

**ELEVENTH AMENDING AGREEMENT  
TO THE PETRUS RESOURCES CORP.  
SECOND AMENDED AND RESTATED CREDIT AGREEMENT  
DATED MARCH 22, 2016**

**THIS ELEVENTH AMENDING AGREEMENT** is made effective as of August 27, 2021 (the “Eleventh Amendment Date”),

**BETWEEN:**

**PETRUS RESOURCES CORP.  
as Borrower**

- and -

**THE TORONTO-DOMINION BANK,  
CANADIAN IMPERIAL BANK OF COMMERCE,  
ROYAL BANK OF CANADA, and  
NATIONAL BANK OF CANADA,**

- and -

**THE TORONTO-DOMINION BANK  
as Agent**

**PREAMBLE:**

- A. Pursuant to the second amended and restated credit agreement dated March 22, 2016, as amended by a first amending agreement dated July 8, 2016, a consent and second amending agreement dated January 24, 2017, a consent and third amending agreement dated June 1, 2017, a fourth amending agreement dated November 10, 2017, a fifth amending agreement dated May 17, 2018, a sixth amending agreement dated November 8, 2018, a seventh amending agreement dated May 31, 2019, an eighth amending agreement dated November 12, 2019, an Extension Agreement dated May 28, 2020, an Extension Agreement dated June 12, 2020, an Extension Agreement dated June 19, 2020, a Consent and Extension Agreement dated June 29, 2020, an Extension Agreement dated July 6, 2020, a ninth amending agreement dated July 15, 2020, a tenth amending agreement dated November 6, 2020, an Extension Agreement dated May 31, 2021, an Extension Agreement dated June 14, 2021, an Extension Agreement dated July 14, 2021, an Extension Agreement dated July 30, 2021, an Extension Agreement dated August 13, 2021 and an Extension Agreement dated August 20, 2021 (such agreement from time to time, as amended, supplemented, restated, or replaced from time to time shall herein be referred to as the “**Credit Agreement**”) made between Petrus Resources Corp. as borrower (the “**Borrower**”), the banks and other financial institutions which from time to time are lenders thereunder, as lenders (collectively, the “**Lenders**”) and The Toronto-Dominion Bank, as administrative agent (the “**Agent**”), the Lenders made the Credit Facilities available to the Borrower.

- B. Pursuant to an assignment agreement dated as of June 15, 2021, Blue Oak Partners (Canada) Inc. (“**Blue Oak**”) replaced Macquarie as the Second Lien Agent and the Second Lien Lender and became the holder of the Second Lien Indebtedness.
- C. Glen Gray (“**GG**”) and Stuart Gray (“**SG**”), directly or indirectly, wish to acquire the Second Lien Indebtedness from Blue Oak (the “**Gray Family Second Lien Indebtedness Acquisition**”).
- D. Immediately subsequent to the Gray Family Second Lien Indebtedness Acquisition and conditional upon the closing of the Equity Raise (as defined below), the Borrower will assign all of the Second Lien Indebtedness to Petrus Resources Ltd. (the “**Parent**”) and the Parent wishes to satisfy the Second Lien Indebtedness in full by issuing \$15,800,000 in common equity of the Parent from treasury (the “**Second Lien Equity Conversion**”) and GG and SG have agreed to accept the Second Lien Equity Conversion as the full repayment and satisfaction of the Second Lien Indebtedness.
- E. Concurrently with, and conditional upon, the closing of the Second Lien Equity Conversion, the Parent wishes to raise, through the issuance of common equity of the Parent from treasury to GG and Donald Gray (“**DG**”), net cash proceeds in an aggregate amount not less than \$10,000,000 (the “**Equity Raise**”) and together with the Second Lien Equity Conversion, the “**Gray Family Transactions**”).
- F. As a result of the Gray Family Transactions, a Change of Control may occur as a result of the Gray Family (as hereinafter defined) holding, in aggregate, in excess of 50% of all of the issued and outstanding Voting Securities of the Borrower (the “**Gray Change of Control**”).
- G. Pursuant to Section 14.1(q) of the Credit Agreement, an Event of Default shall occur upon the occurrence of a Change of Control (the “**Change of Control Event of Default**”).
- H. The Borrower has requested that, notwithstanding the Change of Control Event of Default, the Lenders consent to the Gray Change of Control.
- I. The Lenders have agreed to consent to the Gray Change of Control (subject to the conditions set forth herein) and the Parties wish to otherwise amend the terms of the Credit Agreement on the terms and conditions herein provided.

**AGREEMENT:**

**NOW THEREFORE** in consideration of the premises, the covenants and the agreements herein contained and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged between the parties hereto (the “**Parties**”), the Parties agree as follows:

1. **Definitions.** Capitalized terms used in this Eleventh Amending Agreement will, unless otherwise defined herein, have the meanings attributed to such terms in the Credit Agreement.

2. **Consent and Waiver.** Subject to the Lenders' satisfaction with all information, including supporting documentation and other evidence as may be requested by any Lender or the Agent required in connection with Section 18.11 of the Credit Agreement, the Lenders hereby consent to the Gray Change of Control (the "**Change of Control Consent**") but only in connection with the Gray Family Transactions. The Lenders hereby further consent to each of (i) the Gray Family Second Lien Indebtedness Acquisition and (ii) the Second Lien Equity Conversion, in each case to the extent consent is required pursuant to Sections 13.4(a)(iii) and 13.4(m) of the Credit Agreement (together with the Change of Control Consent, the "**Consents**").

The Consents shall not constitute an agreement, waiver or consent to any other event, circumstance, matter or thing, other than except as expressly set forth herein (including, for certainty, any other or future Changes of Control) and is without prejudice to any of the rights or remedies of the Lenders under the Credit Agreement or any document with respect thereto, and shall not extend to any other matter, provision or breach of, or event of default under, the Credit Agreement.

3. **Borrowing Base and Repayment Acknowledgments.**

- (a) The Parties agree and confirm that the Borrowing Base as of the Eleventh Amendment Date remains \$77,500,000. The Borrower further acknowledges that (a) \$12,250,000 of the Borrowing Base (being Tranche 2) being agreed to by the Lenders is "non-conforming" in the sense that the Lenders' conforming Borrowing Base calculation in accordance with their respective customary reserve based loan lending practices would only be \$65,250,000 (being the aggregate of Tranche 1 and the Operating Facility Commitment Amount) but the Lenders are agreeing to such higher Borrowing Base number given the present circumstances and the Lenders reserve the right, in their sole discretion and without limiting their right to redetermine the Borrowing Base generally in accordance with the terms of the Credit Agreement, at any future Borrowing Base determination to reduce any such non-conforming portion of the current Borrowing Base to \$0, (b) the last day of the Term Period is the last day of the Revolving Period such that all amounts due and owing under the Credit Agreement must be repaid on the last day of the Revolving Period notwithstanding anything else set forth in the Credit Agreement, and (c) the next Scheduled Borrowing Base Date is October 31, 2021.
- (b) All Indebtedness of the Borrower to the Syndicated Facility Lenders pursuant to the Credit Agreement (prior to giving effect to this Eleventh Amending Agreement) as at the Eleventh Amendment Date (the "**Existing Syndicated Obligations**") will be deemed to be Indebtedness owing under either (i) Tranche 2, for that portion of the Existing Syndicated Obligations equal to the Tranche 2 Syndicated Facility Commitment Amount, or (ii) Tranche 1, for that portion of the Existing Syndicated Obligations exceeding the Tranche 2 Syndicated Facility Commitment Amount. All Indebtedness of the Borrower to the Operating Lender pursuant to the Existing Operating Facility as at the Eleventh Amendment Date will continue to be Indebtedness owing under the Operating Facility and will reduce the availability

under the Operating Facility by the amount thereof and will be subject to the terms of this Agreement.

- (c) Notwithstanding anything else set forth in the Credit Agreement, Tranche 2 shall be fully funded by operation of the foregoing Section 3(b) and shall be a non-revolving term tranche and any repayment thereof shall result in a permanent reduction of the Tranche 2 Syndicated Facility Commitment Amount by a corresponding amount (and, for certainty, shall not be available to be reborrowed).

4. **Amendments.** The Credit Agreement is hereby amended as follows:

- (a) Section 1.18 of the Credit Agreement is hereby amended by adding the following thereto at the end thereof:

“**Schedule M: Approved Forecast**”

- (b) Section 3.1 of the Credit Agreement is hereby deleted in its entirety and replaced with the following:

“**3.1 Syndicated Facility.**

Subject to the terms and conditions hereof and effective on the Amendment and Restatement Date, the Lenders hereby establish the Syndicated Facility in favour of the Borrower, composed of Tranche 1 and Tranche 2 (as described in Schedule B). Accommodations under the Syndicated Facility (under either tranche) may be drawn down by the Borrower during the Revolving Period in Canadian Dollars or the Canadian Dollar Exchange Equivalent thereof in U.S. Dollars, or any combination thereof, to a maximum of the Syndicated Facility Commitment Amount. Each Lender’s initial Individual Syndicated Facility Commitment Amount under each of Tranche 1 and Tranche 2 is set out in Schedule B. As of the Eleventh Amendment Date, Tranche 2 has been fully drawn.”

- (c) Section 3.10 of the Credit Agreement is hereby amended by:

- (i) replacing the proviso at the end of paragraph (a) thereof with the following:

“provided that no more than 10 Bankers Acceptances may be outstanding at any one time, and further provided that, from and after the Eleventh Amendment Date and notwithstanding anything else set forth herein or in the other Documents to the contrary, Advances by way of U.S. Base Rate Loans and LIBOR Based Loans shall be unavailable to the Borrower under the Syndicated Facility (and the remainder of this Agreement shall be read and interpreted accordingly).”;

- (ii) replacing the period at the end of paragraph (b)(v) thereof with a comma and adding the following as a new sentence immediately below such paragraph (b)(v):

“provided that, from and after the Eleventh Amendment Date and notwithstanding anything else set forth herein or in the other Documents to the contrary, Advances by way of U.S. Base Rate Loans and LIBOR Based Loans shall be unavailable to the Borrower under the Operating Facility (and the remainder of this Agreement shall be read and interpreted accordingly).”; and

(iii) adding the following thereto as a new Section 3.10(c):

“(c) U.S. Dollar Advances. If at any time the Borrower requests, and the Lenders, acting in their sole discretion, agree, for U.S. Dollar Advances to become available to the Borrower hereunder, the Parties shall enter into good faith negotiations to amend this Agreement (including, without limitation, this Section 3.10, Section 3.11, Section 5.7 and Article 8) on terms satisfactory to the Lenders, acting in their sole discretion, to permit such U.S. Dollar Advances.”

(d) Section 3.11(a) of the Credit Agreement is hereby amended by deleting the table therein in its entirety and replacing it with the following:

“

<b><u>Pricing Table –Tranche 1 and Operating Facility</u></b>					
<b>Level</b>	<b>Debt to EBITDA Ratio</b>	<b>Canadian Prime Rate Loans</b>	<b>BA Stamping Fee/ Letter of Credit Fee (Financial LCs)</b>	<b>Letter of Credit Fee (Performance LCs)</b>	<b>Standby Fee</b>
I	≤1.00 : 1	redacted	redacted	redacted	redacted
II	> 1.00 : 1 ≤ 1.50 : 1	redacted	redacted	redacted	redacted
III	> 1.50 : 1 ≤ 2.00 : 1	redacted	redacted	redacted	redacted
IV	> 2.00 : 1 ≤ 2.50 : 1	redacted	redacted	redacted	redacted
V	> 2.50 : 1 ≤ 3.00 : 1	redacted	redacted	redacted	redacted
VI	> 3.00 : 1 ≤ 3.50 : 1	redacted	redacted	redacted	redacted
VII	> 3.50 : 1 ≤ 4.00 : 1	redacted	redacted	redacted	redacted
VIII	> 4.00 : 1	redacted	redacted	redacted	redacted

<b><u>Pricing Table – Tranche 2</u></b>			
<b>Level</b>	<b>Debt to EBITDA Ratio</b>	<b>Canadian Prime Rate Loans</b>	<b>BA Stamping Fee/ Letter of Credit Fee (Financial LCs)</b>
I	≤1.00 : 1	redacted	redacted

<b>Pricing Table – Tranche 2</b>			
<b>Level</b>	<b>Debt to EBITDA Ratio</b>	<b>Canadian Prime Rate Loans</b>	<b>BA Stamping Fee/ Letter of Credit Fee (Financial LCs)</b>
II	> 1.00 : 1 ≤ 1.50 : 1	redacted	redacted
III	> 1.50 : 1 ≤ 2.00 : 1	redacted	redacted
IV	> 2.00 : 1 ≤ 2.50 : 1	redacted	redacted
V	> 2.50 : 1 ≤ 3.00 : 1	redacted	redacted
VI	> 3.00 : 1 ≤ 3.50 : 1	redacted	redacted
VII	> 3.50 : 1 ≤ 4.00 : 1	redacted	redacted
VIII	> 4.00 : 1	redacted	redacted

As of the Eleventh Amendment Date, pricing shall be deemed to be Level VI of the foregoing tables.”

- (e) Section 3.12(g) of the Credit Agreement is hereby deleted in its entirety and replaced with the following:

“(g) Automatic Reduction to Borrowing Base. After the Eleventh Amendment Date, the Borrowing Base shall automatically and without any further action on the part of the Agent or Lenders be reduced as follows:

- (i) by \$2,750,000 on each of September 30, 2021 and, if the Borrower has consummated the Gray Family Transactions by not later than October 1, 2021 resulting in the last day of the Revolving Period, and accordingly the last day of the Term Period, being extended to May 31, 2022 in accordance with the terms set forth in the definition of “Revolving Period”, December 31, 2021;
- (ii) by \$5,000,000 on March 31, 2022, if the Borrower has consummated the Gray Family Transactions by not later than October 1, 2021 resulting in the last day of the Revolving Period, and accordingly the last day of the Term Period, being extended to May 31, 2022 in accordance with the terms set forth in the definition of “Revolving Period”;
- (iii) by an amount equal to 75% of Excess Cash Flow for any Test Period within 30 days following the end of such Test Period;
- (iv) upon the consummation of the Equity Raise, by an amount equal to \$10,000,000; and

- (v) unless agreed to otherwise by the Lenders, upon the occurrence of a Specified Permitted Disposition, by the net proceeds received by the Loan Parties (or any one of them) pursuant to such Specified Permitted Disposition.

Each such reduction to the Borrowing Base in accordance with this Section 3.12(g) shall be applied, prior to the repayment in full of the Aggregate Principal Amount under Tranche 2, as permanent repayment of the Aggregate Principal Amount under Tranche 2 of the Syndicated Facility and a reduction of the Tranche 2 Syndicated Facility Commitment Amount, and each Lender's Individual Syndicated Facility Commitment Amount shall accordingly reduce on a *pro rata* basis based on each Lender's Individual Commitment Amount under Tranche 2. After the repayment in full of the Aggregate Principal Amount under Tranche 2, each such reduction to the Borrowing Base shall thereafter be applied, on a *pro rata* basis, as (i) a permanent repayment of the Aggregate Principal Amount under Tranche 1 of the Syndicated Facility and a corresponding reduction of the Tranche 1 Syndicated Facility Commitment Amount and (ii) a permanent repayment of the Aggregate Principal Amount under the Operating Facility and a corresponding reduction of the Operating Facility Commitment Amount, and each Lender's aggregate Individual Commitment Amount under each of Tranche 1 and the Operating Facility shall accordingly reduce on a *pro rata* basis based on each Lender's Individual Commitment Amount under all of the Credit Facilities."

- (f) Section 9.1 of the Credit Agreement is hereby amended by deleting the reference therein to "1, 2, 3 or 6 months" and replacing it with "1, 2 or 3 months".
- (g) Article 11 of the Credit Agreement is hereby amended by adding the following thereto as a new Section 11.6:

**"11.6 Lender Financial Advisor**

The Borrower acknowledges and consents to the engagement by the Agent (upon the request of the Majority Lenders) of a financial advisor (the "**Lender Financial Advisor**") to assist the Lenders in the evaluation of the Loan Parties' financial information, asset or business valuations, forecasts and reporting as well as evaluating potential financings, equity infusions, take-overs, or other, subject to the terms of any engagement letter entered into in connection therewith, restructuring proposals, proposed SISP Transactions and the Gray Family Transactions. The Loan Parties shall give the Agent and/or the Lender Financial Advisor full access to the Loan Parties' senior management, properties, projects, systems and books and records and cooperate, and cause each other Loan Party to cooperate, fully with the Agent and/or the Lender Financial Advisor, including by providing reasonably detailed written responses and clarifications to any questions the Agent and/or Lender Financial Advisor may have in respect of, among other things, the Loan Parties, their business and any other matters related thereto. The

Borrower will pay for the reasonable fees and disbursements of the Lender Financial Advisor.”

- (h) Section 13.1(t) of the Credit Agreement is hereby deleted in its entirety and replaced with the following:

“(t) Sales and Investment Solicitation Process. Notwithstanding any actions taken by the Borrower prior to the Eleventh Amendment Date, from and after the Eleventh Amendment Date, the Borrower shall pursue a formal sales and investment solicitation process with terms and conditions satisfactory to the Majority Lenders, which terms and conditions shall include, for certainty, the steps and milestones set forth in Schedule L hereto, with the objective of, among other things, soliciting, exploring, assessing and negotiating possible transactions for (i) capital investments in the Borrower’s business or any part thereof, (ii) joint venture or partnership opportunities, and/or, (iii) the sale of the Loan Parties or their assets or any part thereof (each, a “**SISP Transaction**”), in each case with a view to unconditionally and irrevocably repaying in cash all or a portion of the Obligations by no later than the 90<sup>th</sup> day after the SISP Launch Date (as defined in Schedule L), provided that if the Borrower completes each of the Gray Family Transactions on or prior to October 1, 2021, this covenant shall thereafter be of no further force and effect.”.

- (i) Section 13.1 of the Credit Agreement is hereby amended by adding the following thereto as new Sections 13.1(u), 13.1(v) and 13.1(w):

“(u) Investment Advisor. The Borrower shall, subject to the terms of any engagement letter entered in connection therewith, give the Agent, the Lenders and the Lender Financial Advisor full access to the Loan Parties’ senior management, properties, projects, systems and books and records and cooperate, and cause the Investment Advisor and each other Loan Party to cooperate, fully with the Agent, the Lenders and the Lender Financial Advisor, including by providing, or causing the Investment Advisor or other Loan Party, as applicable, to provide, reasonably detailed written responses and clarifications to any questions the Agent, the Lenders or the Lender Financial Advisor may have in respect of, among other things, the Loan Parties, their business, the sales and investment solicitation process described in Schedule L and any other matters related thereto.

(v) Equity Raise. Immediately upon the consummation of the Equity Raise, the Borrower shall repay the Aggregate Principal Amount by an amount equal to \$10,000,000.

(w) Gray Family Transactions. The Borrower shall pursue the Gray Family Transactions and cause the Gray Family Transactions to be consummated, funded and completed by not later than October 1, 2021.”

- (j) Section 13.3 of the Credit Agreement is hereby amended by adding the following as new paragraphs (r) and (s) thereto at the end thereof:
- “(r) Excess Cash Flow. Within 45 days after the end of each Test Period, the Borrower will provide the Agent with a calculation of the Excess Cash Flow for such Test Period, as certified by the chief financial officer or other senior officer of the Borrower;
- (s) Additional Reporting. The Borrower shall provide the Agent (i) following the SISP Launch Date, with a reasonably detailed update on the status of the sales and investment solicitation process on the 15th day after such date and every 2 weeks thereafter, and (ii) promptly upon the occurrence thereof, the Borrower will provide written notice to the Agent of:
- (i) the satisfaction of any sales and investment solicitation process milestones, approvals, steps or other requirements by the dates set out in Schedule L or as otherwise required by this Agreement; and
- (ii) the Parent obtaining the approval or consent (including any conditional approval) of the Toronto stock exchange to complete the Gray Family Transactions, including in reliance upon the “financial hardship provisions” set forth in the TSX Company Manual.”
- (k) Section 13.4(o) of the Credit Agreement is hereby deleted in its entirety and replaced with the following:
- “(o) Capital Expenditures. Without the express written consent of all of the Lenders, the Borrower will not, and will not permit any other Loan Party to directly or indirectly, make or incur any Capital Expenditures:
- (i) during any Test Period, which exceed the amount budgeted therefor for such Test Period as set out in the Approved Forecast by an amount greater than \$1,000,000; or
- (ii) during any two consecutive Test Periods, which exceed the aggregate amount budgeted therefor for such two consecutive Test Periods as set out in the Approved Forecast by an amount greater than \$1,000,000.”
- (l) Section 14.1(u) of the Credit Agreement is hereby deleted in its entirety and replaced with the following:
- “(u) Sales and Investment Solicitation Process. If: (i) the Borrower fails to satisfy any of the sales and investment solicitation process milestones, approvals, steps or other requirements by the dates set out in Schedule L or as otherwise required by this Agreement; (ii) the Borrower’s investment advisor ceases to be engaged by the Borrower at any time prior to the Bid Deadline; or (iii) the Borrower’s terms of engagement of its investment

advisor are amended to provide that letters of intent and expressions of interest in respect of a SISP Transaction are not required to be submitted on or before the Bid Deadline, provided that if the Borrower completes each of the Gray Family Transactions on or prior to October 1, 2021, this Event of Default shall be of no further force and effect.”

- (m) Article 17 of the Credit Agreement is hereby amended by adding the following thereto as a new Section 17.18:

**“17.18 Erroneous Payments.**

- (a) If the Agent (x) notifies a Lender or Swap Lender (in this Section 17.18, a **“Secured Party”**), or any Person who has received funds on behalf of a Secured Party (any such Secured Party or other recipient (and each of their respective successors and assigns), a **“Payment Recipient”**) that the Agent has determined in its sole discretion (whether or not after receipt of any notice under Section 17.18(b)) that any funds (as set forth in such notice from the Agent) received by such Payment Recipient from the Agent or any of its Affiliates were erroneously or mistakenly transmitted to, or otherwise erroneously or mistakenly received by, such Payment Recipient (whether or not known to such Secured Party or other Payment Recipient on its behalf) (any such funds, whether transmitted or received as a payment, prepayment or repayment of principal, interest, fees, distribution or otherwise, individually and collectively, an **“Erroneous Payment”**) and (y) demands in writing the return of such Erroneous Payment (or a portion thereof) (provided, that, without limiting any other rights or remedies (whether at law or in equity), the Agent may not make any such demand under this clause (a) with respect to an Erroneous Payment unless such demand is made within 10 Banking Days of the date of receipt of such Erroneous Payment by the applicable Payment Recipient), such Erroneous Payment shall at all times remain the property of the Agent pending its return or repayment as contemplated below in this Section 17.18 and held in trust for the benefit of the Agent, and such Secured Party shall (or, with respect to any Payment Recipient who received such funds on its behalf, shall cause such Payment Recipient to) promptly, but in no event later than two Banking Days thereafter (or such later date as the Agent may, in its sole discretion, specify in writing), return to the Agent the amount of any such Erroneous Payment (or portion thereof) as to which such a demand was made, in same day funds (in the currency so received), together with interest thereon (except to the extent waived in writing by the Agent) in respect of each day from and including the date such Erroneous Payment (or portion thereof) was received by such Payment Recipient to the date such amount is repaid to the Agent in same day funds at the greater of the Federal Funds Rate and a rate determined by the Agent in accordance with banking industry rules on interbank compensation from time to time in effect. A notice of the Agent to any Payment Recipient under this Section 17.18(a) shall be conclusive, absent manifest error.

- (b) Without limiting Section 17.18(a), each Secured Party or any Person who has received funds on behalf of a Secured Party (and each of their respective successors and assigns), agrees that if it receives a payment, prepayment or repayment (whether received as a payment, prepayment or repayment of principal, interest, fees, distribution or otherwise) from the Agent (or any of its Affiliates) (x) that is in a different amount than, or on a different date from, that specified in this Agreement or in a notice of payment, prepayment or repayment sent by the Agent (or any of its Affiliates) with respect to such payment, prepayment or repayment, (y) that was not preceded or accompanied by a notice of payment, prepayment or repayment sent by the Agent (or any of its Affiliates), or (z) that such Secured Party, or other such Payment Recipient, otherwise becomes aware was transmitted, or received, in error or by mistake (in whole or in part), then in each such case:
- (i) it acknowledges and agrees that (A) in the case of immediately preceding clauses (x) or (y), an error and mistake shall be presumed to have been made (absent written confirmation from the Agent to the contrary) or (B) an error and mistake has been made (in the case of immediately preceding clause (z)), in each case, with respect to such payment, prepayment or repayment; and
  - (ii) such Secured Party shall (and shall cause any other recipient that receives funds on its respective behalf to) promptly (and, in all events, within one Banking Day of its knowledge of the occurrence of any of the circumstances described in immediately preceding clauses (x), (y) and (z)) notify the Agent of its receipt of such payment, prepayment or repayment, the details thereof (in reasonable detail) and that it is so notifying the Agent pursuant to this Section 17.18(b).

For the avoidance of doubt, the failure to deliver a notice to the Agent pursuant to this Section 17.18(b) shall not have any effect on a Payment Recipient's obligations pursuant to Section 17.18(a) or on whether or not an Erroneous Payment has been made.

- (c) Each Secured Party hereby authorizes the Agent to set off, net and apply any and all amounts at any time owing to such Secured Party under any Document, or otherwise payable or distributable by the Agent to such Secured Party under any Document with respect to any payment of principal, interest, fees or other amounts, against any amount that the Agent has demanded to be returned under Section 17.18(a).
- (d) (i) In the event that an Erroneous Payment (or portion thereof) is not recovered by the Agent for any reason, after demand therefor in accordance with immediately preceding clause (a), from any Lender that has received such Erroneous Payment (or portion thereof) (and/or from any Payment Recipient who received such Erroneous Payment (or portion thereof) on its

respective behalf) (such unrecovered amount, an “**Erroneous Payment Return Deficiency**”), upon the Agent’s notice to such Lender at any time, then effective immediately (with the consideration therefor being acknowledged by the parties hereto), (A) such Lender shall be deemed to have assigned its Advances (but not its Individual Commitment Amount) with respect to which such Erroneous Payment was made in an amount equal to the Erroneous Payment Return Deficiency (or such lesser amount as the Agent may specify) (such assignment, the “**Erroneous Payment Deficiency Assignment**”) (on a cashless basis and such amount calculated at par plus any accrued and unpaid interest (with the assignment fee to be waived by the Agent in such instance)), and is hereby (together with the Borrower) deemed to execute and deliver an Assignment Agreement with respect to such Erroneous Payment Deficiency Assignment, (B) the Agent as the assignee Lender shall be deemed to have acquired the Erroneous Payment Deficiency Assignment, (C) upon such deemed acquisition, the Agent as the assignee Lender shall become a Lender, as applicable, hereunder with respect to such Erroneous Payment Deficiency Assignment and the assigning Lender shall cease to be a Lender, as applicable, hereunder with respect to such Erroneous Payment Deficiency Assignment, excluding, for the avoidance of doubt, its obligations under the indemnification provisions of this Agreement and its applicable Individual Commitment Amount which shall survive as to such assigning Lender, (D) the Agent and the Borrower shall each be deemed to have waived any consents required under this Agreement to any such Erroneous Payment Deficiency Assignment, and (E) the Agent will reflect in the Register its ownership interest in the Advances subject to the Erroneous Payment Deficiency Assignment. For the avoidance of doubt, no Erroneous Payment Deficiency Assignment will reduce the Individual Commitment Amounts of any Lender and such Individual Commitment Amounts shall remain available in accordance with the terms of this Agreement.

(ii) Subject to Section 17.18 (but excluding, in all events, any assignment consent or approval requirements (whether from the Borrower or otherwise)), the Agent may, in its discretion, sell any Advances acquired pursuant to an Erroneous Payment Deficiency Assignment and upon receipt of the proceeds of such sale, the Erroneous Payment Return Deficiency owing by the applicable Lender shall be reduced by the net proceeds of the sale of such Advance (or portion thereof), and the Agent shall retain all other rights, remedies and claims against such Lender (and/or against any recipient that receives funds on its respective behalf). In addition, an Erroneous Payment Return Deficiency owing by the applicable Lender (x) shall be reduced by the proceeds of prepayments or repayments of principal and interest, or other distribution in respect of principal and interest, received by the Agent on or with respect to any such Advances acquired from such Lender pursuant to an Erroneous Payment Deficiency Assignment (to the extent that any such Advances are then owned by the Agent) and (y) may, in the sole discretion of the Agent, be reduced by any

amount specified by the Agent in writing to the applicable Lender from time to time.

- (e) The parties hereto agree that (x) irrespective of whether the Agent may be equitably subrogated, in the event that an Erroneous Payment (or portion thereof) is not recovered from any Payment Recipient that has received such Erroneous Payment (or portion thereof) for any reason, the Agent shall be subrogated to all the rights and interests of such Payment Recipient (and, in the case of any Payment Recipient who has received funds on behalf of a Secured Party, to the rights and interests of such Secured Party, as the case may be) under the Documents with respect to such amount (the “**Erroneous Payment Subrogation Rights**”) (provided that the Loan Parties’ Obligations under the Documents in respect of the Erroneous Payment Subrogation Rights shall not be duplicative of such Obligations in respect of Advances that have been assigned to the Agent under an Erroneous Payment Deficiency Assignment) and (y) an Erroneous Payment shall not pay, prepay, repay, discharge or otherwise satisfy any Obligations owed by the Borrower or any other Loan Party; provided that this Section 17.18 shall not be interpreted to increase (or accelerate the due date for), or have the effect of increasing (or accelerating the due date for), the Obligations of the Borrower relative to the amount (and/or timing for payment) of the Obligations that would have been payable had such Erroneous Payment not been made by the Agent; provided, further, that for the avoidance of doubt, immediately preceding clauses (x) and (y) shall not apply to the extent any such Erroneous Payment is, and solely with respect to the amount of such Erroneous Payment that is, comprised of funds received by (i) the Agent from the Borrower, or (ii) the proceeds of realization from the enforcement of one or more of the Documents against or in respect of one or more Loan Party, in each case, for the purpose of making such Erroneous Payment.
- (f) To the extent permitted by applicable law, no Payment Recipient shall assert any right or claim to an Erroneous Payment, and hereby waives, and is deemed to waive, any claim, counterclaim, defense or right of set-off or recoupment with respect to any demand, claim or counterclaim by the Agent for the return of any Erroneous Payment received, including, without limitation, any defense based on “discharge for value” or any similar doctrine.
- (g) Each party’s obligations, agreements and waivers under this Section 17.18 shall survive the resignation or replacement of the Agent, any transfer of rights or obligations by, or the replacement of, a Secured Party, the termination of the Commitment Amount and/or the repayment, satisfaction or discharge of all Obligations (or any portion thereof) under any Document.”
- (n) The definition of “Letters of Credit” in Schedule A of the Credit Agreement is hereby deleted in its entirety and replaced with the following:

“**Letters of Credit**” means letters of credit or letters of guarantee in Canadian Dollars issued under the Operating Facility.”

- (o) The definition of “Macquarie” in Schedule A of the Credit Agreement is hereby deleted and each other reference to “Macquarie” in the Credit Agreement is hereby deleted and replaced with “Blue Oak Partners (Canada) Inc.”.
- (p) The definition of “Operating Facility Commitment Amount” in Schedule A of the Credit Agreement is hereby amended by deleting the reference therein “\$20,000,000” and replacing it with “19,575,000”.
- (q) The definition of “Revolving Period” in Schedule “A” to the Credit Agreement is hereby deleted in its entirety and replaced with the following:

“**Revolving Period**” means the period commencing upon the Amendment and Restatement Date and terminating on December 31, 2021, provided that if the Borrower completes each of the Gray Family Transactions on or prior to October 1, 2021, the Revolving Period shall automatically, without any further action on the part of any of the Parties, become and be deemed to be May 31, 2022.”

- (r) The definition of “Syndicated Facility Commitment Amount” in Schedule A to the Credit Agreement is hereby deleted in its entirety and replaced with the following:

“**Syndicated Facility Commitment Amount**” means, as of the Eleventh Amendment Date, \$57,925,000; provided that, the Syndicated Facility Commitment Amount shall automatically, and, without any further action on the part of the Agent or Lenders, be reduced by each dollar that the Borrowing Base is reduced under Section 3.12(g), and each such reduction to the Syndicated Facility Commitment Amount shall be applied as a *pro rata* reduction (based on the total Individual Commitment Amount of each Lender) to each Lender’s Individual Syndicated Facility Commitment Amount.”

- (s) The definition of “Transaction” in Schedule A to the Credit Agreement is hereby deleted in its entirety.
- (t) The following definitions are hereby added to Schedule A to the Credit Agreement as new definitions in the correct alphabetical order:

“**Approved Forecast**” means the Borrower’s budget for the 2021 and 2022 calendar years attached hereto as Schedule M.

“**Eleventh Amendment Date**” means August ■, 2021.

“**Equity Raise**” means the issuance of common equity of the Parent from treasury to Donald Gray and Glen Gray for net cash proceeds in an aggregate amount of not less than \$10,000,000.

“**Excess Cash Flow**” means, for any Test Period, the difference, if positive, between (a) actual Cash Flow for such Test Period, *minus* (b) the forecasted Cash Flow for such Test Period as set out in the Approved Forecast; where “*Cash Flow*” for any Test Period means (x) EBITDA during such Test Period, *minus* (y) Interest Expense paid in cash during such Test Period, *minus* (z) Capital Expenditures paid for during such Test Period.

“**Gray Family**” means, collectively and individually, Donald Gray, Glen Gray, Stuart Gray, or one or more Affiliates thereof, acting alone or in concert.

“**Gray Family Second Lien Indebtedness Acquisition**” means the transaction by which the Gray Family (or certain members thereof) directly or indirectly takes an assignment of or otherwise acquires the Second Lien Indebtedness from Blue Oak Partners (Canada) Inc.

“**Gray Family Transactions**” collectively, the Second Lien Equity Conversion and the Equity Raise.

“**Gray Family Transactions Milestones**” has the meaning given to it in Section 13.1(w).

“**Investment Advisor**” has the meaning attributed to such term in Schedule M.

“**Second Lien Equity Conversion**” means the issuance of \$15,800,000 in common equity of the Parent to the Gray Family as the full repayment and satisfaction of the Second Lien Indebtedness.

“**SISP Transaction**” has the meaning attributed to such term in Section 13.1(t).

“**Test Periods**” means, collectively, the six-month period ending on September 30, 2021 and, if the Borrower has consummated each of the Gray Family Transactions by not later than October 1, 2021 resulting in the last day of the Revolving Period, and accordingly, the last day of the Term Period, being extended to May 31, 2022 in accordance with the terms set forth in the definition of “Revolving Period”, each successive six-month period thereafter.

“**Tranche 1**” means the portion of the Syndicated Facility represented by the Tranche 1 Syndicated Facility Commitment Amount.

“**Tranche 1 Syndicated Facility Commitment Amount**” means the portion of the Syndicated Facility Commitment Amount identified in Schedule B under the column “Tranche 1”.

“**Tranche 2**” means the portion of the Syndicated Facility represented by the Tranche 2 Syndicated Facility Commitment Amount.

“**Tranche 2 Syndicated Facility Commitment Amount**” means the portion of the Syndicated Facility Commitment Amount identified in Schedule B under the column “Tranche 2”.

- (u) Schedule B of the Credit Agreement is hereby deleted in its entirety and replaced with Exhibit 1 hereto.
  - (v) Schedule L of the Credit Agreement is hereby deleted in its entirety and replaced with Exhibit 2 hereto.
  - (w) Exhibit 3 hereto is hereby added as a new Schedule M to the Credit Agreement.
5. **Fees.** The Borrower agrees to pay to the Agent, on behalf of the Lenders, concurrently with the delivery of this Eleventh Amending Agreement, a fee of [redacted] basis points on the Commitment Amount after giving effect to the amendments set forth herein.
6. **Conditions Precedent.** This Eleventh Amending Agreement will become effective upon the receipt of the following items by the Agent on behalf of the Lenders:
- (a) a fully executed copy of this Eleventh Amending Agreement;
  - (b) an Approved Forecast of the Borrower dated from August 2021, in form and substance satisfactory to all of the Lenders;
  - (c) a certified copy of an amendment to the Second Lien Financing Agreement which confirms the maturity date thereunder is no sooner than July 31, 2022 (subject to the same terms and conditions that are applicable to the extension of the Revolving Period as set out in the definition thereof) and that there are no other material changes thereto; and
  - (d) the receipt thereof by the Agent of the payment of fees set forth in Section 5 hereof.
7. **Acknowledgement re: Second Lien Credit Documents**
- The parties hereto hereby acknowledge, confirm and agree that upon the consummation of the Gray Family Transactions, and to the extent that all of the Second Lien Indebtedness is converted into common equity in the Parent in accordance with the Second Lien Equity Conversion, certain provisions (the “**Second Lien Provisions**”) set forth in the Credit Agreement relating to the Second Lien Documents and the Second Lien Indebtedness thereunder shall cease to be applicable. The Parties hereby agree to negotiate in good faith a further amendment to the Credit Agreement to remove such Second Lien Provisions promptly and in any event within 30 days after the closing of the Gray Family Transactions.
8. **Representations and Warranties.** The Borrower hereby reaffirms to the Agent and Lenders that, as of the Eleventh Amendment Date, its representations and warranties contained in Section 12.1 of the Credit Agreement, except to the extent such representations and warranties relate solely to an earlier date, are true and correct in all material respects and additionally represents and warrants as follows:

- (a) the execution and delivery of this Eleventh Amending Agreement and the performance by it of its obligations under this Eleventh Amending Agreement (i) are within its corporate powers, (ii) have been duly authorized by all necessary corporate action, (iii) have received all necessary governmental approvals (if any are required), and (iv) do not and will not contravene or conflict with any provision of applicable law or of its constating documents or by-laws;
  - (b) this Eleventh Amending Agreement is a legal, valid and binding obligation of it, enforceable in accordance with its terms except as such enforcement may be limited by applicable bankruptcy, insolvency, reorganization, winding-up, moratorium or similar laws relating to the enforcement of creditors' rights generally and by general principles of equity; and
  - (c) the aggregate outstanding principal amount Second Lien Indebtedness as of the Eleventh Amendment Date is \$39,341,529.
9. **Continuing Effect.** Each of the Parties hereto acknowledges and agrees that the Credit Agreement (as amended by this Eleventh Amending Agreement), the Security and all other documents entered into in connection therewith, continue in full force and effect and are hereby confirmed and the rights and obligations of all Parties thereunder will not be effected or prejudiced in any manner except as specifically provided herein.
10. **Further Assurances.** The Borrower will from time to time forthwith at the Agent's request and at the Borrower's own cost and expense make, execute and deliver, or cause to be done, made, executed and delivered, all such further documents, financing statements, assignments, acts, matters and things which may be reasonably required by the Agent and as are consistent with the intention of the Parties as evidenced herein, with respect to all matters arising under this Eleventh Amending Agreement.
11. **Governing Law.** This Eleventh Amending Agreement will be governed by and construed in accordance with the Laws in force in the Province of Alberta from time to time.
12. **Expenses.** The Borrower will pay or reimburse the Agent and Lenders, as applicable, for the reasonable out of pocket expenses, including reasonable legal fees and disbursements (on a solicitor and his own client full indemnity basis) and enforcement costs, incurred by the Agent and Lenders, as applicable, in connection with the negotiation, preparation, execution and maintenance of the Credit Agreement and of this Eleventh Amending Agreement (whether or not consummated).
13. **Release.** In consideration of, among other things, the Agent and Lenders' execution and delivery of this Agreement, the Borrower, on behalf of itself the other Loan Parties, and its and their agents, representatives, officers, directors, advisors, employees, subsidiaries, affiliates, successors and assigns (collectively, "**Releasors**"), hereby forever waives, releases and discharges, to the fullest extent permitted by applicable law, each Releasee (as hereinafter defined) from any and all claims (including, without limitation, crossclaims, counterclaims, claims of lender liability, rights of set-off and recoupment), actions, causes of action, suits, debts, accounts, interests, liens, promises, warranties, damages and

consequential damages, demands, judgments, executions, costs, expenses or claims whatsoever (collectively, the “**Claims**”), that such Releasor now has or hereafter may have, of whatsoever nature and kind, whether known or unknown, whether arising at law or in equity, against the Agent and each of the Lenders in any capacity and its affiliates, subsidiaries, shareholders and “controlling persons” (within the meaning of any applicable Laws), and their respective successors and assigns and each and all of the officers, directors, employees, agents, attorneys and other representatives of each of the foregoing (collectively, the “**Releasees**”), in each case based in whole or in part on facts, whether or not now known, existing before the date hereof, and that relate to, arise out of or otherwise are in connection with:

- (a) any or all of the Indebtedness, the Documents, the transactions contemplated hereby thereby and any other actions or omissions in connection therewith; and
- (b) any aspect of the dealings or relationships between or among the Releasors, on the one hand, and the Releasees, on the other hand, relating to any or all of the indebtedness, documents, transactions, actions or omissions referenced in clause (a) above;

and the Borrower is not aware of any such Claims against any of the Releasees. The entering into of this Agreement by the Borrower shall constitute a ratification, adoption, and confirmation by such Parties of the foregoing general release of such Claims against the Releasees that are based in whole or in part on facts, whether or not now known or unknown. In entering into this Agreement, the Borrower consulted with, and has been represented by, legal counsel and expressly disclaims any reliance on any representations, acts or omissions by any of the Releasees and hereby agrees and acknowledges that the validity and effectiveness of the releases set forth above do not depend in any way on any such representations, acts and/or omissions or the accuracy, completeness or validity hereof. The Borrower, on behalf of itself and all other Releasors, hereby absolutely, unconditionally and irrevocably, covenants and agrees with and in favor of each Releasee that it will not sue (at law, in equity, in any regulatory proceeding or otherwise), and will not encourage or support, directly or indirectly, any other Releasor or other person in suing, or commencing any proceedings or exercising or purporting to exercise rights or remedies against, any Releasee on the basis of any Claim released, remised and discharged by the Borrower hereunder. The provisions of this Section 13 shall survive the termination of this Agreement, the Credit Agreement, and the other Documents, and payment in full of the Indebtedness.

14. **Counterparts.** This Eleventh Amending Agreement may be executed in any number of counterparts (including by facsimile or other electronic transmission), each of which when executed and delivered will be deemed to be an original, but all of which when taken together constitutes one and the same instrument. Any party hereto may execute this Eleventh Amending Agreement by signing any counterpart. The words “execution”, “execute”, “executed”, “signed”, “signature” and words of like import in this Eleventh Amending Agreement or in or related to any document to be signed in connection with this Eleventh Amending Agreement and the transactions contemplated hereby, shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which

shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, in accordance with applicable law including, without limitation, as in provided Parts 2 and 3 of the *Personal Information Protection and Electronic Documents Act* (Canada), the *Electronic Commerce Act, 2000* (Ontario), the *Electronic Transactions Act* (Alberta), or any other similar laws based on the *Uniform Electronic Commerce Act of the Uniform Law Conference of Canada*. The Agent may, in its discretion, require that any such documents and signatures executed electronically or delivered by fax or other electronic transmission be confirmed by a manually-signed original thereof; provided that the failure to request or deliver the same shall not limit the effectiveness of any document or signature executed electronically or delivered by fax or other electronic transmission.

*[Remainder of page intentionally left blank. Signature pages follow.]*

**IN WITNESS WHEREOF**, the parties hereto have caused this Eleventh Amending Agreement to be duly executed by their respective authorized officers effective as of the Eleventh Amendment Date.

**PETRUS RESOURCES CORP.**

By: “Signed”  
Name: \_\_\_\_\_  
Title:

**THE TORONTO-DOMINION BANK, as  
Agent**

By: “Signed”  
Name: \_\_\_\_\_  
Title:

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title:

**THE TORONTO-DOMINION BANK, as  
Lender**

By: “Signed”  
Name: \_\_\_\_\_  
Title:

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title:

**CANADIAN IMPERIAL BANK OF  
COMMERCE, as Lender**

By: “Signed”  
Name: \_\_\_\_\_  
Title:

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title:

**ROYAL BANK OF CANADA**, as Lender

By: “Signed”

Name:

Title:

By: \_\_\_\_\_

Name:

**NATIONAL BANK OF CANADA, as  
Lender**

By: “Signed”  
Name: \_\_\_\_\_  
Title:

By: \_\_\_\_\_  
Name:

**EXHIBIT 1 TO THE ELEVENTH AMENDING AGREEMENT**

**SCHEDULE B  
PETRUS RESOURCES CORP.  
SECOND AMENDED AND RESTATED CREDIT AGREEMENT  
DATED MARCH 22, 2016**

**COMMITMENTS OF LENDERS**

**CDN.\$**

<b><u>Lender</u></b>	<b><u>Operating Facility Commitment Amount</u></b>	<b><u>Syndicated Facility Commitment Amount</u></b>		<b><u>Total</u></b>
		<b><u>Tranche 1</u></b>	<b><u>Tranche 2</u></b>	
The Toronto-Dominion Bank	redacted	redacted	redacted	redacted
Canadian Imperial Bank of Commerce	redacted	redacted	redacted	redacted
Royal Bank of Canada	redacted	redacted	redacted	redacted
National Bank of Canada	redacted	redacted	redacted	redacted
Total	redacted	redacted	redacted	redacted

**EXHIBIT 2 TO THE ELEVENTH AMENDING AGREEMENT**

**SCHEDULE L  
PETRUS RESOURCES CORP.  
SECOND AMENDED AND RESTATED CREDIT AGREEMENT  
DATED MARCH 22, 2016**

**Timelines and Milestones:**

1. The Borrower shall engage, at its own expense, an investment advisor (the “**Investment Advisor**”), satisfactory to the Majority Lenders, acting reasonably, on terms and conditions set forth in an engagement letter satisfactory to the Majority Lenders, acting reasonably, by no later than October 1, 2021 (or such later date as may be agreed to by all of the Lenders in their sole discretion) (the “**SISP Launch Date**”), to conduct a broad based formal process in respect of one or more possible transactions for purposes of obtaining letters of intent and expressions of interest in respect of a potential SISP Transaction (the “**Process**”).
2. A virtual data room in respect of the Borrower and its assets shall be established by such investment advisor and the Borrower by no later than 10 days after the SISP Launch Date.
3. The Process will be launched by no later than 17 days after the SISP Launch Date.
4. The Borrower and the Investment Advisor shall receive and deliver to the Agent, on behalf of all of the Lenders, all letters of intent and expressions of interest received for potential SISP Transactions in connection with such process by no later than 60 days after the SISP Launch Date (the “**Bid Deadline**”).
5. A SISP Transaction shall be consummated by not later than 90 days after the SISP Launch Date.

**EXHIBIT 3 TO THE ELEVENTH AMENDING AGREEMENT**

**SCHEDULE M  
PETRUS RESOURCES CORP.  
SECOND AMENDED AND RESTATED CREDIT AGREEMENT  
DATED MARCH 22, 2016**

**APPROVED FORECAST**

**Guarantors Acknowledgment**

Petrus Resources Ltd. and Petrus Resources Inc. (collectively, the “**Guarantors**” and each a “**Guarantor**”) each hereby acknowledge and consent to the Eleventh Amending Agreement to which it is attached and hereby acknowledge, agree and confirm that each of the guarantees dated February 2, 2016, as the same have subsequently been confirmed from time to time prior to the Eleventh Amendment Date, provided by each Guarantor to the Agent (the “**Guarantees**”) and all representations, warranties, covenants and other obligations set forth therein are binding on them and continue in full force and effect as a joint and several guarantee of all of the indebtedness, liabilities and obligations of the Borrower to the Petrus Lenders (as such term is defined in the Guarantees). Each such Guarantor hereby restates the terms set forth in the Guarantee to which it is a party to the extent necessary under the applicable law to give effect to the foregoing. Each such Guarantor hereby further acknowledges and agrees that all Security granted by it to the Agent for its own benefit and on behalf of the Petrus Lenders and others in connection with the Guarantees, the Credit Agreement and any other documents executed and delivered pursuant thereto or in connection therewith, including confirmations and acknowledgements thereof, continue in full force and effect, without in any way impairing or derogating from any of the mortgages, pledges, charges, assignments, security interests and covenants therein contained or thereby constituted, as continuing security for all indebtedness, liabilities and other obligations of each such Guarantor under each Guarantee and each other Document to which it is a party.

PETRUS RESOURCES LTD.

PETRUS RESOURCES INC.

By: “Signed”  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

By: “Signed”  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_