter.

Terms used in this certificate have the meanings given to them in the Underwriting Agreement unless otherwise defined herein.

Dated: March ■, 2022

**ACUMEN CAPITAL FINANCE
PARTNERS LIMITED**

■

By: _____
Name:
Title:

By: _____
Name:
Title:

SCHEDULE "B"

FORM OF SUBSCRIPTION AND RENUNCIATION AGREEMENT

TO: Journey Energy Inc. (the "Corporation")

700, 517 – 10 Avenue S.W.

Calgary, Alberta T2R 0A8

1. _____, as the duly authorized agent (the "**Agent**") for those persons listed on Exhibit I attached hereto (the "**Subscribers**") and in the respective numbers set out therein, hereby irrevocably subscribes for _____ common shares of the Corporation issued on a "flow-through basis" ("**Flow-Through Common Shares**") at a price of \$4.25 per Flow-Through Common Share for an aggregate subscription price of \$ _____, upon the terms and conditions set forth in this agreement (the "**Subscription Agreement**") constituted by the acceptance hereof and as described in the final short-form prospectus (the "**Prospectus**") of the Corporation dated March _____, 2022.

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

2. In this Subscription Agreement:

- (a) "**Canadian Development Expense(s)**" or "**CDE**" means Canadian development expense described in paragraphs (a) or (b) of the definition of "Canadian development expense" in subsection 66.2(5) of the Tax Act, or would be described in paragraph (f) of such definition if the words "paragraphs (a) to (e)" were read as "paragraphs (a) or (b)", excluding any amounts which are prescribed to constitute "Canadian exploration and development overhead expense" under the Tax Act and the amount of any assistance described in paragraph 66(12.62)(a) and 66(12.601)(c) of the Tax Act;
- (b) "**Commitment Amount**" in respect of each Subscriber means an amount equal to \$4.25 multiplied by the number of Flow-Through Common Shares subscribed for by such Subscriber hereunder;
- (c) "**Expenditure Period**" means the period commencing on the date of acceptance by the Corporation of this Subscription Agreement and ending on the earlier of:
 - (i) the date on which the Commitment Amount has been fully expended in accordance with the terms hereof; and
 - (ii) December 31, 2022;
- (d) "**Principal Business Corporation**" means a principal-business corporation as defined in subsection 66(15) of the Tax Act;

- (e) “**Qualifying Expenditures**” means expenses that are CDE at the date they are incurred to the extent permitted to be renounced to the Subscribers hereunder;
 - (f) “**Tax Act**” means the *Income Tax Act* (Canada), together with any and all regulations promulgated thereunder, as amended from time to time; and
 - (g) “**Underwriting Agreement**” means the underwriting agreement among the Corporation, and Acumen Capital Finance Partners Limited. dated effective February 28, 2022.
3. All capitalized terms used herein and not otherwise defined herein shall have the same meanings herein as are ascribed thereto in the Prospectus.
4. Each Subscriber represents, warrants, covenants, certifies, acknowledges and declares to the Corporation and the Agent (and acknowledges that the Corporation and the Agent are relying thereon) that:
- (a) this Subscription Agreement is subject to acceptance by the Corporation and is effective only upon such acceptance;
 - (b) the Subscriber has received and reviewed a copy of the Prospectus;
 - (c) neither the Subscriber nor any beneficial purchaser for whom it is acting is a non-resident of Canada for the purposes of the Tax Act and in the case where the Subscriber is a partnership it is a “Canadian partnership” within the meaning of the Tax Act;
 - (d) the Subscriber, and any beneficial purchaser for whom it is acting, and if the Subscriber is a partnership, its members, deal, and at all relevant times will continue to deal, at arm's length with the Corporation for the purposes of the Tax Act;
 - (e) the Subscriber has not entered into and will not knowingly enter into any agreement or arrangement which will cause the Flow-Through Common Shares to become “prescribed shares” for the purposes of the Tax Act; however, this paragraph (d) shall not apply to the entering into of the Subscription Agreement;
 - (f) if the Subscriber chooses to dispose of some or all of the Flow-Through Common Shares, including by donating any of the Flow-Through Common Shares to a registered charity (a “**Follow-On Transaction**”), the Subscriber acknowledges and confirms that it will obtain independent tax, financial and legal advice from its own advisers with respect to any such Follow-On Transaction, and acknowledges and confirms that it is relying solely on its own advisers and not on the Corporation or its counsel or the underwriter named in the Underwriting Agreement or their affiliates or any of their counsel (a) regarding any representations and warranties in respect of the tax consequences or potential tax benefits of participating in the Follow-On Transaction, and (b) to ensure that the Follow-On Transaction does not result in the Flow-Through Common Shares being “prescribed shares” within the meaning of section 6202.1 of the regulations to the Tax Act, and the Subscriber assumes all risk of any such Follow-On Transaction resulting in the Flow-Through Common Shares being “prescribed shares” within the meaning of section 6202.1 of the regulations to the Tax Act;
 - (g) the Subscriber, if an individual, is of the full age of majority and is otherwise legally competent to enter into this Subscription Agreement and take all action pursuant hereto;

- (h) if a corporation, the Subscriber is a valid and subsisting corporation, it has the necessary corporate capacity and authority to enter into this Subscription Agreement and to observe and perform its covenants and obligations hereunder and it has taken all necessary corporate action in respect thereof, or, if it is a partnership, syndicate or other form of unincorporated organization, it has the necessary legal capacity and authority to enter into this Subscription Agreement and to observe and perform its covenants and obligations hereunder and, in either case, it has obtained all necessary approvals in respect thereof;
- (i) if required by applicable securities legislation, regulation, rule, policy or order of a securities commission or other regulatory authority, the Subscriber will execute, deliver, file and otherwise assist the Corporation in filing such reports, undertakings and other documents with respect to the issue of the Flow-Through Common Shares;
- (j) the entering into of this Subscription Agreement and the transactions contemplated hereby will not result in a violation of any of the terms and provisions of any law applicable to the Subscriber, or, if the Subscriber is not a natural person, any of its constating documents, or of any agreement to which the Subscriber is a party or by which it is bound;
- (k) the Subscriber is aware that no securities commission or similar regulatory authority has reviewed or passed on the merits of the Flow-Through Common Shares and that there are risks associated with the purchase of the Flow-Through Common Shares;
- (l) the Subscriber hereby waives any right that the Subscriber may have to any potential incentive grants, credits and similar or like payments or benefits which accrue as a result of the operations relating to the Qualifying Expenditures as contemplated herein and acknowledges that all such grants, credits, payments or benefits accrue to the benefit of the Corporation;
- (m) the Subscriber is aware that the Shares have not been and will not be registered under the United States Securities Act of 1933, as amended, (the “**1933 Act**”) or the securities laws of any state and that these securities may not be offered or sold in the United States, and acknowledges that the Corporation has no present intention of filing a registration statement under the 1933 Act in respect of the Flow-Through Common Shares;
- (n) the Flow-Through Common Shares have not been offered to the Subscriber in the United States, and the individuals making the order to purchase the Flow-Through Common Shares and executing and delivering this Subscription Agreement on behalf of the Subscriber were not in the United States when the order was placed and this Subscription Agreement was executed and delivered;
- (o) the Subscriber is not a U.S. person (as such term is defined in Regulation S under the U.S. Securities Act, which definition includes, but is not limited to, an individual resident in the United States, an estate or trust of which any executor or administrator or trustee, respectively, is a U.S. person and any partnership or corporation organized or incorporated under the laws of the United States) and is not acquiring the Flow-Through Common Shares on behalf of, or for the account or benefit of a person in the United States or a U.S. person;
- (p) the Subscriber undertakes and agrees that the Subscriber will not offer or sell the Flow-Through Common Shares in the United States unless such securities are registered under the 1933 Act and the securities laws of all applicable states of the United States or an

exemption from such registration requirements is available, and further that the Subscriber will not resell the Flow-Through Common Shares except in accordance with the provisions of applicable securities legislation, regulations, rules, policies and orders and stock exchange rules;

- (q) no person has made to the Subscriber any written or oral representations:
 - (i) that any person will resell or repurchase the Flow-Through Common Shares;
 - (ii) that any person will refund the purchase price of the Flow-Through Common Shares; or
 - (iii) as to the future price or value of the Flow-Through Common Shares;
- (r) the covenants, representations and warranties of the Subscriber stated or referred to herein shall be true and correct both as of the execution of this Subscription Agreement and as of the closing of securities under the Prospectus if repeated at such time, and will survive the completion of the issuance of the Flow-Through Common Shares and the completion of the transactions contemplated under this Subscription Agreement and the Underwriting Agreement; and
- (s) the Subscriber acknowledges that it has been encouraged to obtain independent legal, income tax and investment advice with respect to its subscription for the Flow-Through Common Shares and accordingly, has had the opportunity to acquire an understanding of the meanings of all terms contained in this Subscription Agreement relevant to the Subscriber for the purposes of giving representations, warranties and covenants hereunder.

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

- (a) the Corporation has been duly amalgamated, and is a valid and subsisting corporation, under the laws of the Province of Alberta, and is qualified to carry on business in the Province of Alberta and in each other jurisdiction, if any, wherein the carrying out of the activities contemplated hereby makes such qualification necessary;
- (b) the Corporation has the full corporate right, power and authority to execute and deliver this Subscription Agreement, to issue the Flow-Through Common Shares to the Subscribers and to incur and renounce to the Subscribers, Qualifying Expenditures in an amount equal to the Commitment Amount;
- (c) the Corporation is, and at all material times will be, a Principal Business Corporation;
- (d) except as a result of any agreement, arrangement, understanding or undertaking to which the Corporation is not a party and of which it has no knowledge, and excluding any agreement, arrangement, undertaking or understanding in respect of a Follow-on Transaction, upon issuance, the Flow-Through Common Shares will be “flow-through shares” as defined in subsection 66(15) of the Tax Act and will not constitute “prescribed shares” for the purpose of Regulation 6202.1 of the Tax Act;
- (e) this Subscription Agreement constitutes a valid and binding obligation of the Corporation enforceable against it in accordance with its terms;

- (f) the execution and delivery of, and the performance of the terms of this Subscription Agreement by the Corporation, including the issuance of the Flow-Through Common Shares, the incurring of Qualifying Expenditures and the renunciation of Qualifying Expenditures to the Subscribers pursuant hereto does not and will not constitute a breach of or constitute a default under the constating documents of the Corporation or any law, regulation, order or ruling applicable to the Corporation or any agreement, contract or indenture to which the Corporation is a party or by which it is bound;
- (g) the Corporation has no reason to believe that it will be unable to incur Qualifying Expenditures during the Expenditure Period in an amount equal to the Commitment Amount or that it will be unable to renounce to the Subscriber effective on or before December 31, 2022, Qualifying Expenditures in an amount equal to the Commitment Amount or to expect any reduction of Qualifying Expenditures by virtue of subsection 66(12.73) of the Tax Act;
- (h) if the Corporation amalgamates with any one or more corporations, any shares issued to or held by the Subscribers of Flow-Through Common Shares as a result of such amalgamation will qualify, by virtue of subsections 87(4.4) and/or 87(1.2) of the Tax Act, as “flow-through shares” as defined in subsection 66(15) of the Tax Act and in particular will not be “prescribed shares” as defined in section 6202.1 of the regulations to the Tax Act; and
- (i) the Corporation is not, and has never been, in default of any of its legal obligations in respect of any “flow-through share” financings previously undertaken by the Corporation.

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

- (a) to keep proper books, records and accounts of all Qualifying Expenditures and all transactions affecting the aggregate Commitment Amount and the Qualifying Expenditures and, upon reasonable notice and on a reasonable basis, to make such books, records and accounts available to an authorized representative of such Subscriber for inspection by such representative on behalf of such Subscriber at the Subscriber’s expense for the sole purpose of responding to a demand or proposal of the Canada Revenue Agency or any provincial tax authority;
- (b) to file with the appropriate tax authorities, the form prescribed by subsection 66(12.68) of the Tax Act together with a copy of the Prospectus within the time period prescribed by law;
- (c) to file with the appropriate tax authorities, the form prescribed by subsection 66(12.7) of the Tax Act on or before the last day of the first month following each month in which any renunciation is made pursuant to the terms of this Subscription Agreement;
- (d) to incur, during the Expenditure Period, Qualifying Expenditures in such amount as enables the Corporation to renounce to each of the Subscribers in accordance with the Tax Act and this Subscription Agreement, Qualifying Expenditures in an amount equal to the Commitment Amount of each such Subscriber;
- (e) to renounce to each of the Subscribers, effective on or before December 31, 2022, Qualifying Expenditures incurred during the Expenditure Period as required under the Tax Act in an amount equal to the Commitment Amount of each such Subscriber;

- (f) to deliver to each Subscriber at the Subscriber's address set forth in Exhibit I attached hereto, by March 1, 2023, a statement (including Form T-101) setting forth the aggregate amounts of CDE renounced to such Subscriber pursuant hereto;
- (g) that the Corporation will not reduce the amount renounced to each Subscriber pursuant to this Subscription Agreement and, in the event that the amount renounced to a Subscriber is reduced pursuant to subsection 66(12.73) of the Tax Act, the Corporation shall indemnify such Subscriber as to, and pay to such Subscriber, an amount equal to the amount of any tax payable or that may become payable under the Tax Act (and any other corresponding provincial legislation) by such Subscriber (or if such Subscriber is a partnership, by any member thereof) as a consequence of such reduction, such payment to be made within twenty (20) Business Days once the amount is definitively determined;
- (h) that if the Corporation does not renounce, effective on or before December 31, 2022, to a Subscriber Qualifying Expenditures incurred during the Expenditure Period in an amount equal to the Commitment Amount of such Subscriber, the Corporation shall indemnify such Subscriber as to, and pay to such Subscriber, an amount equal to the amount of any tax payable or that may become payable under the Tax Act (and under any corresponding provincial legislation) by such Subscriber (or if such Subscriber is a partnership, by any member thereof) as a result of such failure, such payment to be made within twenty (20) Business Days once the amount is definitively determined;
- (i) that the Corporation will maintain its status as a Principal Business Corporation throughout the Expenditure Period;
- (j) to file on a timely basis all forms required under the Tax Act to effectively renounce Qualifying Expenditures in accordance with the provisions of this Subscription Agreement and the Prospectus and to provide the Subscribers with a copy of all such forms as are required to be provided thereto on a timely basis;
- (k) that all Qualifying Expenditures renounced to the Subscribers pursuant to this Subscription Agreement will be Qualifying Expenditures incurred by the Corporation that, but for the renunciation to the Subscribers, the Corporation would be entitled if it has sufficient income to deduct in computing its income for the purposes of Part I of the Tax Act;
- (l) that the Corporation will not be subject to the provisions of subsection 66(12.67) of the Tax Act in a manner which impairs its ability to renounce Qualifying Expenditures to the Subscribers in an amount equal to the Commitment Amount;
- (m) that the Corporation will refrain from entering into any agreements or transactions or taking deductions which would otherwise reduce its cumulative Canadian Development Expense (as defined in the Tax Act) to an extent that would preclude the renunciation of Qualifying Expenditures hereunder in an amount equal to the Commitment Amount as contemplated herein; and
- (n) the Corporation shall renounce to Subscribers Qualifying Expenditures with respect to this Subscription Agreement and all other flow-through share agreements of even date with this Subscription Agreement *pro rata* by number of Flow-Through Common Shares issued or to be issued pursuant thereto prior to renouncing Qualifying Expenditures

pursuant to any flow-through share subscription agreements dated after the date of this Subscription Agreement.

7. The Subscriber understands that the Agent and/or the Corporation is collecting certain personal information (as that term is defined under applicable privacy legislation, including, without limitation, the *Personal Information Protection and Electronic Documents Act* (Canada) and any other applicable similar, replacement or supplemental provincial or federal legislation or laws in effect from time to time), which includes, without limitation, the name, residential address, telephone number and e-mail address of the Subscriber as well as information regarding the number, aggregate purchase price and type of securities purchased under this Subscription Agreement (the “**Information**”). The Subscriber acknowledges and consents to the Agent and/or Corporation retaining such Information for as long as permitted or required by law or business practices and further acknowledges and consents to the disclosure of the Information by the Corporation as may be required by law, including to the CRA or pursuant to any securities laws of the applicable jurisdictions, or the rules and policies of any securities commission, regulatory authority or stock exchange. In addition, the Information may be disclosed by the Corporation and the Agent for the purposes of completing the purchase of Flow-Through Common Shares pursuant to this Subscription Agreement, including disclosure to the Corporation’s transfer agent and other professional advisors of the Corporation in connection with performance of their professional services, and to make any other filings of the Information as the Agent’s counsel or the Corporation’s counsel deems appropriate, including instances in which the Information may become publicly available in accordance with applicable securities laws. The Subscriber hereby consents to and authorizes the foregoing use and disclosure of the Information and agrees to provide, on request, all particulars required by the Agent and/or the Corporation in order to comply with the foregoing.
8. The Subscriber represents and warrants that the funds representing the aggregate Commitment Amount which will be advanced by the Subscriber to the Corporation hereunder will not represent proceeds of crime for the purpose of the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada) (the “**PCMLTF Act**”) and the Subscriber acknowledges that the Corporation may in the future be required by law to disclose the Subscriber’s name and other information relating to this Subscription Agreement and the Subscriber’s subscription hereunder, on a confidential basis, pursuant to the PCMLTF Act. To the best of the Subscriber’s knowledge, none of the subscription funds to be provided hereunder (a) have been or will be obtained or derived, directly or indirectly, from or related to any activity that is deemed illegal under the laws of Canada or the United States or any other jurisdiction, or (b) are being tendered on behalf of a person or entity who has not been identified to the Subscriber. The Subscriber shall promptly notify the Corporation if the Subscriber discovers that any such representation ceases to be true, and shall provide the Corporation with appropriate information in connection therewith.
9. Nothing herein shall constitute or be construed to constitute a partnership of any kind whatsoever between the Subscribers or any of them and the Corporation.
10. The contract arising out of this Subscription Agreement and all documents relating thereto, which by common accord has been and will be drafted in English, shall be governed by and construed in accordance with the laws of the Province of Alberta and the laws of Canada applicable therein.
11. Time shall be of the essence hereof.

12. The Subscriber acknowledges and agrees that all costs incurred by the Subscriber (including any fees and disbursements of any special counsel retained by the Subscriber) relating to the sale of the Flow-Through Common Shares to the Subscriber shall be borne by the Subscriber.
13. The Subscriber acknowledges that there may be other sales of securities by the Corporation. The Subscriber further acknowledges that there is a risk that insufficient funds may be raised from the sale of securities to fund the Corporation's objectives.
14. The covenants, representations and warranties contained in this Subscription Agreement shall be true and correct as of closing and shall survive the closing of the offering of securities under the Prospectus.
15. The subscriptions of the Subscribers are further subject to any rights available to the Subscribers under applicable laws.

This Subscription Agreement shall be binding on and enure to the benefit of the Subscribers and the Corporation and their respective heirs, executors, administrators, successors and assigns.

DATED at the City of Calgary, in the Province of Alberta, this ____ day of March 2022.

_____, as duly authorized agent
for those Subscribers whose names are set out on Exhibit I
attached hereto.

Per:

THIS SUBSCRIPTION AND RENUNCIATION AGREEMENT IS ACCEPTED AND AGREED TO BY
THE CORPORATION at the City of Calgary, in the Province of Alberta, this ____ day of March 2022.

JOURNEY ENERGY INC.

Per: _____

Exhibit I

[illegible]