EXECUTION VERSION

UNDERWRITING AGREEMENT

May 24, 2018

BMO Nesbitt Burns Inc.

Suite 900, 525 – 8th Avenue SW
Calgary, Alberta T2P 1G1

and

Scotia Capital Inc.

Scotia Plaza, 68th Floor
40 King Street West
Toronto, Ontario M5H 1H1

and

AltaCorp Capital Inc.

585 – 8th Avenue SW
Suite 410
Calgary, Alberta T2P 1G1

and

Cormark Securities Inc.

Suite 4800, 525 – 8th Avenue SW
Calgary, Alberta T2P 1G1

and

Canaccord Genuity Corp.

Brookfield Place
161 Bay Street, 30th Floor
Toronto, Ontario M5J 2S8

and

CIBC World Markets Inc.

Brookfield Place
161 Bay Street, 5th Floor
Toronto, Ontario M5J2S8

Dear Sirs/Mesdames:

Source Energy Services Canada LP (the "**LP Issuer**") and Source Energy Services Canada Holdings Ltd. (the "**SES Issuer**", and together with the LP Issuer, the "**Issuers**") propose to create, issue and sell to BMO Nesbitt Burns Inc. ("**BMO**"), Scotia Capital Inc. ("**Scotia**" and, together with BMO, the "**Bookrunners**"), AltaCorp Capital Inc., Cormark Securities Inc., Canaccord Genuity Corp. and CIBC World Markets Inc. (together with BMO and Scotia, the "**Underwriters**"), $50 million aggregate principal amount of 10.5% senior secured first lien notes due 2021 (the "**Notes**") having the material attributes described in the Offering Memorandum (as defined below). The Issuers are direct or indirect subsidiaries of Source Energy Services Ltd. (the "**Company**"). The obligations of each Issuer under the Notes (when issued), the Existing Notes (as defined below), the Indenture (as defined below) and the Supplemental Indenture (as defined below) are fully and unconditionally guaranteed (the "**Note Guarantees**"), jointly and severally, on a senior secured first lien basis, by each of the entities set forth at Schedule "A" hereto (collectively, the "**Guarantors**"). The Notes will be issued pursuant to an indenture dated December 8, 2016 between the Issuers and Computershare Trust Company of Canada, as trustee (in such capacity, the "**Trustee**") for the holders of the Notes and Computershare Trust Company of Canada, as collateral agent (the "**Collateral Agent**") for the holders of the Notes and the holders of any Permitted Additional Pari Passu Obligations (as defined below), as supplemented by a supplemental indenture (the "**Supplemental Indenture**") to be entered into as of the Closing Date (collectively, the "**Indenture**"). The Notes will, upon issue, be treated as a single series with the $130,000,000 aggregate principal amount of 10.5% senior secured first lien notes due 2021 issued December 8, 2016 (the "**Existing Notes**") for all purposes under the Indenture as supplemented by the Supplemental Indenture.

The Notes are being offered and sold on a private placement basis (i) in each of the Provinces of Canada in reliance on and in accordance with NI 45-106 (as defined below) pursuant to exemptions from the prospectus requirements under Canadian securities legislation, and (ii) in the United States, without being registered under the United States Securities Act of 1933, as amended (the "**1933 Securities Act**"), to QIBs (as defined herein) in compliance with the exemption from registration provided by Rule 144A under the 1933 Securities Act ("**Rule 144A**") ((i) and (ii) collectively, the "**Offering**"). No Notes will be offered or sold pursuant to this Agreement in any country other than Canada or the United States. The terms of the Notes (when issued) and the Note Guarantees and the Indenture require that investors that acquire Notes expressly agree that the Notes may only be resold or otherwise transferred, after the Closing Time, if such Notes are registered for sale under the 1933 Securities Act or if an exemption from the registration requirements of the 1933 Securities Act is available (including the exemptions afforded by Rule 144A or Regulation S ("**Regulation S**") thereunder). In connection with the Offering, the Issuers have prepared a preliminary offering memorandum dated May 23, 2018 (including all schedules and appendices thereto, the "**Preliminary Offering Memorandum**"), a pricing supplement in the form attached hereto as Schedule "B" (the "**Pricing Supplement**") dated the date hereof, and a final offering memorandum, dated the date hereof (including documents incorporated by reference therein and all schedules and appendices thereto, the "**Offering Memorandum**"). The Preliminary Offering Memorandum, considered together with the Pricing Supplement, is herein referred to as the "**Pricing Disclosure Package**".

The obligations of the Guarantors under the Note Guarantees and the obligations under the Notes (when issued) and the Indenture of each Issuer are secured equally and ratably (together with any Permitted Additional Pari Passu Obligations) by (i) first-priority Liens, subject to Permitted Liens (as defined in the Offering Memorandum), in the Note Priority Collateral (as

defined in the Offering Memorandum), and (ii) second-priority Liens, subject to Permitted Liens, in the Existing ABL Facility Priority Collateral (as defined in the Offering Memorandum), in each case, whether owned as at the date hereof or hereafter acquired, subject to certain limited exceptions set out in the Security Agreement (as defined below) (collectively, the "**Collateral**"). The Collateral was pledged pursuant to a security agreement dated as of December 8, 2016 among the Issuers, the Guarantors and the Collateral Agent (as amended, modified, restated, supplemented or replaced from time to time in accordance with its terms, the "**Security Agreement**"). The Security Agreement, together with the Intercreditor Agreement (as defined below) and all security agreements, pledges, collateral, assignments, and one or more mortgages, deeds of trust or deeds to secure Indebtedness (as defined below), instruments evidencing or creating or purporting to create any security interests or other grants or transfers for security executed and delivered by either Issuer or any Guarantor to the Collateral Agent for the benefit of the Collateral Agent, the Trustee, the holders of the Notes and the holders of any Permitted Additional Pari Passu Obligations, in all or any portion of the Collateral, are referred to herein as the "**Security Documents**".

The Collateral Agent (in its capacity as Trustee and Collateral Agent), on behalf of the holders of Notes and the holders of any Permitted Additional Pari Passu Obligations, the Existing ABL Facility Collateral Agent (as defined in the Offering Memorandum), on behalf of the holders of the Existing ABL Facility Obligations (as defined in the Offering Memorandum), the Issuers and the Guarantors entered into an intercreditor agreement (the "**Intercreditor Agreement**"), dated as of December 8, 2016, that sets forth the relative priority of the Existing ABL Facility Liens (as defined in the Offering Memorandum) and the Note Liens (as defined in the Offering Memorandum), as well as certain other rights, priorities and interests of the holders of the Notes and any Permitted Additional Pari Passu Obligations and the holders of the Existing ABL Facility Obligations.

This Agreement, the Supplemental Indenture, the Notes issued at Closing, the Note Guarantees and the Security Documents are referred to in this Agreement collectively as the "**Operative Documents**".

Capitalized terms used but not defined above have the meanings ascribed to those terms in Subsection 1(1) of this Agreement.

1. Definitions.

(1) Where used in this Agreement, or in any amendment hereto, the following terms have the following meanings, respectively:

"**1934 Securities Act**" has the meaning given to such term in Subsection 9(1)(eee);

"**affiliate**" has the meaning ascribed to such term in NI 45-106;

"**Agreement**", "**hereto**", "**herein**", "**hereby**", "**hereunder**", "**hereof**" and similar expressions refer to this Underwriting Agreement and not to any particular section, Subsection, clause, subdivision or other portion hereof and include any and every instrument supplemental or ancillary hereto;

"**Anti-Money Laundering Laws**" has the meaning given to such term in Subsection 9(1)(yy);

"**Apex Reports**" means, collectively, the Sumner APEX Report, the Blair APEX Report and the Preston APEX Report, each of which has the meaning given to such term in the Offering Memorandum;

"**Auditors**" means PricewaterhouseCoopers LLP, the auditors for the Company;

"**Blair Facility**" has the meaning given to such term in the Offering Memorandum;

"**Business Day**" means any day other than a Saturday, Sunday or other day on which banking institutions in the Province of Alberta or the Province of Ontario are authorized or required by Law to close;

"**Claim**" has the meaning given to such term in Subsection 16(1);

"**Closing**" means the completion of the issue and sale by the Issuers of the Notes pursuant to this Agreement;

"**Closing Date**" means May 31, 2018 or such other date as may be agreed to in writing by the Issuers and the Underwriters, in each case, acting reasonably;

"**Closing Time**" means 10:00 a.m. (Calgary time) on the Closing Date, or any other time on the Closing Date as may be agreed to by the Issuers and the Underwriters;

"**Constating Documents**" in respect of any Person means any shareholder agreement, articles, by-laws, partnership agreement or any equivalent constating or governing document of such Person;

"**Defaulted Notes**" has the meaning given to such terms in Subsection 14(2);

"**Depository**" means CDS Clearing and Depository Services Inc., or any successors thereto;

"**Directed Selling Efforts**" means "directed selling efforts" within the meaning of Rule 902 of Regulation S;

"**distribution**" means "**distribution**" or "**distribution to the public**", which terms have the meanings attributed thereto under the Securities Laws;

"**Due Diligence Sessions**" means, collectively, the due diligence session held in connection with the Offering on May 22, 2018 and the bring-down due diligence sessions held on May 23, 2018, May 24, 2018 and expected to be held on May 31, 2018, or such other date as may be agreed to by the Issuers and the Underwriters;

"**Employment Laws**" has the meaning given to such term in Subsection 9(1)(cc);

"**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 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 or Conditions;

"**Environmental Permits**" has the meaning given to such term in Subsection 9(1)(z);

"**Existing ABL Facility**" means the operating facility and standby letter of credit facility of the LP Issuer with a syndicate of banks for which The Bank of Montreal acts as administrative agent in an aggregate principal amount of $88,000,000 and US$5,000,000 respectively;

"**Final U.S. Private Placement Memorandum**" means the Offering Memorandum, as supplemented with "wrap" pages describing, among other things, restrictions imposed under the 1933 Securities Act, to be delivered to any offerees and purchasers of the Notes in the United States;

"**Financial Statements**" means (i) the audited consolidated financial statements of the Company as at December 31, 2017 and 2016 and for the years ended December 31, 2017 and 2016 and the notes thereto together with the independent auditor's report thereon; and (ii) the unaudited consolidated financial statements of the Company as at and for the three months ended March 31, 2018 and 2017, all as incorporated by reference in the Offering Memorandum;

"**General Solicitation**" and "**General Advertising**" mean "general solicitation" and "general advertising", respectively, within the meaning of Rule 502(c) of Regulation D;

"**Governmental Authority**" means any government, parliament, legislature, or any regulatory authority, agency, commission or board of any government, parliament or legislature, or any court or (without limitation to the foregoing) any other Law, regulation or rule-making entity (including, without limitation, any stock exchange, securities regulatory authority, central bank, fiscal or monetary authority or authority regulating banks), having jurisdiction in the relevant circumstances;

"**Hazardous Materials or Conditions**" means any material, substance (including, without limitation, pollutants, contaminants, hazardous or toxic substances or wastes) or condition that is regulated by or may give rise to liability under any Environmental Laws;

"**IFRS**" means International Financial Reporting Standards as issued by the International Accounting Standards Board and implemented in Canada through the Accounting Recommendations in the Chartered Professional Accountants of Canada Handbook;

"**Indebtedness**" has the meaning given to such term in the Offering Memorandum;

"**Indemnified Persons**" has the meaning given to such term in Subsection 16(1);

"**Intellectual Property**" has the meaning given to such term in Subsection 9(1)(x);

"**Investor Presentation**" means the investor presentation dated May 2018 used in connection with the marketing of the Offering;

"**Issuers' Counsel**" means Norton Rose Fulbright Canada LLP, Canadian legal counsel to the Issuers and Norton Rose Fulbright US LLP, Thompson & Knight LLP, Weld Riley SC and McGee Hankla & Backes, PC, United States counsel to the Issuers;

"**Knowledge of the Company**" and similar phrases means the actual knowledge of any of Brad Thomson – Chief Executive Officer, Derren Newell – Chief Financial Officer, Scott Melbourn – Chief Operating Officer, Joe Jackson – Senior Vice President, Commercial Development and Orson Ross – Vice President, Finance;

"**Law**" means any and all applicable laws, including all federal, provincial, state and local statutes, codes, ordinances, decrees, rules, regulations and municipal by-laws and all judicial, arbitral, administrative, ministerial, or regulatory judgments, orders, directives, decisions, rulings or awards of any Governmental Authority, all having the force of law, binding on or affecting the Person referred to in the context in which the term is used;

"**Lien**" has the meaning given to such term in the Offering Memorandum;

"**Material Adverse Effect**" or "**Material Adverse Change**" means any effect, change, fact, event or occurrence that, alone or in conjunction with any other or others, (i) is materially adverse to the results of operations, condition (financial or otherwise), business, assets, properties, capital, affairs, liabilities or obligations (absolute, contingent or otherwise), cash flow, income, prospects or results of the Issuers and the Guarantors, taken as a whole, (ii) is materially adverse to the completion of the transactions contemplated by this Agreement; or (iii) would result in the Offering Memorandum or the Final U.S. Private Placement Memorandum, or any amendment thereof, containing a misrepresentation;

"**Material Assets**" means all of the material property (including material Real Property Interests) and assets of the Issuers and Guarantors, as applicable, including without limitation, all Mining Rights, all mineral resources, the Blair Facility, the Preston Facility, the Sumner Facility, the Weyerhaeuser Facility (each facility as defined in the Offering Memorandum), the Sahara Units (as defined in the Offering Memorandum), all rail load out and trans-loading facilities and all terminals;

"**material change**", "**material fact**" and "**misrepresentation**" shall have the meanings ascribed to such terms under Securities Laws;

"**Mining Rights**" means all prospecting, exploration, development, ingress, egress, access and surface rights, mining and mineral rights, concessions, claims, licenses, leases, permits, access rights, consents, approvals, authorizations and all other rights and interests necessary to explore for, develop, mine, produce, process or refine minerals, concentrates or ores for development purposes on the properties of the Issuers and the Guarantors;

"**NI 43-101**" means National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* of the Canadian Securities Administrators;

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

"**NI 51-102**" means National Instrument 51-102 – *Continuous Disclosure Obligations* of the Canadian Securities Administrators;

"**NI 52-109**" means National Instrument 52-109 – *Certification of Disclosure in Issuers' Annual and Interim Filings*;

"**OFAC**" has the meaning given to such terms in Subsection 9(1)(aaa);

"**Offering Jurisdictions**" means each of the Provinces of Canada and the United States;

"**Permitted Additional Pari Passu Obligations**" has the meaning given to such term in the Offering Memorandum;

"**Permitted Lien**" has the meaning given to such term in the Offering Memorandum;

"**Person**" means any individual, partnership, limited partnership, limited liability company, joint venture, syndicate, sole proprietorship, company or corporation with or without share capital, unincorporated association, trust, trustee, executor, administrator or other legal personal representative, regulatory body or agency, government or governmental agency, authority or entity however designated or constituted;

"**PPSA**" means the *Personal Property Security Act* (Alberta), as amended, its regulations in effect from time to time and any analogous legislation in any other jurisdiction;

"**Preferred Acquisition**" means the Company's (indirect) acquisition of certain assets and operations of Preferred Proppants LLC, which closed on November 7, 2017;

"**President's List**" means the president's list provided by the Company to the Bookrunners on the date hereof;

"**Preston Facility**" has the meaning given to such term in the Offering Memorandum;

"**Proceedings or Liabilities**" has the meaning given to such term in Subsection 16(1);

"**Purchaser**" means any Person who shall purchase Notes pursuant to the Offering;

"**QIB**" has the meaning given to such term in Subsection 10(1)(f);

"**Real Property Interests**" has the meaning given to such term in Subsection 9(1)(u)(i);

"**Regulation D**" has the meaning given to such term in Subsection 9(1)(fff);

"**SEC**" means the U.S. Securities and Exchange Commission;

"**Securities Commissions**" means the securities commissions or similar securities regulatory authorities in each of the Canadian Offering Jurisdictions;

"**Securities Laws**" means, collectively, all securities laws in each of the Offering Jurisdictions applicable in connection with the Offering and the respective rules and regulations made thereunder, together with applicable multilateral or national

instruments, orders, rulings, rules and other regulatory instruments issued or adopted by each of the Securities Commissions;

"**Solvent**" has the meaning given to such term in Subsection 9(1)(hhh);

"**Source GP**" means the general partner of the LP Issuer, Source Energy Services Canada LP GP Ltd.;

"**Source US**" means Source Energy Services US LP;

"**Source US GP**" means the general partner of Source US, Source Energy Services US II LP GP Ltd.;

"**Subsidiary**" has the meaning given to such term in the Offering Memorandum;

"**Sumner Facility**" has the meaning given to such term in the Offering Memorandum;

"**Supplementary Material**" means, collectively, the Investor Presentation and any amendment to the Preliminary Offering Memorandum or the Offering Memorandum;

"**UCC**" means the Uniform Commercial Code as in effect in the State of New York;

"**Underwriter Information**" has the meaning given to such term in Subsection 9(1)(a);

"**Underwriters' Counsel**" means Blake, Cassels & Graydon LLP, Canadian legal counsel to the Underwriters;

"**Underwriters' Fee**" has the meaning given to such term in section 4; and

"**U.S. Private Placement Memorandum**" means the Preliminary Offering Memorandum or the Offering Memorandum, as the case may be, supplemented with "wrap" pages describing, among other things, restrictions imposed under the 1933 Securities Act.

(2) Unless otherwise indicated, all references to monetary amounts in this Agreement are to lawful money of Canada.

(3) Any reference in this Agreement to a schedule, section, paragraph, subsection, subparagraph, clause or subclause will refer to a schedule, section, paragraph, subsection, subparagraph, clause or subclause of this Agreement.

(4) The schedules hereto are incorporated into this Agreement by reference and are deemed to be a part hereof.

(5) Unless otherwise expressly provided in this Agreement, words importing the singular number include the plural and vice versa and words importing gender include all genders and the gender neutral.

2. Sale to Underwriters of the Notes.

Subject to the terms and conditions of this Agreement, the Issuers agree to sell to the Underwriters, and each of the Underwriters agree, severally (and not jointly or jointly and severally), to purchase from the Issuers at a purchase price of 105.75% of the aggregate

principal amount of the Notes, plus accrued interest, if any, the respective percentages of the aggregate principal amount of Notes set forth opposite the names of the Underwriters in Subsection 14(1) of this Agreement and to solicit offers to purchase the Notes in the Offering Jurisdictions.

3. Creation and Issue of the Notes.

(1) The Issuers will duly and validly create, authorize and issue the Notes. The Notes will be created and issued under, and governed by, the Supplemental Indenture and dated as of the Closing Date and shall have the attributes and characteristics described in the Pricing Disclosure Package and the Offering Memorandum.

(2) The Supplemental Indenture and any other documentation establishing the attributes of the Notes shall be satisfactory to the Underwriters and Underwriters' Counsel, acting reasonably.

4. Underwriters' Fee.

In consideration of the services rendered and to be rendered by the Underwriters in connection with the Offering, including, without limitation: (A) acting as financial advisors to the Issuers; (B) forming and managing banking, selling and other groups for the sale of the Notes; (C) advising on the final terms and conditions of the Notes; (D) offering the Notes for sale; (E) performing administrative work in connection with these matters; and (F) all other services arising out of this Agreement, the Issuers agree to pay to the Underwriters at the Closing Time an aggregate fee equal to [redacted] (or, in the case of not more than [redacted] aggregate principal amount of Notes sold to Purchasers identified in the President's List, [redacted]) of the aggregate gross proceeds received by the Issuers from the sale of the Notes under the Offering (the "**Underwriters' Fee**"). The Underwriters' Fee shall be inclusive of a 10% work fee (the "**Work Fee**") payable to the Bookrunners, with 60% of the Work Fee payable to BMO and 40% of the Work Fee payable to Scotia, in each case prior to payment of any portion of the remainder of the Underwriters' Fee to the other Underwriters.

5. Sale on Exempt Basis.

(1) The Issuers will file or cause to be filed all documents required to be filed by it in connection with the transactions contemplated by this Agreement so that the Offering may be effected in a manner exempt from the prospectus requirements of the Securities Laws.

(2) None of the Issuers, the Company, the Underwriters nor any of their respective affiliates shall provide to prospective Purchasers any document or other material that would constitute an offering memorandum within the meaning of Securities Laws other than the Preliminary Offering Memorandum, the Pricing Disclosure Package, any Supplementary Material, the Offering Memorandum, or other documents agreed upon in writing by the Issuers, the Company and the Underwriters, and the Offering will not be advertised in any newspaper, magazine, printed media or similar medium of general and regular paid circulation, broadcast over radio or television or by means of the internet and no seminar or meeting relating to the Offering whose attendees have been invited by General Solicitation or advertising will be conducted.

(3) The Underwriters will use all commercially reasonable efforts to complete the distribution of the Notes as soon as possible and shall promptly notify the Issuers when, in their opinion, they have ceased distribution of the Notes.

(4) The obligations of the Underwriters under this Section 5 are several and not joint or joint and several. None of the Underwriters will be liable for any act, omission, default or conduct by any other Underwriter or any selling firm appointed solely by such other Underwriter.

6. Due Diligence.

The Issuers shall allow the Underwriters and Underwriters' Counsel to conduct all due diligence investigations, including meeting with senior management and the Auditors, which in the opinion of the Underwriters are reasonably required in order to enable the Underwriters to fulfill their obligations hereunder and under the Securities Laws.

7. Deliveries by the Issuers.

(1) The Issuers shall deliver or cause to be delivered without charge to the Underwriters and Underwriters' Counsel, promptly upon the request of the Underwriters or Underwriters' Counsel:

(a) copies of the Preliminary Offering Memorandum, the Offering Memorandum and the Pricing Supplement once finalized; and

(b) copies of any Supplementary Material, as applicable, once prepared.

(2) The deliveries referred to in Subsections 7(1)(a) and (b) shall also constitute the consent of the Issuers to the use by the Underwriters of such material in connection with the Offering in accordance with Securities Laws and with this Agreement.

8. Material Change.

(1) During the period from the date of this Agreement until Closing and subject to Securities Laws, the Issuers will promptly inform the Underwriters of the full particulars of:

(a) any material change (actual, anticipated or, to the Knowledge of the Company, threatened) in or affecting the business, operations, capital or long-term debt, properties, assets, liabilities or obligations (absolute, accrued, contingent or otherwise), condition (financial or otherwise) or results of operations of the Issuers and the Guarantors (taken as a whole);

(b) any change in any material fact contained or referred to in the Preliminary Offering Memorandum, the Offering Memorandum, the Pricing Disclosure Package or any Supplementary Material;

(c) the occurrence or discovery of a fact or event, which, in any such case, is, or may be, of such a nature as to:

(i) result in a misrepresentation in the Preliminary Offering Memorandum, the Offering Memorandum, the Pricing Disclosure Package or any Supplementary Material; or

(ii) result in the Preliminary Offering Memorandum, the Offering Memorandum, the Pricing Disclosure Package or any Supplementary Material not complying in any material respect with Securities Laws.

(2) The Issuers shall in good faith discuss with the Bookrunners any change in a fact, events or circumstances (actual, proposed or prospective) which is of such a nature that there is reasonable doubt whether notice need be given to the Underwriters pursuant to this Section 8.

(3) During the period from the date of this Agreement until Closing, subject to Securities Laws, the Issuers will promptly inform the Underwriters of the full particulars of:

(a) the issuance by any Securities Commission, securities exchange, the SEC or other similar regulatory authority of any order to cease or suspend trading of any securities of the Issuers or the Company or, to the extent permitted by Securities Laws, of the institution or threat of institution of any proceedings for that purpose; or

(b) the receipt by the Issuers or the Company of any order, request or communication of any Securities Commission, securities exchange, the SEC or other similar regulatory authority or any other competent authority preventing or suspending the use of, or otherwise relating to, the Preliminary Offering Memorandum, the Offering Memorandum, the Pricing Disclosure Package or any Supplementary Material, or preventing or suspending, or otherwise relating to, the Offering.

(4) The Issuers shall not file or distribute, or cause to be filed or distributed, any Supplementary Material without first obtaining the approval of the Bookrunners, not to be unreasonably withheld, with respect to the form and content thereof.

9. Representations and Warranties.

(1) Each of the Issuers represents and warrants to the Underwriters that:

(a) as of the date of delivery to the Underwriters of the Offering Memorandum or any Supplemental Material, and at 1:00 p.m. on May 24, 2018 in the case of the Pricing Disclosure Package, (i) the information and statements (other than any information or statement relating solely to the Underwriters (or any of them) and furnished to the Issuers by or on behalf of the Underwriters (or any of them) expressly for inclusion in the Preliminary Offering Memorandum, the Offering Memorandum, the Pricing Disclosure Package or any Supplementary Material (collectively, the "**Underwriter Information**")) contained in the Preliminary Offering Memorandum, the Offering Memorandum, the Pricing Disclosure Package and any Supplementary Material are true and correct in all material respects and contain no misrepresentation and constitute full, true and plain disclosure of all material facts relating to the Offering, and (ii) the Preliminary Offering Memorandum, the Offering Memorandum, the Pricing Disclosure

Package and any Supplementary Material (other than the Underwriter Information for which no such representation is made) do not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading (within the meaning of U.S. federal securities laws);

(b) except with respect to the Underwriter Information, the Preliminary Offering Memorandum, the Offering Memorandum, the Pricing Disclosure Package, and all Supplementary Material, as of their respective dates of delivery to the Underwriters, comply with Canadian Securities Laws;

(c) except as contemplated by this Agreement and as otherwise disclosed in the Pricing Disclosure Package and the Offering Memorandum, since December 31, 2017: (i) there has been no change, event or occurrence that has had or would reasonably be expected to have a Material Adverse Effect; (ii) there have been no transactions entered into by the Issuers, the Company or any of the Guarantors which are material with respect to the Issuers, the Company and the Guarantors, taken as a whole, other than those in the ordinary course of business; and (iii) there has been no dividend or distribution of any kind declared, paid or made by the Issuers on any class of its shares;

General Matters

(d) each of the Issuers, Source GP, Source US GP, the Company and each of the Guarantors (i) is an entity which has been duly created, organized, incorporated, amalgamated, formed or continued, as the case may be, and is valid and subsisting under the laws of the jurisdiction of its organization and is properly registered or licensed to carry on business under the laws of all jurisdictions in which its business is carried on, as the case may be, and if applicable, in good standing in all other jurisdictions in which its ownership or lease of property or the conduct of its business requires such registration or licensing, except where the failure to be so registered or licensed or be in good standing would not reasonably be expected to have a Material Adverse Effect, and (ii) has all requisite power, capacity and authority to carry on its business as currently conducted, to own, lease and operate its properties and assets and, as applicable, to execute, deliver and enter into and perform its obligations under its Constating Documents and any of the Operative Documents to which it is a party;

(e) other than as disclosed in the Offering Memorandum, the Company is the direct or indirect owner of all of the issued and outstanding shares, limited partnership units and ownership interests of each Issuer, Guarantor and Subsidiary disclosed in the Offering Memorandum, such shares, limited partnership units and ownership interests are held, beneficially and of record, as described in the Offering Memorandum (to the extent so described) and all such shares, limited partnership units and ownership interests are free and clear of any Liens (other than Permitted Liens or except such Liens as do not materially and adversely affect the value of such shares, limited partnership units and ownership interests, in connection with any pledges granted in connection with the credit facilities of the Company or its Subsidiaries or other than as set forth in the Constating

Documents of such Subsidiary), and all of the shares, limited partnership units and ownership interests of each such Issuer, Guarantor and Subsidiary have been duly authorized and validly issued, and with respect to shares of Subsidiaries that are corporations, and are fully paid and non-assessable;

(f) other than: (i) as disclosed in the Offering Memorandum; (ii) the shares, limited partnership units and ownership interests, as the case may be, of the Guarantors; (iii) inter-company indebtedness among the Issuers, the Company, the Guarantors or their affiliates and (iv) other investments of unallocated funds in investment grade debt obligations, none of the Issuers, the Company or any of their Subsidiaries own, directly or indirectly, any shares or any other equity or long-term debt securities of any other Person;

(g) except as contemplated by this Agreement and other than as disclosed in the Offering Memorandum, none of the Issuers, the Company or any of the Guarantors have any material Indebtedness;

(h) each of the Security Documents create in favour of the Collateral Agent for the benefit of itself, the Trustee, the holders of the Notes issued at Closing and any holder of Permitted Additional Pari Passu Obligations, a valid and enforceable security interest in all right, title and interest of Source GP and Source US GP (in each case solely as a result of and in their capacity as general partner of the LP Issuer and Source US, respectively), the Issuers and each of the Guarantors in the Collateral described therein, subject only to Permitted Liens; no registrations, filings or recordings in any government registries in any province or state other than as contemplated by the Security Documents are necessary to perfect the security interests constituted by the Security Documents that are capable of perfection under the PPSA or the UCC, or that are security interests in respect of real property; and, other than the registration, recording or publication of financing statements, applications for filings, registrations and/or Security Documents contemplated by the Indenture (as supplemented by the Supplemental Indenture) and the Security Documents, no other registration, recording or publication is required to create a fully perfected security interest in all right, title and interest of Source GP and Source US GP (in each case solely as a result of and in their capacity as general partner of the LP Issuer and Source US, respectively), the Issuers and each of the Guarantors in the Collateral described therein to which the PPSA or the UCC applies, or which constitutes real property, to the extent that a security interest in such Collateral may be perfected by such filings, registrations, recordings or publication, as security for the obligations of Source GP and Source US GP (in each case solely as a result of and in their capacity as general partner of the LP Issuer and Source US, respectively), the Issuers and the Guarantors under the Notes and the Indenture (as supplemented by the Supplemental Indenture), in each case subject to no Liens other than Permitted Liens;

(i) the list of Guarantors set out in Schedule “A” is a complete list of Restricted Subsidiaries, as defined in the Offering Memorandum, as of the date hereof;

(j) the Company and each Guarantor, on a consolidated basis, maintains a system of internal accounting controls sufficient to provide reasonable assurances that: (i) transactions are executed in accordance with management’s general or

specific authorization; (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with IFRS and to maintain accountability for assets; (iii) access to its assets is permitted only in accordance with management's general or specific authorization; (iv) the recorded accountability for assets is compared with existing assets at reasonable intervals and appropriate action is taken with respect to differences; and (v) material information relating to the Company or a Guarantor, as applicable, is made known to those within the Company and the Guarantors responsible for the preparation of the consolidated financial statements of the Company in respect of the period in which the financial statements have been prepared;

(k) the Financial Statements of the Company incorporated by reference in the Offering Memorandum have been prepared in conformity with IFRS applied on a consistent basis throughout the periods presented and present fairly in all material respects the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company as at and for each of the periods presented, as applicable;

(l) the Company has established and maintains "disclosure controls and controls and procedures" and "internal control over financial reporting" (each as defined in NI 52-109) as required by NI 52-109 and Canadian Securities Laws, and the Company is not aware, and has not been advised by its Auditors, of any "material weakness" (as defined in NI 52-109);

(m) as of their respective dates, the documents filed by the Company pursuant to the requirements of Canadian Securities Laws complied in all material respects with Canadian Securities Laws and did not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. The Company has not made any confidential filings with the Canadian Securities Regulators or the TSX that are still maintained on a confidential basis. The Company is in compliance with all timely disclosure obligations under the Canadian Securities Laws of the Qualifying Jurisdictions, and, without limiting the generality of the foregoing, there is no fact known to the Company which the Company has not publicly disclosed which has, or would reasonably be expected to have, a Material Adverse Effect on the Company and its Subsidiaries, taken as a whole, or the ability of the Issuers to perform their obligations under this Agreement;

(n) except as disclosed in the Offering Memorandum, no acquisition has been made by the Issuers or any Guarantor since January 1, 2017 that would be a "significant acquisition" for the purposes of Canadian Securities Laws, and no proposed acquisition by the Issuers or any Guarantor has progressed to a state where a reasonable person would believe that the likelihood of the Issuers or Guarantor completing the acquisition is high and that, if completed by the Issuers or Guarantor at the date of this Agreement, would be a significant acquisition for the purposes of Canadian Securities Laws;

(o) none of the Issuers, Source GP, Source US GP, the Company or any of the Guarantors is in violation of its Constating Documents or is in breach of or default in the performance or observance of any obligation, agreement, covenant or

condition contained in any contract, indenture, trust deed, mortgage, loan agreement, note, lease or other agreement or instrument to which it is a party or by which it or its property (including, without limitation, any Material Assets) may be bound, except for such violations, breaches or defaults which would not reasonably be expected to have a Material Adverse Effect;

(p) no legal or governmental proceedings are pending to which the Issuers, Source GP, Source US GP, the Company or any of the Guarantors is a party or to which the property of the Issuers, Source GP, Source US GP or any of the Guarantors is subject that would, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect, and no such proceedings have been threatened against or, to the Knowledge of the Company, are contemplated with respect to the Issuers, Source GP, Source US GP, the Company or any of the Guarantors, or with respect to any of their respective properties or assets (including Material Assets) which would in each case reasonably be expected to have a Material Adverse Effect;

(q) to the Knowledge of the Company, there is no announced or pending new Law that would reasonably be expected to have a Material Adverse Effect;

(r) the Issuers and each of the Guarantors has conducted and is conducting its activities and business in all material respects in compliance with all Laws of each jurisdiction in which it carries on business or conducts its activities, including each material license held by them and are not in violation of, or in default in any respect under, any applicable statutes and regulations and all other ordinances, rules, regulations, orders or decrees having the force of law (including, without limitation, Environmental Laws) of any governmental entities, regulatory agencies or bodies having, asserting or claiming jurisdiction over it or over any part of their respective operations or assets, except for such non-compliance, violations and defaults which, singly or in the aggregate, would not be reasonably expected to have a Material Adverse Effect;

(s) the minute books and corporate records of the Issuers, Source GP, Source US GP and each of the Guarantors made available to Underwriters' Counsel in connection with their due diligence investigations for the periods requested are the original minute books and records (or true copies thereof) and contain copies of all Constating Documents (or certified copies thereof) and all proceedings of the partners, shareholders, the boards of directors and all committees of the boards of directors, as applicable, of the Issuers, Source GP, Source US GP and each of the Guarantors, as applicable, that have been minuted or resolved and there have been no other meetings, resolutions or proceedings of the shareholders, boards of directors or any committee thereof, as applicable, to the date of review of such corporate records and minute books not reflected in such minute books and other corporate records, other than as would not be material;

(t) all of the Material Assets of the Issuers and Guarantors have been described in the Offering Memorandum and:

(i) other than as would otherwise not individually or in the aggregate reasonably be expected to have a Material Adverse Effect, Source GP and Source US GP (in each case solely as a result of and in their

capacity as general partner of the LP Issuer and Source US, respectively), the Issuers and the Guarantors, as applicable, are the absolute legal and beneficial owners of and have good and marketable title, free and clear of all Liens (other than Permitted Liens or except such as are disclosed in the Offering Memorandum or as do not materially and adversely affect the value of such property and do not materially interfere with the use made or proposed to be made of such property by the Issuers or such Guarantor) to all real property interests including, as applicable, fees simple estate of and in real property, leases, easements, rights of way, permits or licenses from landowners or authorities permitting the use of land by the Issuers, the Issuers and the Guarantors necessary to permit the operation of their business as presently owned and conducted or contemplated to be conducted (the "**Real Property Interests**") and no agreement to purchase, option to purchase or right of first refusal to purchase has been granted by the Issuers, the Issuers or any Guarantor with respect to any of any of the Real Property Interests or any part thereof, that have not expired or been waived and no part of the Real Property Interests have been taken, revoked, condemned or expropriated by any Governmental Authority nor has any written notice or proceedings in respect thereof been given, or to the Knowledge of the Company, been commenced, threatened or is pending, nor does the Company have any Knowledge of the intent or proposal to give such notice or commence any such proceedings;

(ii) the Issuers and each of the Guarantors, as applicable, hold all Mining Rights, free and clear of all Liens (other than Permitted Liens), under valid, subsisting and enforceable title, lease or operating documents or other recognized and enforceable agreements or instruments, sufficient to permit the Issuers and the Guarantors to access, explore and exploit the mineral deposits relating to all Mining Rights as are appropriate in view of their respective rights and interests therein; all Mining Rights have been validly located and recorded in accordance with all applicable Laws and are valid, in full force and effect, enforceable in accordance with their respective terms; no other Mining Rights are necessary for the conduct of the business of the Issuers and the Guarantors as currently conducted or contemplated to be conducted and the Issuers know of no claim or basis for any claim that might or could adversely affect the right of the Issuers or any Guarantor to use, transfer, access or otherwise exploit such Mining Rights; and except as disclosed in the Pricing Disclosure Package and the Offering Memorandum or as would otherwise not be material, none of the Issuers, the Issuers or any Guarantor has any responsibility or obligation to pay any commission, royalty, license fee or similar payment to any person with respect to the Mining Rights or Real Property Interests;

(iii) other than as would otherwise not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, the Issuers and the Guarantors hold all other Material Assets and Collateral under valid, subsisting and enforceable title, lease or operating documents or other recognized and enforceable agreements or instruments, sufficient to permit the Issuers and the Guarantors to operate the business of the

Issuers and the Guarantors in the manner described in the Offering Memorandum; and neither the Issuers nor any Guarantor is in default of any of the material provisions of any such agreements or instruments, including failure to fulfill any payment or work obligation thereunder, nor has any such default been alleged, nor does any condition, circumstance or matter exist which constitutes or which, with the passage of time or the giving of notice, would constitute a default under any such title, lease or operating documents or other agreements or instruments pertaining to the other Material Assets or Collateral to which the Issuers or any Guarantors are a party or by or to which the Issuers or Guarantors or any of the other Material Assets or Collateral are bound;

(u) the Apex Reports comply in all material respects with NI 43-101 and, to the Knowledge of the Company, the estimates of the mineral resources of the Issuers and Guarantors set out in the Offering Memorandum and any Supplementary Material have been prepared in accordance with sound mining, engineering, geoscience and other applicable industry standards and practices, and in accordance with applicable Laws and NI 43-101 in all material respects; and the method of estimating the mineral resources has been verified by mining experts who are "qualified persons" (within the meaning of NI 43-101) and the information upon which the estimates of mineral resources were based, was, at the time of delivery thereof, complete and accurate in all material respects and there have been no material changes to such information since the date of delivery or preparation thereof;

(v) all plants, buildings, erections, structures, improvements, fixtures (including fixed machinery and fixed equipment), vehicles, equipment and other tangible personal property are structurally sound, in good operating condition and repair having regard to their use and age (subject to normal wear and tear) and are adequate and suitable for the uses to which they are being put, and have been maintained in the ordinary course of business, except, in any case, as would not reasonably be expected to have a Material Adverse Effect;

(w) other than as would otherwise not individually or in the aggregate reasonably be expected to have a Material Adverse Effect: (i) the Issuers and each of the Guarantors owns, licenses or possesses adequate patents, patent rights, licenses, inventions, copyrights, know-how (including trade secrets and other unpatented and/or unpatentable proprietary or confidential information, systems or procedures), trademarks, service marks, trade names or other intellectual property (collectively, "**Intellectual Property**") necessary to carry on the business as now operated by them, and, (ii) to the Knowledge of the Company, neither the Issuers nor any Guarantor has received any notice or is otherwise aware of any infringement of or conflict with asserted rights of others with respect to any Intellectual Property or of any facts or circumstances which would render any Intellectual Property invalid or inadequate to protect the interest of the Issuers or any Guarantor therein;

(x) except for such matters as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, there are no outstanding judgments, writs of execution, seizures, injunctions or directives against, nor any work orders or directives or notices of deficiency capable of resulting in work

orders or directives with respect to any of the properties or facilities directly or indirectly owned or operated by the Issuers or the Guarantors;

(y) except as disclosed in the Pricing Disclosure Package and the Offering Memorandum or for such matters as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect: (i) to the Knowledge of the Company, the Issuers and the Guarantors are in compliance with any and all applicable Environmental Law and there have been no claims, complaints, notices of, or prosecutions for an offence alleging, non-compliance with any Environmental Laws, and there have been no settlements of any allegation of non-compliance short of prosecution and there are no orders or directions relating to environmental matters requiring any work, repairs, construction or capital expenditures to be made or any notice of same; (ii) to the Knowledge of the Company, there has not been any discharge, deposit, leak, emission, spill or other release of any Hazardous Materials or Conditions on, at, under or from any of the assets or property (including, without limitation, all Material Assets) of the Issuers or any Guarantor (including relating to the collection, removal and disposal of wastes), which, in each case, has resulted in or may result in any material cost, damage or other liability, including the diminution in value of any property (including, without limitation, all Material Assets); (iii) the Issuers and the Guarantors (A) have received all permits, licenses or other approvals, and made all registrations, required of them under applicable Environmental Laws to conduct their respective businesses ("**Environmental Permits**") and (B) are in compliance with all terms and conditions of each Environmental Permit and no proceedings have been threatened, or to the Knowledge of the Company are pending, to revoke or limit any Environmental Permit; (iv) except as ordinarily or customarily required by applicable Environmental Permit, no notice has been received by the Issuers or any Guarantor, and to the Knowledge of the Company, no notice has been issued alleging or stating that any party is potentially responsible for a federal, provincial, state, municipal or local clean-up site or corrective action under any law including any Environmental Laws; (v) all exploration, development and other actions and operations have been conducted by the Issuers and the Guarantors in all respects in accordance with good exploration and engineering practices and all applicable material workers' compensation and health and safety and workplace laws, regulations and policies; and (vi) there are no ongoing environmental audits, evaluations, assessments, studies or tests being conducted except for ongoing audits, evaluations, assessments, studies or tests being conducted in the ordinary course;

(z) except as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, (i) the Issuers and the Guarantors possess all licenses, permits, certificates, registrations and authorizations necessary to conduct their business and own their property and assets, including without limitation all Real Property Interests and Mining Rights, and are not in default or breach of any of the foregoing, (ii) no proceeding is pending or threatened to revoke or limit any of the foregoing, and (iii) the Issuers and each of the Guarantors, is in compliance with the terms and conditions of all such permits, certificates, registrations and authorizations, as applicable;

(aa) there are no material claims or actions with respect to aboriginal or native rights currently threatened or, to the Knowledge of the Company, pending with respect to any of the Material Assets and the Issuers are not aware of any material land entitlement claims or aboriginal land claims having been asserted or any legal actions relating to aboriginal or community issues having been instituted with respect to any of the Material Assets, and no material dispute in respect of any of the Material Assets with any local or aboriginal or native group exists or, to the Knowledge of the Company, is threatened or imminent with respect to any of the Material Assets or any activities associated therewith;

(bb) except for such matters as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, (i) the Issuers and each of the Guarantors is in compliance with the provisions of all applicable federal, provincial and local laws and regulations respecting employment and employment practices, terms and conditions of employment and wages and hours, and occupational health and safety (collectively, "**Employment Laws**"), and (ii) no collective labour dispute, grievance, arbitration or legal proceeding is ongoing or, to the Knowledge of the Company, pending or threatened, and no individual labour dispute, grievance, arbitration or legal proceeding is ongoing or, to the Knowledge of the Company, pending or threatened, with any employee of the Issuers or any Guarantor and, to the Knowledge of the Company, none has occurred during the past year;

(cc) the Issuers and each of the Guarantors maintains insurance policies with reputable insurers against risks of loss of or damage to their properties, assets and business of such types as are customary in the case of entities engaged in the same or similar businesses and neither the Issuers nor any of the Guarantors are in default in a material respect with respect to any provisions of such policies and have not failed to give any notice or to present any material claim under any such policy in a due and timely fashion;

(dd) all contributions or premiums required to be made or paid by the Issuers or any Guarantor to any pension or other employee benefit plan have been made on a timely basis in accordance with the terms of such plans and all Laws, and all material obligations of the Issuers and the Guarantors required to be performed in connection with any pension or other employee benefit plans and the funding agreements therefor have been performed on a timely basis, except in each case as would not reasonably be expected to have a Material Adverse Effect;

(ee) except as disclosed in the Pricing Disclosure Package and the Offering Memorandum, none of the Issuers or any Guarantor has outstanding any debentures, notes or other similar debt securities that are material to the Issuers and the Guarantors taken as a whole;

(ff) except in each case as disclosed in the Pricing Disclosure Package and the Offering Memorandum: (i) the Issuers and each of the Guarantors has, on a timely basis, filed all necessary tax returns and notices and has paid, remitted or made provision for all applicable taxes of whatever nature (including, for greater certainty, withholding taxes) for all tax years to the date hereof to the extent such taxes have become due or have been alleged to be due except to the extent that the failure to do any of the foregoing would not reasonably be expected to have a

Material Adverse Effect, (ii) the Issuers are not aware of any tax deficiencies or interest or penalties accrued or accruing or alleged to be accrued or accruing, thereon with respect to itself or any Guarantor which have not otherwise been provided for by Issuer and the Guarantors, except to the extent that any such deficiency, interest or penalty would not reasonably be expected to have a Material Adverse Effect, (iii) neither the Issuers nor any of the Guarantors is a party to any agreement, waiver or arrangement with any taxing authority which relates to any extension of time with respect to the filing of any tax returns, elections, designations or similar filings relating to taxes, any payment of taxes or any assessment or collection thereof; (iv) there are no audits or investigations in progress or, to the Knowledge of the Company, pending or threatened, against the Issuers or any Guarantor in respect of taxes that would reasonably be expected to have a Material Adverse Effect; and (v) to the best of the Knowledge of the Company, there are no matters under discussion, with respect to the Issuers or any Guarantor or with respect to any of their respective properties, with any Governmental Authority relating to taxes, governmental charges, orders or assessments asserted by any such authority which would reasonably be expected to have a Material Adverse Effect;

(gg) except as described in the Pricing Disclosure Package and the Offering Memorandum, there are no material off-balance sheet transactions, arrangements, obligations (including contingent obligations) or other relationships of the Issuers and the Guarantors with entities that have not been combined for the purposes of the financial statements or other Persons that may reasonably be expected to have a Material Adverse Effect;

(hh) to the Knowledge of the Company, any statistical, industry and market-related data or information included in the Pricing Disclosure Package and the Offering Memorandum, as applicable, is based on or derived from sources that the Issuers believe to be reliable and accurate, and the Issuers have obtained the consent to the use of such data or information from such sources, to the extent required;

(ii) the Auditors are independent with respect to the Company within the meaning of the rules of professional conduct applicable to auditors in the Province 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 Company or any of the Guarantors at any time that the Company has been a ‘reporting issuer’ (within the meaning of applicable Canadian Securities Laws);

(jj) except as disclosed in the Pricing Disclosure Package and the Offering Memorandum, there is no agreement in force or effect to which the Company, the Issuers or any Guarantor is a party which in any manner affects or will affect the voting or control of any of the securities of the Issuers or any of the Guarantors;

(kk) except as disclosed in the Pricing Disclosure Package and the Offering Memorandum, none of the partners, managers, directors, officers or employees of the Issuers or any Guarantor, or, to the Knowledge of the Company, any Person who beneficially owns, directly or indirectly, more than 10% of any class of securities of the Issuers or any Guarantor, had or has any material interest,

direct or indirect, in any material transaction or any proposed material transaction with the Issuers or any other shareholder or member of the Issuers or any of the Guarantors which, as the case may be, materially affects or is material to the Issuers and the Guarantors (taken as a whole) or would reasonably be expected to have a Material Adverse Effect;

The Offering of Notes and Related Documentation

(ll) the Company is a "reporting issuer" or the equivalent in each of the Offering Jurisdictions other than the United States and is not in material default of any requirement of applicable Canadian Securities Laws;

(mm) all of the issued and outstanding common shares of the Company are listed and posted for trading on the TSX;

(nn) at the Closing Time, each of the Operative Documents to which the Issuers and each Guarantor is a party, as applicable, and the performance by the Issuers and each Guarantor of their obligations thereunder, as applicable, shall have been duly authorized by all necessary corporate action, and each of the Operative Documents to which the Issuers and each Guarantor is a party, as applicable, shall have been duly executed and delivered by the Issuers and each of the Guarantors, as applicable;

(oo) this Agreement is a legal, valid and binding obligation of the Issuers, enforceable against the Issuers in accordance with its terms, except as enforcement hereof may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the rights of creditors generally and by the application of equitable principles when equitable remedies are sought and subject to the fact that rights of indemnity and contribution may be limited by applicable law;

(pp) at the Closing Time, (i) each of the Operative Documents (other than this Agreement) shall constitute a legal, valid and binding obligation of the Issuers and each Guarantor, in each case to the extent such Person is a party to the applicable Operative Document, enforceable against such Person in accordance with its terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the rights of creditors generally and by the application of equitable principles when equitable remedies are sought and subject to the fact that rights of indemnity and contribution may be limited by applicable law, and (ii) each Operative Document will conform in all material respects to the description thereof contained in the Pricing Disclosure Package and the Offering Memorandum;

(qq) the execution and delivery of this Agreement and the other Operative Documents by the Issuers and the Guarantors (to the extent a party thereto), the issuance, offering and sale in the Offering Jurisdictions of the Notes issued at Closing and the compliance by the Issuers and the Guarantors, as the case may be, with the other provisions of this Agreement and the other Operative Documents and the granting of the security interest under the Security Documents do not:

(i) require the consent, approval, authorization, filing, registration, recording or qualification of or with (A) any Governmental Authority or (B) other third

party in the Offering Jurisdictions, and with respect to the Security Documents in any jurisdiction of perfection, except such as have been obtained or as required by applicable Securities Laws with regard to the distribution of the Notes in the Offering Jurisdictions (including the Blue Sky Laws of the States of the United States) which have also been or will be obtained;

(ii) conflict with or result in a breach or violation of any of the terms and provisions of, or constitute a default under: (A) any indenture, mortgage, deed of trust, lease or other agreement or instrument to which the Issuers or any of the Guarantors or any of their respective properties is bound; (B) any of the terms, conditions or provisions of the Constating Documents of the Issuers, Source GP, Source US GP or any of the Guarantors, as applicable, or any resolutions of the partners, managers, directors or shareholders (or any committee thereof) of the Issuers, Source GP, Source US GP or any of the Guarantors; or (C) any statute, regulation or rule, or any judgment, decree or order of any Governmental Authority, in any case applicable to Source GP, Source US GP, the Issuers or any Guarantor in the context of the foregoing matters, which conflict, breach or violation in the case of the foregoing subclauses (A) or (C) would reasonably be expected to have a Material Adverse Effect; or

(iii) give rise to or accelerate the repayment of any Indebtedness or other payment or repayment obligation under any term or provision of any document or instrument referred in (ii) above;

(rr) no Securities Commission, stock exchange or comparable authority or the SEC has issued any order preventing or suspending the use of the Pricing Disclosure Package, the Offering Memorandum, or any Supplementary Material or preventing or suspending the distribution of the Notes or the Note Guarantees or the trading of securities of the Issuers generally and to the Knowledge of the Company, there is no investigation, order, inquiry or proceeding which is ongoing, pending, contemplated or threatened by any such authority;

(ss) Computershare Trust Company of Canada, at its principal offices in the city of Toronto, Ontario and Calgary, Alberta, will be the duly appointed Trustee with respect to the Notes at the Closing Time;

(tt) except as provided herein and any fees payable by the Issuers in connection with the Offering, there is no Person which has been engaged by the Issuers, Source GP, Source US GP, the Guarantors, or any one of them, to act for any one of them, and which is entitled to any brokerage or finder's fee in connection with the entering into of this Agreement or the completion of any of the transactions contemplated hereunder, and in the event any such Person establishes a claim for any fee from the Underwriters, the Issuers covenant to indemnify and hold harmless the Underwriters with respect thereto and with respect to all costs reasonably incurred in the defense thereof;

(uu) none of the Issuers or any Guarantor or, to the Knowledge of the Company, any affiliate of the Issuers or any Guarantor has taken, or will take, directly or

indirectly, any action designed to, or that would reasonably be expected to cause or result in, stabilization or manipulation of the price of the Notes;

(vv) the operations of the Issuers and the Guarantors 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 Issuers or any of their Subsidiaries with respect to the Anti-Money Laundering Laws is, to the Knowledge of the Company, pending or threatened;

(ww) neither the Issuers nor any of the Guarantors, or any director or officer thereof, or, to the Knowledge of the Company, any partner, manager, agent, affiliate or employee acting on behalf of the Issuers or any Guarantor or any of their subsidiaries or affiliates has: (i) used any corporate 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 *Corruption of Foreign Public Officials Act* (Canada), as amended, the *U.S. Foreign Corrupt Practices Act of 1977*, as amended or any similar such anti-corruption law or regulation,; or (iv) made any unlawful bribe, rebate, payoff, influence payment, kickback or other unlawful payment;

(xx) neither the Issuers nor any of the Guarantors, or any director or officer thereof, or, to the Knowledge of the Company, any partner, manager, agent, affiliate or employee acting on behalf of the Issuers or any Guarantor, is a Person that is, or is owned or controlled by one or more Persons that are (i) the subject of any sanctions administered by the Office of Foreign Assets Control of the U.S. Treasury Department ("**OFAC**") or (ii) located organized or resident in a country or territory that is the subject of Sanctions (including, without limitation, Crimea, Cuba, Iran, North Korea, Sudan and Syria); and the Issuers will not, directly or indirectly, use the proceeds of the Offering, or lend, contribute or otherwise make available such proceeds to any of the Guarantors, joint venture partners or other Person, (a) for the purpose of financing or facilitating the activities of any Person or in any country or territory that is the subject of any sanctions administered by OFAC or (b) in any other manner that will result in a violation of any sanctions administered by OFAC by any Person (including any Person participating in the Offering, whether as underwriter, advisor, investor or otherwise); for the past five years, the Issuers and any of the Guarantors have not knowingly engaged in, are not now knowingly engaged in, and will not engage in, any dealings or transactions with any Person, or in any country or territory, that at the time of the dealing or transaction is or was the subject of sanctions administered by OFAC;

(yy) each of the Issuers (i) is, and at the Closing Time will be, a "foreign issuer" (within the meaning of Regulation S) and (ii) reasonably believe that there is, and at the Closing Time will be, no "substantial U.S. market interest" (within the meaning of Regulation S) in the Notes or Note Guarantees;

(zz) assuming compliance by the Underwriters with their agreements set forth herein, it is not necessary, in connection with the offer, issuance, sale and delivery of the Notes at Closing to the Underwriters and the initial offer, resale and delivery of such Notes by the Underwriters in the manner contemplated by this Agreement and the Offering Memorandum, to register the Notes or the Note Guarantees under the 1933 Securities Act or to qualify the Supplemental Indenture under the United States Trust Indenture Act of 1939, as amended;

(aaa) neither the Issuers nor any Guarantor is, and immediately after giving effect to the Offering and the use of proceeds therefrom, will be, required to register as an "investment company" within the meaning of and subject to regulation under the United States Investment Company Act of 1940, as amended;

(bbb) the Notes and the Note Guarantees are eligible for resale pursuant to Rule 144A and will not be, on the Closing Date, of the same class as any other securities of the Issuers or any Guarantor listed on a national securities exchange registered under Section 6 of the United States Securities Exchange Act of 1934, as amended (the "**1934 Securities Act**") or quoted in an automated inter dealer quotation system, as such term is used in paragraph (d)(3) of Rule 144A; and each of the Pricing Disclosure Package and the Offering Memorandum contains all the information that, if requested by a prospective purchaser of the Notes, would be required to be provided to such prospective purchaser pursuant to Rule 144A(d)(4) under the 1933 Securities Act;

(ccc) none of the Issuers, any Guarantor, nor any of their respective affiliates (as defined in Rule 501(b) of Regulation D under the 1933 Securities Act ("**Regulation D**")) has, directly or indirectly, sold, offered for sale, solicited offers to buy or otherwise negotiated, and none of them will, directly or indirectly, sell, offer for sale, solicit offers to buy or otherwise negotiate, in respect of, any security (as defined in the 1933 Securities Act) that is or will be required to be integrated with the sale of the Notes in a manner that would require registration of the Notes or the Note Guarantees under the 1933 Securities Act;

(ddd) none of the Issuers, any Guarantor, nor any of their affiliates or any other person acting on its or their behalf (i) has solicited offers for, or offered or sold, and none of them will solicit offers for or offer to sell, the Notes or the Note Guarantees by means of any form of General Solicitation or General Advertising or in any manner involving a public offering within the meaning of Section 4(a)(2) of the 1933 Securities Act or (ii) has engaged in or will engage in any Directed Selling Efforts, and all such persons have complied and will comply with the offering restrictions set forth in Regulation S;

(eee) on and immediately after the Closing Date, the Issuers and the Guarantors (after giving effect to the issuance of the Notes), on a consolidated basis, will be Solvent. As used in this clause (eee), the term "**Solvent**" means, with respect to a Person on a particular date, that on such date (i) the present fair market value (or present fair saleable value) of the assets of such Person is not less than the total amount required to pay the total existing debts and liabilities (including contingent liabilities) of such Person as they become absolute and matured; (ii) such Person is able to realize upon its assets and pay its debts and other liabilities, contingent obligations and commitments as they mature and become

due in the normal course of business; (iii) such Person is not incurring debts or liabilities beyond its ability to pay as such debts and liabilities mature; and (iv) such Person is not engaged in any business or transaction, and does not propose to engage in any business or transaction, for which its property would constitute unreasonably small capital after giving due consideration to the prevailing practice in the industry in which such Person is engaged;

(fff) for so long as any of the Notes are outstanding and are "restricted securities" within the meaning of Rule 144(a)(3) under the 1933 Securities Act, if at any time the Issuers are neither subject to section 13 or 15(d) of the 1934 Securities Act nor the reporting requirements of Rule 12g3-2(b) under the 1934 Securities Act, the Issuers will provide to any holder of Notes and any prospective purchaser of Notes designated by such holder, upon the request of such holder, the information required to be provided by paragraph (d)(4), of Rule 144A;

(ggg) during the period in which the Notes are offered for sale, none of the Issuers or any of its affiliates, nor any person acting on their or their affiliates' behalf (other than the Underwriters, their affiliates, and any person acting on their behalf, as to which no representation is made), has taken or will take any action that would cause the exclusion or exemption from registration provided by Rule 903 of Regulation S or Rule 144A to be unavailable with respect to offers and sales of the Notes; and

(hhh) none of the Issuers, their affiliates nor any person acting on their or their affiliates' behalf (except for the Underwriters and their U.S. affiliates) has made any offer or sale of Notes in the United States, except through the Underwriters and their U.S. affiliates.

10. Underwriter Representations, Warranties and Agreements

(1) Each Underwriter hereby represents and warrants (with respect to itself and on behalf of each of its respective U.S. affiliates) to the Issuers, and acknowledges that the Issuers are relying upon such representations and warranties in entering into this Agreement, that:

(a) as of the date hereof and during the course of the distribution of the Notes to the public by or through the Underwriters, each Underwriter is a member in good standing of the Investment Industry Regulatory Organization of Canada and is duly registered or licensed in those jurisdictions in which it is required to be so registered or licensed in order to offer the Notes for sale as contemplated by this Agreement or if or where not so registered will only offer through a dealer who is so registered or licensed;

(b) it will conduct activities in connection with arranging for the sale and distribution of the Notes in compliance with Securities Laws and the provisions of this Agreement;

(c) neither it nor its U.S. affiliates have solicited offers for, or offered or sold, and will not solicit offers for, or offer to sell, the Notes or the Note Guarantees in the United States by means of any form of General Solicitation or General

Advertising or in any manner involving a public offering within the meaning of Section 4(a)(2) of the 1933 Securities Act;

(d) with respect to the Notes sold in reliance on Regulation S, no Underwriter or any of its or their affiliates or any other person acting on its or their behalf has engaged or will engage in any Directed Selling Efforts with respect to the Notes;

(e) all offers and sales of the Notes in the United States will be effected through its U.S. affiliates who are registered in the United States in accordance with all applicable U.S. broker-dealer registration and other requirements;

(f) either it or its U.S. affiliate(s) selling Notes in the United States is a qualified institutional buyer within the meaning of Rule 144A under the 1933 Securities Act ("**QIBs**");

(g) it will inform (and cause its U.S. affiliate(s) to inform) all Purchasers of the Notes in the United States that the Notes have not been and will not be registered under the 1933 Securities Act and are being sold to them without registration under the 1933 Securities Act in reliance on Rule 144A;

(h) it acknowledges that, and will inform (and cause its U.S. affiliate(s) to inform) all Purchasers of the Notes in the United States that, the Notes will be "restricted securities" as defined in Rule 144(a)(3) under the 1933 Securities Act and that, if such purchaser shall decide to offer, resell, pledge or otherwise transfer any of the Notes, such securities may be offered, sold, pledged or otherwise transferred, only (i) to the Issuers, (ii) outside the United States in accordance with Rule 904 of Regulation S and in compliance with applicable local laws and regulations, (iii) in accordance with (A) Rule 144A to a Person the seller reasonably believes is a QIB that is purchasing for its own account or for the account of a QIB to whom notice is given that the offer, sale, pledge or other transfer is being made in reliance on Rule 144A, or (B) Rule 144 under the 1933 Securities Act, if available, or (iv) pursuant to another exemption from registration under the 1933 Securities Act and, in each case, in accordance with any applicable U.S. state securities laws and after, in the case of transfers under clauses (iii)(B) or (iv) (or if required by the transfer agent for the Notes, clause (ii)), it has furnished to the Issuers an opinion of counsel of recognized standing or other evidence reasonably satisfactory to the Issuers to the effect that the proposed transfer may be made without registration under the 1933 Securities Act and any applicable U.S. state securities laws;

(i) it and its U.S. affiliates have not entered, and will not enter, into any contractual arrangement with respect to the distribution of the Notes in the United States, except with their affiliates, without the prior written consent of the Issuers, except that nothing in this Section 10 shall in any way restrict offers and sales in accordance with Rule 144A;

(j) it has not solicited offers for, or offered or sold, and will not solicit offers for, or offer or sell, the Notes in the United States as part of its initial Offering within the United States except to Persons whom it reasonably believes to be QIBs in transactions pursuant to Rule 144A and in connection with each such sale, it has

taken or will take reasonable steps to ensure that the Purchaser of the Notes is aware that such sale is being made in reliance on Rule 144A.

(k) it acknowledges that, until the legend is no longer required under applicable requirements of the 1933 Securities Act and applicable U.S. state securities laws, the certificates representing the Notes, and all certificates issued in exchange therefor or in substitution thereof, shall bear the following legend:

> THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT"), OR UNDER ANY U.S. STATE SECURITIES LAWS. THE HOLDER HEREOF, BY PURCHASING THESE SECURITIES, AGREES FOR THE BENEFIT OF SOURCE ENERGY SERVICES CANADA LP (THE "ISSUER LP") AND SOURCE ENERGY SERVICES CANADA HOLDINGS LTD. ("SOURCE CANADA HOLDINGS", AND TOGETHER WITH ISSUER LP, THE "ISSUERS") THAT THESE SECURITIES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED, ONLY (A) TO THE ISSUERS, (B) OUTSIDE THE UNITED STATES IN ACCORDANCE WITH RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT, (C) IN ACCORDANCE WITH (1) RULE 144A UNDER THE U.S. SECURITIES ACT OR (2) RULE 144 UNDER THE U.S. SECURITIES ACT, IF AVAILABLE, OR (D) PURSUANT TO ANOTHER EXEMPTION FROM REGISTRATION UNDER THE U.S. SECURITIES ACT, AND, IN EACH CASE, IN ACCORDANCE WITH ANY APPLICABLE U.S. STATE SECURITIES LAWS AND AFTER, IN THE CASE OF TRANSFERS UNDER CLAUSE (C)(2) OR (D) (OR IF REQUIRED BY COMPUTERSHARE TRUST COMPANY OF CANADA, CLAUSE (B)), THE HOLDER HAS FURNISHED TO THE ISSUERS AN OPINION OF COUNSEL OF RECOGNIZED STANDING OR OTHER EVIDENCE REASONABLY SATISFACTORY TO THE ISSUERS TO THAT EFFECT.

provided, that, if the Notes are being sold in compliance with Rule 904 of Regulation S, the legend may be removed by providing a duly completed and signed declaration to Computershare Trust Company of Canada as registrar and as transfer agent for the Notes in the form required by the Indenture (as supplemented by the Supplemental Indenture), together with any other evidence reasonably requested by the Issuers or the transfer agent, which evidence may include an opinion of counsel of recognized standing, in form and substance reasonably satisfactory to the Issuers; and

(l) it or its U.S. affiliate(s) will deliver a copy of a U.S. Private Placement Memorandum to each offeree in the United States, and it will deliver, through a U.S. affiliate, a copy of the U.S. Private Placement Memorandum to each Person (i) in the United States and (ii) each Person that was offered Notes in the United States, in each case that is purchasing Notes from it; and in connection with offers and sales of the Notes in the United States, it has not used and will not use any written material other than the U.S. Private Placement Memorandum, the Pricing Disclosure Package and the Supplementary Material.

(2) The Underwriters will offer the Notes in Canada in compliance with Securities Laws only in the Provinces of Canada and only to such Purchasers and in such a manner that the sale of the Notes will be exempt from the prospectus requirements of Securities Laws. For greater certainty, each Purchaser in a Province of Canada will be an "accredited investor" as defined in section 1.1 of NI 45-106 or Subsection 73.3(1) of the *Securities Act* (Ontario).

11. Covenants.

Each of the Issuers hereby covenants and agrees that:

(a) it will use its commercially reasonable efforts to promptly do, make, execute, deliver or cause to be done, made, executed or delivered, all such acts, documents and things as the Underwriters may reasonably require (or which may be required pursuant to Securities Laws) from time to time for the purpose of giving effect to this Agreement and take all such steps as may be reasonably within its power to implement the provisions of this Agreement and the transactions contemplated hereunder;

(b) it will not, and will cause its Subsidiaries not to, directly or indirectly authorize, sell or issue or negotiate, announce or enter into an agreement to sell or issue any Notes or any other debt securities (other than pursuant to this Agreement and other than as set out in the Offering Memorandum) without the prior written consent of the Bookrunners (which consent will not be unreasonably withheld), for a period beginning on the date hereof until the date that is 90 days after the Closing Date;

(c) it will use its reasonable commercial efforts to fulfill or cause to be fulfilled, at or prior to the Closing Time, the conditions set out in Section 13 of this Agreement; and

(d) it will not and will cause its affiliates not to make any offer or sale of securities of the Issuers of any class if, as a result of the doctrine of "integration" referred to in Rule 502 under the 1933 Securities Act, such offer or sale would render invalid (for the purpose of (i) the sale of the Notes by the Issuers to the Underwriters, (ii) the resale of the Notes by the Underwriters to subsequent purchasers or (iii) the resale of the Notes by such subsequent purchasers to others) the exemption from the registration requirements of the 1933 Securities Act provided by Section 4(a)(2) thereof or by Rule 144A or by Regulation S or otherwise.

12. Closing.

(1) The Closing will be completed at the Closing Time at the offices of Norton Rose Fulbright Canada LLP in Calgary, Alberta, or at such other place and time as the Underwriters and the Issuers agree upon, in each case, acting reasonably.

(2) At the Closing Time, and subject to the terms and conditions contained in this Agreement, the Issuers will electronically deliver (or cause the Trustee to deliver) to the Depository, on behalf of the Underwriters and for the respective accounts of the Underwriters, the Notes as book-entry only securities in accordance with the rules and procedures of the Depository and in the manner contemplated by the Indenture (as

supplemented by the Supplemental Indenture), against delivery by the Underwriters of the purchase price for the Notes represented thereby payable in cash by wire transfer pursuant to instructions provided by the Issuers to the Underwriters or as the Issuers may otherwise direct, less the amount of the Underwriters' Fee and the Underwriters' expenses as set forth in Section 18. Delivery of the Notes will be made through the facilities of the Depository.

13. Conditions of Closing.

The Underwriters' obligations hereunder shall be subject to the following conditions:

(a) the Issuers will have complied in all material respects with all obligations and covenants and satisfied all terms and conditions contained in this Agreement on its part to be complied with or satisfied at or prior to the Closing Time;

(b) the representations and warranties of the Issuers contained in this Agreement (i) that are qualified by references to materiality or Material Adverse Effect will be true and correct in all respects and (ii) the representations and warranties not so qualified will be true and correct in all material respects, in each such case, as of the Closing Date as though made on and as of such Closing Date (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 in all respects or true and correct in all material respects, as the case may be, as of that date);

(c) the Underwriters shall have received at the Closing Time, (A) a certificate dated the Closing Date signed by one of the Issuer's Chief Executive Officer or Chief Financial Officer for and on behalf of the Issuers; and (B) a certificate dated the Closing Date from each of the Guarantors signed by one senior officer thereof, each such certificate addressed to the Underwriters and Underwriters' Counsel, with respect to:

(i) the Constating Documents of the Issuers or the relevant Guarantor, as applicable,

(ii) all resolutions of the board of directors of the Issuers (or Source GP in respect of the LP Issuer) or the relevant Guarantor (or its relevant general partner in the case of Guarantors that are partnerships), as applicable, relating to the Operative Documents and the transactions contemplated hereby and thereby, as applicable,

(iii) the incumbency and specimen signatures of the signing officers of the Issuers or the relevant Guarantor relating to the Operative Documents, as applicable; and

(iv) the shareholder register or partnership interest register of the Issuers or the relevant Guarantor, as applicable.

(d) the Underwriters shall have received at the Closing Time a certificate dated the Closing Date signed by the Issuer's Chief Executive Officer and Chief Financial

Officer certifying for and on behalf of the Issuers and without personal liability, after having made due enquiry, that:

(i) since the date of this Agreement, there has been no Material Adverse Change, except as disclosed in the Pricing Disclosure Package, the Offering Memorandum or the Supplementary Material;

(ii) the Issuers have complied with all obligations and covenants and satisfied all terms and conditions contained in this Agreement on its part to be complied with or satisfied at or prior to the Closing Time other than those which may have been waived in writing by the Underwriters; and

(iii) the representations and warranties of the Issuers contained in this Agreement (A) that are qualified by references to materiality or Material Adverse Effect are true and correct in all respects and (B) the representations and warranties not so qualified are true and correct in all material respects, in each such case, as of the Closing Date, as though made on and as of the Closing Date after giving effect to the transactions contemplated hereby and thereby (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 in all respects or true and correct in all material respects, as the case may be, as of that date);

(e) the Underwriters shall have received at the Closing Time a favourable legal opinion of Issuers' Counsel, addressed to the Underwriters and Underwriters' Counsel and dated the Closing Date, in form and substance satisfactory to Underwriters' Counsel, acting reasonably, and based and relying on and subject to customary assumptions and qualifications, as to the following matters:

(i) the (A) existence of the Company, Source GP, Source US GP, the Issuers and each of the Guarantors under the Laws of its governing jurisdiction and (B) the corporate, limited liability company or limited partnership power and capacity of the Company, Source GP, Source US GP, the Issuers and each of the Guarantors, as applicable, to own, lease or operate properties and assets and carry on business;

(ii) the authorized, issued and outstanding capital of each of the Guarantors identified on Schedule A as being incorporated or formed in a Canadian jurisdiction (the "**Canadian Guarantors**") and the registered ownership of the outstanding capital of the Canadian Guarantors;

(iii) the Issuers and each of the Guarantors having all requisite corporate, limited liability company or limited partnership power, capacity and authority to carry out its obligations under and the transactions contemplated by the Operative Documents, as applicable;

(iv) all necessary corporate, partnership, limited liability company or other action having been taken by Source GP, Source US GP, the Issuers and each of the Guarantors to authorize the execution, delivery and

performance by the Issuers and the Guarantors of the Operative Documents to which it is a party;

(v) the attributes of the Notes, the Note Guarantees, the Indenture (as supplemented by the Supplemental Indenture) and the Security Documents being consistent in all material respects with the description thereof in the Pricing Disclosure Package and the Offering Memorandum;

(vi) a favourable title opinion as to the title and ownership interest in the Sumner Facility, the Preston Facility, and the Blair Facility;

(vii) the holders of the Notes issued at Closing being entitled to the benefit of the Note Guarantees, the Indenture (as supplemented by the Supplemental Indenture) and the Security Documents, and no registration, filing or recording of, or with respect to, the Note Guarantees, the Indenture (as supplemented by the Supplemental Indenture), the Security Documents or the Notes issued at Closing under the Supplemental Indenture being necessary in order to preserve or protect the validity or enforceability of the Indenture (as supplemented by the Supplemental Indenture), the Note Guarantees or the Notes issued at Closing under the Supplemental Indenture;

(viii) the Operative Documents having been duly executed and delivered by each of the Issuers and each of the Guarantors, as applicable, and each constituting a legal, valid and binding agreement enforceable against each of the Issuers and each of the Guarantors, as applicable, in accordance with their respective terms;

(ix) the execution and delivery of this Agreement and the other Operative Documents by the Issuers and, with respect to the other Operative Documents each of the Guarantors party thereto, as applicable, and the performance of their respective obligations hereunder or thereunder, including the issuance of the Notes at Closing and the Note Guarantees, does not conflict with and will not result in any breach of or default under (i) the Constating Documents of any of the Issuers or any of the Guarantors, as applicable, or (ii) any Law of general application in the applicable jurisdictions except in the case of (ii) any conflict or breach that, individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect on the condition (financial or otherwise), earnings, business or properties of the Issuers or the Guarantors (taken as a whole);

(x) Computershare Trust Company of Canada at its principal offices in the city of Calgary having been duly appointed as the Trustee;

(xi) the (A) issuance, sale and delivery at Closing of the Notes by the Issuers to the Underwriters; and (B) the offer and resale by the Underwriters of the Notes issued at Closing, in accordance with this Agreement and the Offering Memorandum to the Purchasers in the Offering Jurisdictions in Canada; are each exempt from the prospectus requirements of Canadian Securities Laws and no documents are required to be filed, no

proceedings are required to be taken and no approvals, permits, consents or authorizations of any securities regulatory authority are required to be obtained by the Issuers or the Underwriters, as applicable, under Canadian Securities Laws to permit the distribution of the Notes at Closing by the Issuers or the Underwriters, as applicable, in accordance with this Agreement; however, the Issuers will be required to file with the applicable Securities Commission a copy of the Offering Memorandum and the Investor Presentation and any amendments or supplements thereto, where required by Securities Laws;

(xii) the Security Documents creating a valid security interest in favour of the Collateral Agent in the Collateral described therein to secure payment and performance of the obligations described therein as being secured thereby;

(xiii) all registrations having been made in all public offices provided for under the Laws of any relevant jurisdiction where such registration is necessary or desirable to perfect the mortgages, upon their registration at the applicable land titles or other relevant office, and security interests created by the Security Documents in favour of the Collateral Agent in the Collateral constituting owned real and personal property of the Issuers and the Guarantors;

(xiv) the taking of all necessary corporate action, or other action, as applicable, by the Issuers and each Guarantor regarding the securities, partnership interests and other equity interests, as applicable, being pledged pursuant to the applicable Security Documents to the Collateral Agent and any subsequent transfer of such securities, partnership interests or equity interests in connection with any disposition of such securities, partnership interests or equity interests;

(xv) the security interest of the Collateral Agent in the securities of each Guarantor being pledged pursuant to the applicable Security Documents being perfected by control and having priority over any other security interest in the securities to which the PPSA or UCC, as applicable, applies;

(xvi) no authorization, consent, permit or approval of, or filing, registration or recording with or notice to, any governmental department, ministry or other regulatory body having jurisdiction in the applicable jurisdictions is required under applicable Law in the applicable jurisdictions, in connection with the execution and delivery of and performance by the Issuers and the Guarantors of the Operative Documents, as applicable, other than as required by Securities Laws with regard to the distribution of the Notes or any required registrations in respect of the Security Documents which have been previously or will be made;

(xvii) the statements set forth in the Pricing Disclosure Package and the Offering Memorandum under the caption “Certain Canadian Federal Income Tax Considerations”, insofar as such statements purport to constitute summaries of matters of Canadian federal income tax law and

regulations or legal conclusions with respect thereto, fairly summarize the matters described therein subject to the specific limitations and qualifications stated or referred to therein and applicable thereto;

(xviii) for any Canadian entity signing a United States-law governed document, the recognition of the choice of law by a Canadian court and a judgement rendered in the United States in connection with that document would be enforced by a Canadian court; and

(xix) in the event that any Notes are offered and sold in the United States or to, or for the account or benefit of, U.S. Persons, a favourable legal opinion to the effect that, based upon the representations, warranties and agreements of the Issuers and the Underwriters in this Agreement, it is not necessary in connection with the offer, sale and delivery of the Notes (including the Note Guarantees) to the Underwriters under this Agreement or in connection with the initial resale of the Notes (including the Note Guarantees) by the Underwriters in accordance with the provisions of this Agreement to register the Notes or the Note Guarantees under the Securities Act of 1933, as amended, or to qualify the Supplemental Indenture under the Trust Indenture Act of 1939, as amended, it being understood that no opinion is expressed as to any subsequent reoffer or resale of the Notes;

it being understood that Issuers' Counsel may, to the extent appropriate in the circumstances, (A) as to matters governed by Laws other than the Laws of the jurisdictions in which they are qualified to practice (with respect to Canadian counsel, being those Canadian jurisdictions outside of British Columbia, Alberta, Ontario and Québec), deliver opinions of local or U.S. counsel acceptable to Issuers' Counsel and Underwriters' Counsel, acting reasonably (signed copies of which shall be addressed to and delivered to the Underwriters, Underwriters' Counsel and Issuers' Counsel), and (B) as to matters of fact not independently established or within the knowledge of Issuers' Counsel, rely on certificates of government officials, the Auditors, Trustee and officers of the Issuers and the Guarantors, as applicable;

(f) the Underwriters shall have received at the Closing Time, if requested, a legal opinion from Underwriters' Counsel, addressed to the Underwriters and dated the Closing Date, in form and substance satisfactory to the Underwriters, acting reasonably, and based and relying on such assumptions and qualifications as are acceptable to the Underwriters, acting reasonably. In giving such opinions, Underwriters' Counsel shall be entitled to rely on the opinions of local counsel as to matters governed by the laws of jurisdictions other than the Laws of jurisdictions in which they are qualified to practice, as to matters of fact, on certificates of the Auditors, government officials and officers of the Issuers, and on the opinions of Issuers' Counsel referred to in Subsection 13(e) hereof;

(g) the Underwriters shall have received at the Closing Time evidence reasonably satisfactory to them that the Notes issued at Closing have been issued and authenticated in uncertificated format for electronic deposit in the record entry securities transfer and pledge system administered by the Depository as book-entry-only securities and registered in the name of "CDS & Co." or its nominee,

or in such name or names as the Bookrunners may otherwise direct the Issuers in writing not less than 24 hours prior to the Closing Time;

(h) all conditions precedent provided for in the Supplemental Indenture relating to the creation, issuance, certification and delivery of the Notes at Closing shall have been satisfied and no Event of Default (as defined in the Offering Memorandum), or event which, with notice or lapse of time or both, would constitute an Event of Default, will have occurred and be continuing;

(i) the Underwriters shall have received a comfort letter dated the date hereof and a bring-down comfort letter dated the Closing Date in each case from (i) the Auditors in respect of the Offering Memorandum and the documents incorporated by reference therein (other than the combined and carve-out financial statements and report of independent certified public accountants of certain assets and operations of Preferred Proppants Holdings, LLC as of December 31, 2016 and 2016 appended as Appendix "B" to the business acquisition report dated December 1, 2017 (the "**Preferred Financial Statements**") with respect to the Preferred Acquisition (the "**BAR**"); and (ii) Grant Thornton LLP in respect of the Preferred Financial Statements appended to the BAR as Appendix "B", such comfort letters to be in form and content satisfactory to the Underwriters and Underwriters' Counsel, acting reasonably, containing statements and information of the type ordinarily included in accountants' long-form comfort letters to Canadian underwriters with respect to the historical financial statements and other financial information of the Company and its Subsidiaries included in the Pricing Disclosure Package and the Offering Memorandum;

(j) there shall have been delivered to the Underwriters evidence that the Issuers have met all requirements of the Depository necessary to make use of the book-entry system;

(k) the Underwriters shall have obtained evidence (including copies of existing financing statements, registration forms and/or Security Documents filed, registered or published in connection with the issue of the Existing Notes to perfect the security interest of the Collateral Agent in the Collateral) and assurances reasonably satisfactory to the Underwriters that, concurrently with the issuance of the Notes at Closing and the application of the proceeds thereof, the Collateral Agent shall, except as otherwise permitted under the Security Documents or the Indenture (as supplemented by the Supplemental Indenture), have a valid and perfected security interest in the Collateral as described in the Offering Memorandum, in each case securing the obligations of the Issuers and the other Guarantors under the Indenture (as supplemented by the Supplemental Indenture), the Notes and the Note Guarantees;

(l) the Underwriters shall have received (i) copies of PPSA, UCC, *Bank Act* (Canada) or equivalent reports or searches, each as of a recent date listing all effective financing statements, lien notices or comparable documents that name any of the Issuers or any Guarantor as debtor and that are filed in those jurisdictions in which the Issuers or any Guarantor are organized or carry on business and such other searches that are required by the Security Documents or that Underwriters' Counsel deems reasonably necessary or appropriate, indicating the Collateral is not encumbered other than as permitted by the

Security Documents or by Permitted Liens and (ii) acceptable evidence of payment or arrangements for payment by the Issuers and the other Guarantors of all applicable recording taxes, fees, charges, costs and expenses required for the recording of the Security Documents;

(m) the Underwriters shall have received a certificate of status or similar certificate, as applicable, with respect to the jurisdiction in which the Company, the Issuers and each of the Guarantors are established or incorporated, as the case may be;

(n) the Underwriters not having previously terminated, in accordance with the terms of this Agreement, their obligations pursuant to this Agreement;

(o) the Issuers and each of the Guarantors, to the extent party to such instrument or agreement, and each other party thereto shall have executed and delivered each of the Operative Documents and all certificates opinions and other documents required under such instruments and agreements to be executed and delivered at or prior to the Closing Time in connection with such instruments and agreements, as applicable, shall have been executed and delivered by the appropriate parties; and

(p) the Underwriters shall have received such other certificates, consents and documents that the Underwriters have requested, acting reasonably, at or prior to the Closing Time.

14. Obligations of Underwriters.

(1) Subject to the terms hereof, the obligations of the Underwriters to purchase the Notes at the Closing Time shall be several and not joint or joint and several and their respective obligations and rights in this regard shall be in the following percentages:

Underwriter	Principal Amount of Notes
BMO Nesbitt Burns Inc.	42.25%
Scotia Capital Inc.	42.25%
AltaCorp Capital Inc.	3.875%
Cormark Securities Inc.	3.875%
Canaccord Genuity Corp.	3.875%
CIBC World Markets Inc.	3.875%
Total	**100%**

(2) If one of the Underwriters should default in its obligation to purchase its specified percentage of the aggregate principal amount of the Notes set forth opposite its name in Subsection 14(1) (the "**Defaulted Notes**") at the Closing Time, the non-defaulting Underwriters shall have the right, but shall not be obligated, within 24 hours thereafter, to make arrangements for such non-defaulting Underwriters to purchase all but not less than all of the Defaulted Notes in such amounts as may be agreed upon and upon the terms herein set forth; if, however, the non-defaulting Underwriters shall not have

completed such arrangements within such 24 hour period, then this Agreement shall terminate without liability on the part of the non-defaulting Underwriters.

(3) In the event of any default by an Underwriter as described in Subsection 14(2), the non-defaulting Underwriters shall have the right to postpone the Closing Date for not more than three (3) Business Days in order that any necessary changes in the arrangements or documents for the purchase and delivery of the Notes may be made. Nothing in this Section 14 shall require the Issuers to sell less than all of the Notes or relieve the defaulting Underwriter from liability in respect of its default hereunder to the Issuers and to the non-defaulting Underwriters.

(4) The Underwriters will provide a direction to the Depository with respect to the crediting of the Notes to the accounts of the participants of the Depository as shall be designated by the Underwriters in writing in sufficient time prior to the Closing Time to permit such crediting and the electronic deposit to be made as a book-entry-only security in accordance with the rules and procedures of the Depository.

15. Rights of Termination.

(1) **Non-Compliance with Conditions.** Any breach of or failure to comply with any conditions in Section 13 which are for the benefit of the Underwriters shall entitle any of the Underwriters, at their option and in accordance with Subsection 15(5), to terminate its obligations under this Agreement by written notice to that effect given to the Issuers prior to the Closing Time. The Underwriters may waive in whole or in part or extend the time for compliance with any of such conditions without prejudice to their rights in respect of any other of such conditions or any other or subsequent breach or non-compliance, provided that to be binding on an Underwriter any such waiver or extension must be in writing and signed by each of the Underwriters.

(2) **Litigation and Regulatory.** If prior to the Closing Time, any inquiry, action, suit, investigation or other proceeding (other than any proceeding identified, and as described in, the Offering Memorandum), whether formal or informal, is instituted, threatened or announced, or any order is made by any Governmental Authority in relation to the Issuers or any Guarantor, or there is any change of Law or the interpretation or administration thereof, in each case which, in the reasonable opinion of an Underwriter, operates to prevent or restrict the distribution of the Notes or materially adversely affects or would reasonably be expected to have a significant adverse effect on the market price or value of the Notes, such Underwriter shall be entitled, at its option and in accordance with Subsection 15(5), to terminate its obligations under this Agreement by notice to that effect given to the Issuers any time prior to the Closing Time.

(3) **Disaster-Out and Market Condition.** If prior to the Closing Time: (A) there should develop, occur or come into effect any occurrence of national or international consequence or any event, action, condition, Law, governmental regulation, enquiry or other development or occurrence of any nature whatsoever which, in the reasonable opinion of an Underwriter, materially adversely affects or would reasonably be expected to materially adversely affect the Canadian or U.S. financial markets or the business, operations or affairs of the Issuers or the Guarantors (taken as a whole), or (B) the state of the financial markets in Canada or the United States is such that in the reasonable opinion of any of an Underwriter the Notes cannot be profitably marketed, such Underwriter shall be entitled, at its option, in accordance with Subsection 15(5), to

terminate its obligations under this Agreement by written notice to that effect given to the Issuers prior to the Closing Time.

(4) **Material Change.** If prior to the Closing Time, there should occur any material change or a change in any material fact, any new material fact or an Underwriter becomes aware of an undisclosed material fact relating to the Issuers (other than a change or fact related solely to an Underwriter) which, in the opinion of an Underwriter, acting reasonably, could reasonably be expected to materially adversely affect the value or marketability of the Notes, such Underwriter shall be entitled, at its option, in accordance with Subsection 15(5) to terminate its obligations under this Agreement by written notice to that effect given to the Issuers prior to the Closing Time.

(5) **Exercise of Termination Rights.** The rights of termination contained in Subsections 15(1), (2), (3) and (4) herein may be exercised by any of the Underwriters and are in addition to any other rights or remedies any of the Underwriters may have in respect of any default, act or failure to act or non-compliance by the Issuers in respect of any of the matters contemplated by this Agreement or otherwise; provided that, for greater certainty, it is hereby confirmed and agreed that the Underwriters are not required to act in concert hereunder and the desire of any of the Underwriters to proceed with or terminate its respective obligations hereunder shall in no way obligate the other Underwriters to do or refrain from doing likewise. In the event of any such termination, there shall be no further liability on the part of the Underwriter who has elected to terminate to the Issuers or on the part of the Issuers to the Underwriter who has elected to terminate except in respect of any liability which may have arisen prior to or arise after such termination under Sections 16, 17 and 18. A notice of termination given by any Underwriter under Subsections 15(1), (2), (3) and (4) herein shall not be binding upon the other Underwriters.

16. Indemnity.

(1) The Issuers covenant and agree, jointly and severally, to hold harmless and indemnify each of the Underwriters and each of their respective affiliates, directors, officers, employees, shareholders, partners and agents (each an "**Indemnified Person**" and collectively, the "**Indemnified Persons**") from and against any and all losses, claims (including shareholder actions, derivative and otherwise), actions, suits, proceedings, damages, costs, fines, penalties, liabilities, payments or expenses of whatsoever nature or kind (excluding loss of profits and other consequential damages), joint or several, of any nature, including, without limitation, the aggregate amount paid in reasonable settlement of any actions, suits, proceedings, investigations or claims and the reasonable fees and expenses of their counsel and other reasonable out-of-pocket expenses in connection with any action, suit, proceeding, investigation or claim that may be made or threatened against any Indemnified Person or in enforcing this indemnity (collectively, a "**Claim**") to which an Indemnified Person may become subject or otherwise involved in any capacity insofar as the Claim relates to, is caused by, results from, arises out of or is based upon, directly or indirectly:

(a) any information or statement contained in the Preliminary Offering Memorandum, the Offering Memorandum, the Pricing Disclosure Package and any Supplementary Material (other than the Underwriter Information) being, or being alleged to be, untrue or a misrepresentation, or any omission or alleged omission to provide any information or to state any material fact required to be stated

therein, or necessary to make any statement therein not misleading in light of the circumstances in which it was made;

(b) any information or statement, other than those contained in the Preliminary Offering Memorandum, the Offering Memorandum, the Pricing Disclosure Package and any Supplementary Material, contained in any certificate or other document or material filed or delivered by or on behalf of the Issuers pursuant to this Agreement, being or being alleged to be, untrue or a misrepresentation, or any omission or alleged omission to provide any information or to state any material fact required to be stated therein, or necessary to make any statement therein not misleading in light of the circumstances in which it was made;

(c) any order made or any inquiry, investigation or other proceeding commenced or threatened by any Governmental Authority relating to the matters contemplated in this Agreement (not based upon a failure, or alleged failure of the Underwriters to comply with the requirements of Securities Laws, if any; for greater certainty, the Issuers and the Underwriters agree that they do not intend that any failure by the Underwriters to conduct such reasonable investigation as necessary to provide the Underwriters with reasonable grounds for believing the Preliminary Offering Memorandum, the Offering Memorandum, the Pricing Disclosure Package and any Supplementary Material contained no misrepresentation shall constitute any failure, or alleged failure of the Underwriters to comply with the requirements of Securities Laws) prohibiting or restricting, the trading or distribution of the Notes; or

(d) any breach of, default under or non-compliance by the Issuers or any Guarantor with (i) any requirements of Securities Laws in relation to the issue and sale of the Notes, unless such breach, default or non-compliance results from the non-compliance by the Indemnified Persons with any requirement of Securities Laws, or (ii) any representation, warranty, term or condition of this Agreement or in any certificate or other document delivered by or on behalf of the Issuers or any Guarantor hereunder or pursuant hereto;

except that, if and to the extent that a court of competent jurisdiction in a final judgment that has become non-appealable determines that those losses (except lost profit and other consequential damages), costs, expenses, claims, actions, damages and liabilities, joint or several, including the aggregate amount paid in reasonable settlement of any actions, suits, proceedings, investigations or claims and the reasonable fees and expenses of their counsel that may be incurred in advising with respect to and/or defending any action, suit, proceeding, investigation or claim (collectively "**Proceedings or Liabilities**") resulted from the fraud, gross negligence or willful misconduct of the Indemnified Person claiming indemnity, or the breach by the relevant Underwriter or its affiliates or representatives of the Agreement, such Indemnified Person shall promptly reimburse to the Issuers any funds advanced to such Indemnified Person or fees and disbursements paid to such Indemnified Person's counsel pursuant to this indemnity in respect of such Proceedings or Liabilities and the indemnity provided for in this Section 16 shall cease to apply to such Indemnified Person in respect of such Proceedings or Liabilities. For greater certainty, the Issuers and the Underwriters agree that they do not intend that any failure by the Underwriters to conduct such reasonable investigation as necessary to provide the Underwriters with reasonable grounds for believing the Preliminary Offering Memorandum, the Offering Memorandum, the Pricing

Disclosure Package and any Supplementary Material contained no misrepresentation shall constitute "gross negligence" or "willful misconduct" for the purposes of this Section 16 or otherwise disentitle the Underwriters from indemnification hereunder.

This indemnity will be in addition to any liability which the Issuers may otherwise have to the Indemnified Persons apart from this indemnity.

(2) If any Claim contemplated by Subsection 16(1) shall be asserted against any Indemnified Person, such Indemnified Person shall notify the Issuers (provided that failure to so notify the Issuers of the nature of such Claim in a timely fashion shall relieve the Issuers of liability hereunder only if and to the extent that such failure materially prejudices the Issuers' ability to defend such Claim or results in any material increase in the liability that the Issuers has under this Section 16) in writing as soon as possible of the nature and full particulars of such Claim and the Issuers shall be entitled (but not required), by written notice reasonably promptly provided to the Indemnified Person, to assume the defense of any suit brought to enforce such Claim, provided however, that the defense shall be through legal counsel selected by the Issuers and acceptable to the Indemnified Person acting reasonably and that no settlement or admission of liability may be made by the Issuers or the Indemnified Person without the prior written consent of the Indemnified Person and the Issuers, such consent not to be unreasonably withheld or delayed. The Indemnified Person shall have the right to retain separate counsel in any proceeding relating to a Claim contemplated by Subsection 16(1) but the fees and expenses of such counsel shall be at the expense of the Indemnified Person, unless:

(a) the named parties to any such Claim include the Indemnified Person or any of the Issuers or any Guarantor and the Indemnified Person has been advised by counsel that (i) there may be a reasonable legal defense available to the Indemnified Person which is different from or additional to a defense available to the Issuers or applicable Guarantor and that representation of the Indemnified Person and the Issuers or applicable Guarantor by the same counsel would be inappropriate due to the actual or potential differing interests between them (in which case the Issuers shall not have the right to assume the defense of such proceedings on the Indemnified Person's behalf but shall be liable to pay the reasonable fees and expenses of counsel for the Indemnified Person), (ii) there may be a conflict of interest between the Indemnified Person and any one of the Issuers or any Guarantor and that representation of the Indemnified Person and applicable Issuer or applicable Guarantor by the same counsel would be inappropriate due to the actual or potential differing interests between them (in which case the Issuers shall not have the right to assume the defense of such proceedings on the Indemnified Person's behalf but shall be liable to pay the reasonable fees and expenses of counsel for the Indemnified Person), or (iii) the subject matter of the Claim may not fall within the indemnity set forth in this Agreement (in which case the Issuers shall not have the right to assume the defense of such proceedings on the Indemnified Person's behalf but shall be liable to pay the reasonable fees and expenses of counsel for the Indemnified Person);

(b) the Issuers shall not have taken the defense of such proceedings and employed counsel within 14 days after notice has been given to the Issuers of commencement of such proceedings; or

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

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

(3) If any legal proceeding shall be instituted against the Company, the Issuers or any Guarantor in respect of the Preliminary Offering Memorandum, the Offering Memorandum, the Pricing Disclosure Package or any Supplementary Material or the Notes, if any regulatory authority or stock exchange shall carry out an investigation of the Company, the Issuers or any Guarantors in respect of the Preliminary Offering Memorandum, the Offering Memorandum, any Supplementary Material or the Notes, or if the Company, the Issuers or any of its respective affiliates, partners, directors, securityholders or creditors or an Indemnified Person shall institute any action related to the Offering and, in any case, whether or not any Indemnified Person is otherwise a party thereto, any Indemnified Person is required to testify, or respond to procedures designed to discover information, in connection with or by reason of the services performed by the Underwriters hereunder, the Indemnified Person may employ its own legal counsel and, the Issuers shall pay and reimburse the Indemnified Person for the reasonable fees and expenses of such legal counsel, the other expenses reasonably incurred by the Indemnified Person in connection with such proceedings or investigation and a fee at the normal per diem rate for any director, officer or employee of the Underwriters involved in the preparation for or attendance at such proceedings or investigation.

(4) The rights and remedies of the Indemnified Persons set forth in Sections 16 and 17 of this Agreement are to the fullest extent possible in Law cumulative and not alternative and the election by any Underwriter or other Indemnified Person to exercise any such right or remedy shall not be, and shall not be deemed to be, a waiver of any other rights and remedies.

(5) It is the intention of the Issuers to constitute the Underwriters as trustees for the Underwriters' directors, officers and employees of the covenants of the Issuers under this Section 16 with respect to the Underwriters' directors, officers and employees and the Underwriters agree to accept such trust and to hold and enforce such covenants on behalf of such Persons.

(6) The Issuers waive any right each may have of first requiring an Indemnified Person to proceed against or enforce any other right, power, remedy or security or claim or to claim payment from any other Person before claiming under this indemnity. It is not necessary for an Indemnified Person to incur expense or make payment before enforcing such indemnity.

(7) The rights of indemnity contained in this Section 16 shall not apply if (i) the Issuers have complied with the provisions of Sections 5 and 7, (ii) the Issuers have delivered to the Underwriters, in accordance with the terms of such provisions, an Offering Memorandum or other document that corrects the misrepresentation or alleged misrepresentation

which is the basis of any Claim contemplated by this Section 16, (iii) the Underwriters were obligated pursuant to this Agreement to provide a copy of such correcting Offering Memorandum or other document to the Person asserting such Claim, (iv) the Person asserting such Claim was not provided with a copy of such correcting Offering Memorandum or other document by the Underwriters, and (v) the Person asserting such Claim would have been unable, under applicable Law, to assert such Claim if the Underwriters had complied with their obligations pursuant to this Agreement to provide a copy of such correcting Offering Memorandum or other document to such Person at the time and in the manner contemplated by such obligations.

(8) If the Issuers or a Guarantor, as applicable, has assumed the defense of any suit brought to enforce a Claim hereunder, the Indemnified Person shall provide the relevant Issuer or Guarantor with 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 Issuers or Guarantor, as applicable, 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 Issuers or Guarantor, as applicable, including without limitation, attending examinations for discovery, making affidavits, meeting with counsel and testifying and divulging information required to defend or prosecute the Claim; provided, further, that the Issuers agree that, without the prior written consent of each of the Underwriters, which shall not be unreasonably withheld or delayed, neither the Issuers nor any Guarantor shall make any admission of liability or settle, compromise or consent to the entry of any judgment in any pending or threatened Claim under this Section 16 unless such admission of liability, settlement, compromise or consent (i) includes an unconditional written release of each applicable Indemnified Person from all liability arising out of such Claim, 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 applicable Indemnified Person.

17. Contribution.

(1) In order to provide for just and equitable contribution in circumstances in which an indemnity provided in Section 16 of this Agreement would otherwise be available in accordance with its terms but is, for any reason not solely attributable to any one or more of the Indemnified Persons, held to be unavailable under Law or otherwise, or unenforceable by the Indemnified Person, in whole or in part, the Indemnified Person and the Issuers will contribute to the aggregate of all Claims of the nature contemplated in Subsection 16(1) of this Agreement and suffered or incurred by the Indemnified Persons:

(a) in such proportions as is appropriate to reflect the relative benefits received by the Issuers, on the one hand, and the Underwriters on the other, from the distribution of the Notes, it being agreed that such proportion is (i) in respect of the Issuers, the percentage that the gross proceeds to the Issuers from the sale of the Notes minus the fee payable by the Issuers to the Underwriters bears to the total gross proceeds to the Issuers from the sale of the Notes, all as determined pursuant to the provisions hereof, and (ii) in respect of each Underwriter, the percentage that the aggregate fees actually received by such Underwriter bears to the total gross proceeds to the Issuers from the sale of the Notes; or

(b) if, but only if, the allocation provided in Subsection 17(1)(a) is not permitted by Law, in such proportion as is appropriate to reflect not only the relative benefits referred to in Subsection 17(1)(a) but also the relative fault of the Issuers (which, for this purpose, shall include any fault of the Issuers and any Guarantor), on the one hand, and the Underwriters on the other, in connection with the circumstances which resulted in such Claim (or Claims in respect thereof), as well as any other relevant equitable considerations. The relative fault of the Issuers (which, for this purpose, shall include any fault of the Issuers and any Guarantor), on the one hand, and of the Underwriters on the other, will be determined by reference to, among other things, whether any misrepresentation relates to information supplied by the Issuers or supplied by an Underwriter or the Underwriters in connection with the Offering and their relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission.

The amount paid or payable by a Person as a result of the Claims referred to above shall be deemed to include, subject as otherwise provided herein, any legal or other fees or expenses reasonably incurred by the Indemnified Person in connection with investigating or defending any Claim.

(2) No Person who has been determined by a court of competent jurisdiction, in a final judgment that has become non-appealable, to have engaged in fraud, gross negligence or willful misconduct will be entitled to claim contribution from any Person who has not been so determined to have engaged in such fraud, gross negligence or willful misconduct.

(3) The Issuers and each of the Guarantors hereby waives any right it might otherwise have to recover contribution from the Underwriters with respect to the Issuers' or such Guarantor's liability under the indemnity provided in Section 16 arising by reason of or arising out of any matters of the nature specified in Subsection 16(1).

(4) The parties hereto agree that it would not be just and equitable if contribution were determined by any method of allocation that does not take into account the equitable considerations referred to in this Section 17. In the event that the Issuers or a Guarantor may be held to be entitled to contribution from the Underwriters under the provisions of any statute or at Law, the Underwriters shall be limited to contribution in an amount not exceeding the lesser of (A) the portion of the full amount of the loss or liability giving rise to such contribution for which the Underwriters are responsible, as determined in Subsection 17(1), and (B) the aggregate fees actually received by the Underwriters from the Issuers under this Agreement.

(5) If an Indemnified Person has reason to believe that a claim for contribution may arise, the Indemnified Person will give the Issuers notice in writing, but failure to so notify will not relieve the Issuers of any obligation which they may have to the Indemnified Person under this Section 17 provided that the Issuers are not materially prejudiced by that failure, and the right of the Issuers to assume the defense of that Indemnified Person will apply as set out in Section 16 of this Agreement, *mutatis mutandis*.

(6) The rights to contribution provided in this Section 17 will be in addition to and not in derogation of any other right to contribution which the Indemnified Persons may have by statute or otherwise at Law.

18. Expenses.

The Issuers agree, whether or not the transactions contemplated by this Agreement are completed, including, without limitation, in the event that the Underwriters terminate this Agreement pursuant to Section 15, the reasonable expenses of or incidental to the transactions set out in this Agreement shall be borne by the Issuers, including without limitation:

(a) the reasonable fees and expenses of Issuers' Counsel;

(b) the reasonable fees and expenses of the Auditors;

(c) the reasonable fees and expenses of Computershare Trust Company of Canada;

(d) all fees and expenses, if any, incurred in connection with perfecting the security interest in the Collateral; and

(e) all reasonable and documented expenses of the Underwriters, including but not limited to, advertising and printing expenses, travel expenses (aggregate travel expenses in excess of $10,000 to be subject to Issuer approval), communication expenses, database service expenses, courier charges, all reasonable fees and disbursements of Underwriters' Counsel, any fee of the Investment Industry Regulatory Organization of Canada and any other reasonable and documented expenses incurred by the Underwriters in connection with the Offering,

plus Canadian federal goods and services tax, provincial sales tax and harmonized sales tax in respect of any of the foregoing, if applicable.

19. Notice.

Unless otherwise expressly provided in this Agreement, any notice or other communication required or permitted to be given under this Agreement shall be in writing and shall be delivered to:

(a) in the case of the Issuers:

Source Energy Services Canada LP
Source Energy Services Canada Holdings Ltd.
Suite 500, 438 – 11th Avenue S.E.
Calgary, Alberta T2G 0Y4
Attention: Brad Thomson
Email: bthomson@sourceenergyservices.com

with a copy (which shall not constitute notice) to:

Norton Rose Fulbright Canada LLP
Suite 3700, 400 – 3rd Ave SW
Calgary, AB T2P 4H2
Attention: Jamie Gagner
Email: jamie.gagner@nortonrosefulbright.com

(b) in the case of the Underwriters:

to BMO:

BMO Nesbitt Burns Inc.
Suite 900, 525 – 8th Avenue S.W.
Calgary, Alberta T2P 1G1
Attention: Greg Stadnyk
Email: gregory.stadnyk@bmo.com

and to Scotia:

Scotia Capital Inc.
Scotia Plaza, 68th Floor
40 King Street West
Toronto, Ontario M5H 1H1
Attention: Rishi Sood
Email: rishi.sood@scotiabank.com

with a copy (which shall not constitute notice) to:

Blake, Cassels & Graydon LLP
Suite 4000, Commerce Court West
199 Bay Street
Toronto, Ontario M5L 1A9
Attention: Tim Andison
Email: tim.andison@blakes.com

The parties may change their respective addresses for notices by notice given in the manner set out above. Each notice shall be personally delivered to the addressee or sent by email to the addressee and (i) a notice which is personally delivered shall, if delivered 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; and (ii) a notice which is sent by email shall be deemed to be given and received on the first Business Day following the day on which it is sent.

20. Authority of the Bookrunners.

The Bookrunners are hereby authorized by each of the other Underwriters to act on its behalf and the Issuers and the Issuers shall be entitled to and shall act on any notice given in accordance with Section 19 or agreement entered into by or on behalf of the Underwriters by the Bookrunners. The Bookrunners represent and warrant that they have irrevocable authority to bind the Underwriters, except in respect of any consent to a settlement pursuant to Section 16(8), which consent shall be given by the Indemnified Party, a notice of termination pursuant to Section 15, which notice may be given by any of the Underwriters, or any waiver pursuant to Section 15(1), which waiver must be signed by all of the Underwriters. The Bookrunners shall consult with the other Underwriters concerning any matter in respect of which it acts as representative of the Underwriters.

21. Miscellaneous.

(1) **Survival of Representations, Warranties and Covenants.** The representations, warranties, covenants, obligations and agreements of the Issuers contained in this Agreement or in any document delivered pursuant to or in connection with this Agreement shall survive the issue and sale of the Notes and will continue in full force and effect notwithstanding any subsequent disposition by the Underwriters and the Purchasers of the Notes.

(2) **Relationship Among the Issuers and the Underwriters.** The Issuers hereby acknowledge that (A) the purchase and sale of the Notes pursuant to this Agreement is an arm's-length commercial transaction created solely by this Agreement entered into on an arm's-length basis, (B) each of the Underwriters is acting as principal and not as an agent or fiduciary of the Issuers and (C) the Issuers' engagement of each of the Underwriters in connection with the Offering and the process leading up to the Offering is as independent contractors and not in any other capacity. Furthermore, the Issuers agree that each is solely responsible for making its own judgments in connection with the Offering including any of the transactions contemplated by this Agreement (irrespective of whether any of the Underwriters has advised or is currently advising the Issuers on related or other matters). The Issuers agree that it will not claim that the Underwriters have rendered advisory services of any nature or respect, or owe an agency, fiduciary or similar duty to the Issuers in connection with such transaction or the process leading thereto and hereby waives, to the fullest extent permitted by Law, any claims it may have against the Underwriters for breach of fiduciary duty or alleged breach of fiduciary duty and agrees that the Underwriters shall have no liability (whether direct or indirect) to the Issuers in respect of such a fiduciary duty claim or to any person asserting a fiduciary duty claim on behalf of or in right of the Issuers, including securityholders, employees or creditors of the Issuers.

(3) **Governing Law.** This Agreement shall be governed by and interpreted in accordance with the laws of the Province of Alberta and the federal laws of Canada applicable therein.

(4) **Time of Essence.** Time shall be of the essence of this Agreement and, following any waiver or indulgence by any party, time will again be of the essence of this Agreement.

(5) **Severability.** If any provision of this Agreement is determined by a court of competent jurisdiction to be void or unenforceable in whole or in part, it shall be deemed not to affect or impair the validity of any other provision of this Agreement and such void or unenforceable provision shall be severable from this Agreement.

(6) **Entire Agreement.** This Agreement constitutes the entire agreement among the Underwriters and the Issuers relating to the subject matter of this Agreement and supersedes all prior agreements between those parties with respect to their respective rights and obligations in respect of the transactions contemplated under this Agreement, whether verbal or written.

(7) **Successors.** The terms and provisions of this Agreement will be binding upon and enure to the benefit of the Issuers, the Underwriters and their respective successors and assigns; provided that, except as otherwise provided in this Agreement, this Agreement

will not be assignable by any party without the written consent of the other parties and any purported assignment without such consent will be invalid and of no force and effect.

(8) **Public Announcements.** Upon the request of the Underwriters, the Issuers will include a reference to the Underwriters and their role in connection with the Offering in any press release or other public communication issued by the Company or the Issuers or an affiliate of the Company or the Issuers relating to the Offering outside of the United States. If the Offering is successfully completed, the Underwriters will be permitted to publish, solely outside of the United States, at their own expense, subject to the Issuers' prior written approval, not to be unreasonably withheld, such advertisements or announcements relating to the services provided hereunder in such newspaper or other publications as the Underwriters consider appropriate.

(9) **Counterparts.** This Agreement may be executed in any number of counterparts, each of which when so executed will be deemed to be an original and all of which, when taken together, will constitute one and the same agreement. Each of the parties to this Agreement will be entitled to rely on delivery of an electronic copy of this Agreement and acceptance by each party of any such electronic copy will be legally effective to create a valid and binding agreement between the parties to this Agreement in accordance with the terms of this Agreement.

[remainder of page intentionally left blank]

If the foregoing is in accordance with your understanding and is agreed to by you, please signify your acceptance by executing the enclosed copies of this Agreement where indicated below and returning the same to the Bookrunners, upon which this Agreement as so accepted shall constitute an agreement among us.

Yours very truly,

SOURCE ENERGY SERVICES CANADA LP
by its General Partner **SOURCE ENERGY SERVICES CANADA LP GP LTD**

By: *signed "Joseph M. Jackson"*
Name: Joseph M. Jackson
Title: Vice President

SOURCE ENERGY SERVICES CANADA HOLDINGS LTD.

By: *signed "Joseph M. Jackson"*
Name: Joseph M. Jackson
Title: Vice President

Accepted and agreed to by the undersigned as of the date of this Agreement first written above.

BMO NESBITT BURNS INC.

Per: *signed "Greg Stadnyk"*
Name: Greg Stadnyk
Title: Director

SCOTIA CAPITAL INC.

Per: *signed "Rishi Sood"*
Name: Rishi Sood
Title: Director

ALTACORP CAPITAL INC.

Per: *signed "Jason Caldarelli"*
Name: Jason Caldarelli
Title: Managing Director

CORMARK SECURITIES INC.

Per: *signed "Kyle Rookes"*
Name: Kyle Rookes
Title: Director, Investment Banking

CANACCORD GENUITY CORP.

Per: *signed "Kenneth R. Knowles"*
Name: Kenneth R. Knowles
Title: Managing Director

CIBC WORLD MARKETS INC.

Per: *signed "Sean Gilbert"*
Name: Sean Gilbert
Title: Managing Director

SCHEDULE A

GUARANTORS

ENTITY	JURISDICTIONS OF INCORPORATION OR FORMATION
[redacted]	[redacted]
[redacted].	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]

SCHEDULE B

PRICING SUPPLEMENT

Pricing Term Sheet, dated May 24, 2018
to Preliminary Offering Memorandum, dated May 23, 2018
Strictly Confidential

This pricing term sheet is qualified in its entirety by reference to the Preliminary Offering Memorandum of Source Energy Services Canada LP and Source Energy Services Canada Holdings Ltd. dated May 23, 2018 (the "Preliminary Offering Memorandum").The information in this pricing term sheet supplements the Preliminary Offering Memorandum and updates and supersedes the information in the Preliminary Offering Memorandum to the extent it is inconsistent with the information in the Preliminary Offering Memorandum. Terms used and not defined herein have the meanings assigned in the Preliminary Offering Memorandum.

10.50% Senior Secured First Lien Notes due 2021

Issuer:	Source Energy Services Canada LP and Source Energy Services Canada Holdings Ltd.
Security Description:	10.50% Senior Secured First Lien Notes due December 15, 2021 (the "Notes") The Notes offered hereby will form a single series with Source's existing 10.50% Senior Secured First Lien Notes due 2021
Principal Amount:	$50,000,000
Distribution:	Rule 144A in the U.S. and Private Placement in Canada
Coupon:	10.50%
Maturity:	December 15, 2021
Issue Price:	$1,057.50 per $1,000 principal amount of Notes plus accrued interest from December 15, 2017 ($48.04 per $1,000)
Issue Yield to Worst:	7.953%
Spread to GoC:	+580.8 basis points vs. GOC 0 ¾ due 09/01/21 (price: $95.630 yield: 2.145%
Gross Proceeds:	$55,277,054.79 (including accrued interest)
Issue Ratings*:	S&P: B+ / DBRS: B(H)

BMO Capital Markets

Scotiabank

Guarantors:	The Notes will be unconditionally guaranteed, jointly and severally, on a senior secured basis by each member of the Restricted Group other than the Issuers. At the time of the issuance of the Notes, all of the subsidiaries of the Parent Entities will be Restricted Subsidiaries
Coupon Payment Dates:	10.50% per annum, payable semi-annually in cash in arrears in equal instalments on June 15 and December 15 of each year, commencing June 15, 2018
Use of Proceeds	The estimated net proceeds (including accrued interest) to the Issuers from this Offering ("the Offering"), after payment of the Underwriters' fees, are estimated to be approximately $[redacted] million. Source intends to use the net proceeds from this Offering to repay drawn amounts on the Existing ABL Facility and fund cash to the balance sheet.
Optional Redemption:	**On or after:** **Price** December 15, 2018.....107.8750% December 15, 2019.....103.9375% December 15, 2020 and thereafter .....100.0000% in each case, plus accrued and unpaid interest
Make-Whole Redemption:	Redeemable prior to December 15, 2018 at the make-whole price, which is equal to 100% of the principal amount of the Notes redeemed plus the Applicable Premium (which will be calculated using a 50 bps spread to Government of Canada securities), plus accrued and unpaid interest
Equity Clawback:	Redeemable from time to time prior to December 15, 2018 at 110.500% for up to 35% of the aggregate principal amount, plus accrued and unpaid interest, provided that (i) after giving effect to such redemption, at least 65% of the Notes issued on the original issue date remain outstanding and (ii) each such redemption occurs within 90 days of the date of the closing of the related equity offering
Change of Control:	Puttable at 101% of principal amount, plus accrued and unpaid interest
Trade Date:	May 24, 2018
Settlement Date:	May 31, 2018 (T+5)
CUSIP:	83615WAB8 (144A) 83615WAA0 (Canadian restricted)
ISIN:	CA83615WAB87 (144A) CA83615WAA05 (Canadian restricted)

Denominations/Multiple:	C$1,000 and integral multiples of C$1,000 in excess thereof
Syndicate:	BMO Nesbitt Burns Inc. – Joint Bookrunner Scotia Capital Inc. – Joint Bookrunner AltaCorp Capital Inc. – Co-Manager Cormark Securities Inc. – Co-Manager Canaccord Genuity Corp. – Co-Manager CIBC World Markets Inc. – Co-Manager
Risk Factors:	Investing in the Notes involves certain risks. Prospective investors should carefully consider the information in the *"Risk Factors"* section of this Offering Memorandum and consult their own professional advisors to assess the tax, legal and other aspects of an investment in the Notes
Book Entry Only:	The Notes will be delivered in book entry only form through CDS. Except in limited circumstances, holders of beneficial interests in the Global Notes will not be entitled to receive Notes in definitive form.
Governing Law:	The Notes, the Indenture, the Note Guarantees and the Security Documents are governed by the laws of the Province of Alberta and the laws of Canada applicable therein (provided that certain of the Security Documents are governed and construed in accordance with the laws of the jurisdiction where the relevant Collateral or pledgor is located).

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* These securities ratings have been provided by S&P and DBRS. These securities ratings are not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time, and should be evaluated independently of any other rating.

This material is confidential and is for your information only and is not intended to be used by anyone other than you. This information does not purport to be a complete description of these Notes or the offering. Please refer to the Preliminary Offering Memorandum for a complete description.

This communication does not constitute an offer to sell or a solicitation of an offer to buy any securities in any jurisdiction to any person to whom it is unlawful to make such offer or solicitation in such jurisdiction.

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