

COURT FILE NO.

1701-05784

COURT

COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE

CALGARY

APPLICANT

ALBERTA TREASURY BRANCHES

RESPONDENT

FORENT ENERGY LTD. AND 1883222 ALBERTA INC.

DOCUMENT

AFFIDAVIT OF TRINA HOLLAND

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

BLAKE, CASSELS & GRAYDON LLP

3500, 855 – 2nd Street S.W.

Calgary, AB T2P 4J8

Attn: Ryan Zahara/Chris Nyberg

Telephone: 403-260-9628/403-260-9707

Facsimile: 403-260-9700

Email: ryan.zahara@blakes.com/chris.nyberg@blakes.com

File Ref.: 81518/131

AFFIDAVIT OF TRINA HOLLAND

Sworn on April 27, 2017

I, Trina Holland of the City of Calgary, in the Province of Alberta, SWEAR AND SAY THAT:

1. I am a Director with the Special Loans Department of Alberta Treasury Branches (“ATB”). I have been directly involved with the account of Forent Energy Ltd. (“Forent” or the “Borrower”) and 1883222 Alberta Inc. (the “Guarantor” and together with the Borrower, the “Debtors”) for approximately four (4) months and have had the opportunity to review the business records of ATB relevant to the same.

2. I have personal knowledge of the matters deposed to in this Affidavit, except where stated to be based upon information, in which case I believe the same to be true.

3. I am authorized to make this Affidavit on behalf of ATB as lender (the "**Lender**") under a commitment letter dated July 31, 2015 and accepted on August 14, 2015 (the "**Commitment Letter**"), as amended by a letter dated May 20, 2016 (the "**First Letter Agreement**"), a letter dated August 16, 2016 (the "**Second Letter Agreement**"), a first amending agreement dated January 6, 2017 (the "**First Amending Agreement**") and a second amending agreement dated February 27, 2017 (the "**Second Amending Agreement**" and together with all of the above, the "**Credit Agreement**"). Attached hereto and marked as Exhibits "**A**", "**B**", "**C**", "**D**" and "**E**", respectively, are copies of the Commitment Letter, the First Letter Agreement, the Second Letter Agreement, the First Amending Agreement and the Second Amending Agreement.

4. Capitalized terms used herein but not otherwise defined shall have the meaning ascribed to them in the Credit Agreement, as applicable.

Overview

The Parties

5. Forent is a company incorporated pursuant to the laws of the Province of Alberta with its registered office in Calgary, Alberta. Forent is extra-provincially registered in Saskatchewan and was extra-provincially registered in Nova Scotia. Forent is an oil and gas producer that engages in the exploration, development and production of hydrocarbons primarily in Alberta. Attached hereto and marked collectively as Exhibit "**F**" are copies of the corporate searches for Forent.

6. The Guarantor is also a company incorporated pursuant to the laws of the Province of Alberta with its registered office in Calgary, Alberta. The Guarantor is a subsidiary of Forent. Attached hereto and marked as Exhibit "**G**" is a copy of the corporate search for the Guarantor.

7. Forent has experienced significant financial difficulties for an extended period of time and has been unable to comply with a number of its covenants under the Credit Agreement. These financial difficulties have been compounded by the sustained decrease in market prices for oil and gas and a failed amalgamation of Forent and Perisson Petroleum Corporation ("**Perisson**").

The Failed Amalgamation

8. Perisson and Forent entered into an amalgamation agreement on March 4, 2016 (the “**Amalgamation Agreement**”) with a target date for the amalgamation (the “**Amalgamation**”) being May 16, 2016. Attached hereto and marked as Exhibit “**H**” is a copy of the Amalgamation Agreement.

9. On April 27, 2016, Perisson and Forent entered into a trust agreement (the “**Bumper Trust Agreement**”) whereby Forent agreed to hold certain oil and gas assets acquired from the receiver of Bumper Development Corporation Ltd. in trust for Perisson. Attached hereto and marked as Exhibit “**I**” is a copy of the Bumper Trust Agreement.

10. The Amalgamation did not occur by May 16, 2016 and Forent and Perisson entered into an amended and restated amalgamation agreement on July 20, 2016 (the “**Amended Amalgamation Agreement**”). The Amended Amalgamation Agreement pushed the target date of the Amalgamation out to August 12, 2016. Attached hereto and marked as Exhibit “**J**” is a copy of the Amended Amalgamation Agreement.

11. Again, Perisson and Forent failed to consummate the Amalgamation on or before August 12, 2016. However, on September 28, 2016, Perisson and Forent entered into another trust agreement (the “**Freemont Trust Agreement**”) whereby Forent agreed to hold certain oil and gas assets (the “**Freemont Assets**”) acquired from Freemont Resources Ltd. in trust for Perisson. The deemed liabilities associated with the Freemont Assets significantly affected Forent’s liability management rating (“**LMR**”). Attached hereto and marked as Exhibits “**K**” and “**L**” respectively are copies of the Freemont Trust Agreement and the Alberta Energy Regulator’s April LMR report.

12. On Thursday April 13, 2017, I was advised by Curt Hartzler and Greg Florence of Forent that the relationship between Perisson and Forent has deteriorated to a point where the consummation of the Amalgamation is unlikely. On March 17, 2017, Forent issued a news release (the “**News Release**”) confirming that it had received notice from Perisson that it would not be proceeding with the Amalgamation. Attached hereto and marked as Exhibit “**M**” is a copy of the News Release.

13. - As a result, Forent is now in a position where it has depleted its cash reserves, is illiquid and no longer has the ability to meet its obligations to the Lender under the Credit Agreement.

Appropriateness of a Receiver

14. On April 13, 2017, the Lender issued to the Debtors demands for repayment and notices of intention to enforce its security in accordance with section 244 of the *Bankruptcy and Insolvency Act*, RSC 1985 c B-3 (the "BIA") (collectively, the "**Demand Letters**") in respect of the Outstanding Indebtedness (as defined below) in accordance with its rights under the Credit Agreement. To date, neither of the Debtors has complied with the Lender's demand for repayment. Attached hereto and marked collectively as Exhibit "N" are copies of the Demand Letters.

15. The failure to repay the Outstanding Indebtedness to the Lender upon demand is a Default under the Security (as defined below). Upon a Default, the Lender is entitled to seek the appointment of a receiver over the property of the Debtors.

16. As a result, I believe it is appropriate in the circumstances that a receiver (the "**Receiver**") be appointed over all of the assets, undertakings and properties of the Debtors pursuant to section 243 of the BIA.

The Loan

17. Pursuant to the terms of the Credit Agreement, the Lender made available to Forent a demand revolving credit facility.

18. As of April 26, 2017, the total indebtedness of Forent to the Lender pursuant to the Credit Agreement was \$6,597,216.68 (the "**Outstanding Indebtedness**") with interest accruing thereafter at a rate of \$1,235.37 per diem, plus all legal and other costs and expenses incurred by ATB in respect of the Credit Agreement and the enforcement of its rights thereunder.

19. The Guarantor guaranteed all of the Borrower's obligations under the Credit Agreement pursuant to an unlimited continuing guarantee dated January 20, 2017 (the "**Guarantee**"). Attached hereto and marked as Exhibit "**O**" is a copy of the Guarantee.

The Security

20. As security for all amounts owing from the Borrower to the Lender, Forent entered into a general security agreement dated October 3, 2013 (the "**Borrower GSA**"). The Borrower GSA granted the Lender a security interest in all of Forent's present and after-acquired property, assets and undertakings, including without limitation all present and after-acquired personal property, and all present and after-acquired real, immovable and leasehold property. Attached hereto and marked as Exhibit "**P**" is a copy of the Borrower GSA.

21. The Borrower GSA was amended by an amending agreement (the "**GSA Amending Agreement**") between the Borrower and Lender dated December 15, 2016, whereby the Borrower granted in favour of the Lender a number of fixed charges against the Additional Collateral (as defined in the GSA Amending Agreement) securing the obligations of the Borrower up to \$10,000,000. Attached hereto and marked as Exhibit "**Q**" is a copy of the GSA Amending Agreement.

22. As additional security for all amounts owing from the Borrower to the Lender under the Credit Agreement, the Guarantor entered into a general security agreement dated February 28, 2017 (the "**Guarantor GSA**" and together with the Borrower GSA, the "**Security**") in support of the Guarantee. The Guarantor GSA granted the Lender a security interest in all of the Guarantor's present and after-acquired personal property, as well as a mortgage by way of a floating charge on all of the Guarantor's lands, real property, immovable property, leasehold property and other property, assets and undertakings, including all such property, assets and undertaking owned or leased by or licensed to the Guarantor and in which the Guarantor at any time has an interest or to which the Guarantor is or at any time may become entitled. Attached hereto and marked as Exhibit "**R**" is a copy of the Guarantor GSA.

23. The Lender has registered the Security at, among others, the Alberta Personal Property Registry (the "**PPR**"). Attached hereto and marked collectively as Exhibit "**S**" is a copy of the

PPR search reports in respect of the Borrower from Alberta and Nova Scotia. Attached hereto and marked as Exhibit "T" is copy of the PPR search report in respect of the Guarantor from Alberta.

Demand and Default

24. As noted above, ATB issued the Demand Letters to the Debtors on April 13, 2017 demanding payment of the Outstanding Indebtedness in full.

25. Accordingly, ATB immediately terminated access to the Credit Agreement in accordance with the provisions thereunder. Other than certain approved outflows discussed below, Forent no longer has access to any funds under the Credit Agreement to conduct its operations.

26. Despite the issuance of the Demand Letters, the Debtors are unable or unwilling to pay the Outstanding Indebtedness which is due and owing to the Lender.

27. The failure of the Debtors to pay amounts owed to the Lender when due and owing is a Default under the terms of the Security. Additional existing Defaults include:

- (a) breaching the Working Capital Ratio in section 10(a) of the Credit Agreement for Q3 2016 (as documented in section 9(b) of the Second Amending Agreement) and Greg Florence has verbally advised ATB that Forent will also be in breach of the Working Capital Ratio in Q4 2016;
- (b) failing to provide ATB with draft terms and conditions of an amendment to the Amalgamation Agreement by March 10, 2017 in accordance with section 5(c) of the Second Amending Agreement; and
- (c) failing to disclose the existence of a Forent subsidiary, 1604862 Alberta Ltd., in spite of a representation and warranty in section 6(i) of the Credit Agreement to the contrary.

28. The Security provides that, upon a Default by the applicable Debtor, the Lender is entitled to, among other things, apply for the appointment of a receiver.

29. It is imperative that a receiver be appointed because the Debtors have insufficient funds to protect or preserve the assets, including paying for normal operating costs and maintenance.

The Strategic Alternatives Process

30. Prior to the issuance of the Demand Letters, Forent engaged Sayer Energy Advisors (“Sayer”) as financial advisor to conduct a strategic alternatives process. Now shown to me and marked as Exhibit “U” but not attached hereto due to its confidential and commercially sensitive nature is a copy of the Sayer engagement letter dated March 21, 2017.

31. Sayer is currently conducting a review of all alternatives (the “**Strategic Alternatives Process**”) available to the Borrower, including a merger with another exploration and production entity, a sale of the Borrower’s shares for cash or the sale of some or all of the Borrower’s properties.

32. The Strategic Alternatives Process was set to begin the week of April 17, 2017 (the “**Start Date**”), with the distribution of preliminary information to interested parties through an electronic data room that was expected to open on April 20, 2017.

33. The deadline for interested parties to submit proposals to Sayer was May 18, 2017 with the expected closing of the prospective transaction to occur in June/July 2017. The Lender was of the view that the Strategic Alternatives Process is fair and the timelines were reasonable. Attached hereto and marked as Exhibit “V” is a copy of the Strategic Alternatives Process summary prepared by Sayer.

34. However, the Lender notes that the initial dates for implementing disclosure and providing access to the data room have already passed. In the event the Lender’s application is successful, it is of the view that the Start Date, and the other subsequent dates, should be amended to recognize the date of appointment of a receiver as the new Start Date, with corresponding amendments to the following dates.

35. As a result of the foregoing, the Lender is of the view that the Strategic Alternatives Process, and the amended timeline, is appropriate in the circumstances, offers the best chance of recovery for the Lender and should be approved by the Court.

Necessity of the Appointment of a Receiver

36. As noted above, the Borrower no longer has access to credit under the Credit Agreement and does not have funds available to it to continue its operations or pay its debts generally as they become due.

37. The Lender has provided some additional credit to the Debtors in order to pay critical suppliers during the 10 day notice period. Initially, ATB approved approximately \$171,000 in outflows related to operating costs with another \$186,000 in additional outflows being subsequently approved. As indicated, most of these relate to operating costs, and have not yet been paid.

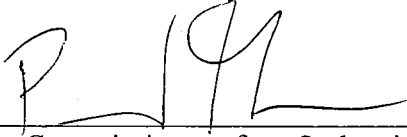
38. The Lender believes that the appointment of a receiver is just and convenient, and necessary and will be the most effective and efficient way to realize on its Security and minimize the costs associated with the enforcement process.

39. The Lender has engaged Grant Thornton Limited ("**Grant Thornton**") to act as receiver of the Debtors. I believe that Grant Thornton is a licensed trustee in bankruptcy and has consented to being appointed Receiver of the Debtors. Attached hereto and marked as Exhibit "**W**" is a copy of the consent of Grant Thornton to act as Receiver of the property of the Debtors.

40. I swear this Affidavit in support of the Lender's Originating Application for the appointment of Grant Thornton as receiver of the property of the Debtors and for no other or improper purpose.

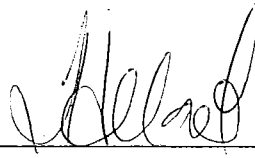
SWORN BEFORE ME at the City of
Calgary, in the Province of Alberta,
this 27th day of April, 2017.

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A Commissioner for Oaths in and for
Alberta

Paul Anthony Grenon
Student-at-Law

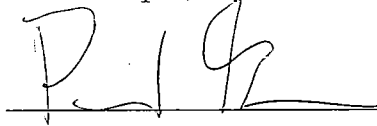


TRINA HOLLAND

This is **Exhibit "A"** referred to in
the Affidavit of

Trina Holland

Sworn before me this 27th day of
April, 2017

A handwritten signature in black ink, appearing to read 'P. A. Grenon', written over a horizontal line.

Paul Anthony Grenon
Student-at-Law

A Commissioner for Oaths in and for Alberta

Phone: 403-663-3144
Fax: 403-974-5784

July 31, 2015

Forent Energy Ltd.
Suite 200, 340 - 12th Avenue SW
Calgary, AB T2R 1L5

RECEIVED
AUG - 5 2015

Attn: Brad Perry, CFO

Dear Sir:

Alberta Treasury Branches has approved and offers financial assistance on the terms and conditions in the attached Commitment Letter. This agreement amends and restates in its entirety our letter dated June 2, 2014. Any borrowings outstanding under that letter agreement are deemed to be Borrowings hereunder under the related facility referenced herein.

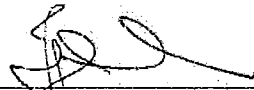
You may accept our offer by returning the enclosed duplicate of this letter, signed as indicated below, by 4:00 p.m. on or before August 17, 2015 or our offer will automatically expire. We reserve the right to cancel our offer at any time prior to acceptance.

Thank you for your continued business.

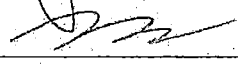
Yours truly,

ALBERTA TREASURY BRANCHES

By:


Amy Bellomo, Senior Director

By:

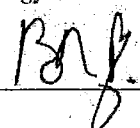

Kabir Puri, Associate Director

Encl.

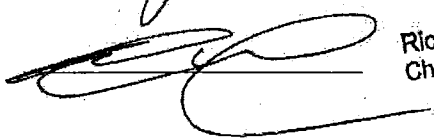
Accepted this 14th day of August, 2015

Forent Energy Ltd.

Per:


Brad R. Perry, CMA
Chief Financial Officer

Per:


Richard Wade, P.Eng.
Chief Operating Officer

ATB Corporate
Financial Services™

600, 585 8th Avenue SW Calgary, AB T2P 1G1

CAPITAL SOLUTIONS | FINANCIAL MARKETS | CASH MANAGEMENT

COMMITMENT LETTER

LENDER: ALBERTA TREASURY BRANCHES

BORROWER: FORENT ENERGY LTD.

1. AMOUNTS AND TYPES OF FACILITIES (each referred to as a "Facility")

Facility #1 - Operating Loan Facility (Revolving) – Cdn. \$8,000,000.00

- Facility #1 is available by way of:
 - Prime-based loans in Canadian dollars
 - Letters of Credit (to an aggregate maximum of \$500,000) in Canadian dollars
 - Corporate MasterCard (to a maximum of \$20,000)
- Facility #1 is to be used for the general corporate purposes of the Borrower related to the exploration, development, production and acquisition of domestic oil and natural gas reserves within the Western Canadian sedimentary basin.
- Notwithstanding the amount of Facility #1, advances under Facility #1 will be limited to the amount equal to the lesser of:
 - the maximum principal amount of Facility #1; and
 - the amount of the most recent Borrowing Base determined hereunder.

From time to time, the Borrowing Base shall be re-calculated by Lender upon receipt of each engineering report required to be delivered hereunder and if Borrower fails to deliver any such report then at any other time at Lender's sole discretion. Lender shall notify Borrower of each change in the amount of the Borrowing Base. In the event that Lender re-calculates the Borrowing Base to be an amount that is less than the Borrowings outstanding under Facility #1, Borrower shall repay the difference between such Borrowings outstanding and the new Borrowing Base within 45 days of receiving notice of the new Borrowing Base, and all rates and fees for Facility #1 listed under the "Interest Rates and Prepayment" section hereof will immediately upon receipt of that notice increase by 100 basis points. Lender confirms that the Borrowing Base on the date hereof is \$7,000,000.00.

Facility #1 will be stepped up to \$8,000,000.00 contingent on Borrower providing additional information on the proposed acquisition assets and equity recapitalization strategy and the Lender's due diligence of same and final Lender approval.

Other Facilities – Foreign Exchange, Interest Rate and Commodity Derivatives

- At Borrower's request, Lender may enter into foreign exchange forward contracts and/or interest rate and commodity derivatives with Borrower from time to time. Lender makes no commitment to enter into any such contract or derivative and may at any time in its sole discretion decline to enter into any such contract or derivative. Any Security Documents will also secure Borrower's liability and obligations pursuant to any such contracts or derivatives.

2. INTEREST RATES AND PREPAYMENT:

Facility #1:

- Pricing applicable to Facility #1 is as follows:
 - Prime-based loans: Interest is payable in Canadian dollars at Prime plus 1.60% per annum
 - Letters of Credit: Fee is 2.00% per annum with a minimum fee of \$200.00.
 - Corporate MasterCard: Fees are detailed in the Corporate MasterCard documentation.
- Non-refundable facility fee calculated at a rate of 0.30% per annum is payable monthly in Canadian dollars on the last day of each month, calculated daily on the unused portion of the authorized amount of Facility #1.
- Facility #1 may be prepaid in whole or in part at any time (subject to the notice periods provided hereunder) without penalty.

3. REPAYMENT:

Facility #1:

- Facility #1 is payable in full on demand by Lender, and Lender may terminate the availability thereof (including any undrawn portion) at any time without notice.
- Facility #1 may revolve in multiples as permitted hereunder, and Borrower may borrow, repay, reborrow and convert between types of Borrowings, up to the amount and subject to the notice periods provided hereunder.

4. FEES:

- Non-refundable commitment fee of \$3,000.00 is payable at the time of the increase of the Borrowing Base. Lender is hereby authorized to debit Borrower's current account for any unpaid portion of the fee.
- Non-refundable renewal fee of \$10,500.00 is payable on acceptance of this offer. Lender is hereby authorized to debit Borrower's current account for any unpaid portion of the fee.
- Any amount in excess of established credit facilities may be subject to a fee where Lender in its sole discretion permits excess Borrowings, if any.
- For reports or statements not received within the stipulated periods (and without limiting Lender's rights by virtue of such default), Borrower will be subject to a fee of \$50 per month (per monthly or quarterly report or statement) and \$250 per month (per annual report or statement) for each late reporting occurrence, which will be deducted from Borrower's account.

5. SECURITY DOCUMENTS:

All security documents (whether held or later delivered) (collectively referred to as the "Security Documents") shall secure all Facilities and all other obligations of Borrower to Lender (whether present or future, direct or indirect, contingent or matured). The parties acknowledge that the following security documents are currently held:

- (a) General Security Agreement from Borrower providing a security interest over all present and after acquired personal property and a floating charge on all lands;
- (b) ISDA Master Agreement.

The security documents are registered in the following jurisdictions: Alberta and Nova Scotia.

6. REPRESENTATIONS AND WARRANTIES:

Borrower represents and warrants to Lender that:

- (a) if a Loan Party is a corporation, it is a corporation duly incorporated, validly existing and duly registered or qualified to carry on business in the Province of Alberta and in each other jurisdiction where it carries on any material business;
- (b) if a Loan Party is a partnership, it is a partnership duly created, validly existing and duly registered or qualified to carry on business in the Province of Alberta and in each other jurisdiction where it carries on any material business;
- (c) the execution, delivery and performance by each Loan Party of this agreement and each Security Document to which it is a party have been duly authorized by all necessary actions and do not violate its governing documents or any applicable laws or agreements to which it is subject or by which it is bound;
- (d) no event has occurred which constitutes, or which, with notice, lapse of time, or both, would constitute, a breach of any provision of this agreement or any Security Document given in connection herewith;
- (e) the most recent financial statements of Borrower and, if applicable, any Guarantor, provided to Lender fairly present its financial position as of the date thereof and its results of operations and cash flows for the fiscal period covered thereby, and since the date of such financial statements, there has occurred no material adverse change in its business or financial condition;
- (f) all engineering data, production and cash flow projections, and other information and data provided to Lender by or on behalf of Borrower (including, without limitation, any engineering reports and land schedules) are true and correct in all material respects as at the time provided and fairly reflect the interests of the Loan Parties therein net of all royalties and other burdens affecting the same;
- (g) each Loan Party has good and marketable title to all of its properties and assets, free and clear of any encumbrances, other than Permitted Encumbrances;
- (h) each Loan Party is in compliance in all material respects with all applicable laws including, without limitation, all environmental laws, and there is no existing material impairment to its properties and assets as a result of environmental damage, except to the extent disclosed in writing to Lender and acknowledged by Lender; and
- (i) Borrower has no Subsidiaries.

All representations and warranties are deemed to be repeated by Borrower on each request for an advance hereunder.

7. **POSITIVE COVENANTS:**

Borrower covenants with Lender that so long as it is indebted or otherwise obligated (contingently or otherwise) to Lender, it will do and perform the following covenants. If any such covenant is to be done or performed by a Guarantor, Borrower also covenants with Lender to cause Guarantor to do or perform such covenant.

- (a) Borrower will pay to Lender when due all amounts (whether principal, interest or other sums) owing by it to Lender from time to time;
- (b) Borrower will deliver to Lender the Security Documents, in all cases in form and substance satisfactory to Lender and Lender's solicitor;
- (c) Borrower will ensure that at least 95% of its consolidated assets are held by those Loan Parties which have provided security in favour of Lender;
- (d) Borrower will use the proceeds of loans only for the purposes approved by Lender;
- (e) each Loan Party will maintain its valid existence as a corporation or partnership, as the case may be, and except to the extent any failure to do so could not reasonably be expected to have a Material Adverse Effect, will maintain all licenses and authorizations required from regulatory or governmental authorities or agencies to permit it to carry on its business, including, without limitation, any licenses, certificates, permits and consents for the protection of the environment;
- (f) each Loan Party will maintain appropriate books of account and records relative to the operation of its business and financial condition;
- (g) each Loan Party will maintain and defend title to all of its property and assets, will maintain, repair and keep in good working order and condition all of its property and assets and will continuously carry on and conduct its business in a proper, efficient and businesslike manner and in accordance with good oilfield practice;
- (h) each Loan Party will maintain appropriate types and amounts of insurance with Lender shown as first loss payee on any property insurance covering any assets on which Lender has security, and promptly advise Lender in writing of any significant loss or damage to its property;
- (i) each Loan Party will provide evidence of insurance to Lender:
 - i) in situations where Lender has taken a fixed charge on an asset or property whether on real property or personal property; and
 - ii) in all other situations, on request;
- (j) each Loan Party will permit Lender, by its officers or authorized representatives at any reasonable time and on reasonable prior notice, to enter its premises and to inspect its plant, machinery, equipment and other real and personal property and their operation, and to examine and copy all of its relevant books of accounts and records (including without limitation, all land records);
- (k) Borrower will ensure that all engineering data, production and cash flow projections and other information and data provided to Lender by or on behalf of the Loan Parties (including without limitation, any engineering reports and land schedules) are true and

accurate in all material respects as at the time provided and fairly reflect the interests of the Loan Parties therein net of all royalties and other burdens affecting the same;

- (l) each Loan Party will remit all sums when due to tax and other governmental authorities (including, without limitation, any sums in respect of employees and GST), and upon request, will provide Lender with such information and documentation in respect thereof as Lender may reasonably require from time to time;
- (m) each Loan Party will comply with all applicable laws, including without limitation, environmental laws, except to the extent any failure to do so could not reasonably be expected to have a Material Adverse Effect;
- (n) Borrower will promptly advise Lender in writing, giving reasonable details, of (i) the discovery of any contaminant or any spill, discharge or release of a contaminant into the environment from or upon any property of a Loan Party which could reasonably be expected to result in a Material Adverse Effect, (ii) any event which constitutes, or which with notice, lapse of time or both, would constitute a breach of any provision hereof or of any Security Documents, and (iii) each event which has or is reasonably likely to have a Material Adverse Effect;
- (o) Borrower undertakes that, upon request from Lender, Borrower will grant (or cause Guarantor to grant) a fixed mortgage and charge to Lender on any or all property of Borrower or Guarantor so designated by Lender. Borrower shall promptly provide to Lender all information reasonably requested by Lender to assist it in that regard. Borrower acknowledges that this undertaking constitutes present and continuing security in favour of Lender, and that Lender may file such caveats, security notices or other filings in regard thereto at any time and from time to time as Lender may determine.

8. NEGATIVE COVENANTS:

Borrower covenants with Lender that while it is indebted or otherwise obligated (contingently or otherwise) to Lender, it will not do any of the following, without the prior written consent of Lender. If a Guarantor is not to do an act, Borrower also covenants with Lender not to permit Guarantor to do such act.

- (a) a Loan Party will not create or permit to exist any mortgage, charge, lien, encumbrance or other security interest on any of its present or future assets, other than Permitted Encumbrances;
- (b) a Loan Party will not create, incur, assume or allow to exist any Indebtedness other than:
 - i) trade payables incurred in the ordinary course of business;
 - ii) any Indebtedness owing to another Loan Party (but only if that Loan Party has provided security in favour of Lender);
 - iii) any Indebtedness secured by a Permitted Encumbrance;
 - iv) any unsecured advances from affiliates/shareholders which are postponed in all respects to the Facilities; and
 - v) any Indebtedness owing to Lender;
- (c) a Loan Party will not sell, lease or otherwise dispose of any assets except (i) inventory sold, leased or disposed of in the ordinary course of business, (ii) obsolete equipment which is being replaced with equipment of an equivalent value, (iii) assets sold, leased or

disposed of to another Loan Party (but only if that Loan Party has provided security in favour of Lender), and (iv) assets sold, leased or disposed of during a fiscal year having an aggregate fair market value not exceeding 5% of the Borrowing Base for such fiscal year;

- (d) a Loan Party will not provide financial assistance (by means of a loan, guarantee or otherwise) to any person (other than Lender) other than loans permitted under clause (b) above;
- (e) a Loan Party will not pay to or for the benefit of shareholders or persons associated with shareholders (within the meaning of the Alberta Business Corporations Act) by way of salaries, bonuses, dividends, management fees, repayment of loans or otherwise, any amount which would cause a breach of a provision hereof;
- (f) a Loan Party will not reduce its capital or redeem, purchase or otherwise acquire, retire or pay off any of its present or future share capital other than to another Loan Party;
- (g) a Loan Party will not amalgamate, consolidate, or merge with any person other than a Loan Party and then only if no default or event of default is then in existence or would thereafter be in existence, and will not enter into any partnership with any other person unless the partnership becomes a Loan Party hereunder and provides security in favour of Lender;
- (h) a Loan Party will not consent to or facilitate a change in the ownership of its shares or allow a material change in its management without the prior written consent of Lender;
- (i) a Loan Party will not acquire any assets in, or move or allow any of its assets to be moved to, a jurisdiction where Lender has not registered or perfected the Security Documents;
- (j) a Loan Party will not change the present nature of its business;
- (k) Borrower will not operate accounts with or otherwise conduct any banking business with any financial institution other than Lender, other than to the extent expressly permitted in the definition of Permitted Encumbrances hereunder;
- (l) a Loan Party will not incur capital expenditures in respect of oil or gas properties outside of the Western Canadian sedimentary basin with the exception of \$100,000 per annum permitted for abandonment obligations in Nova Scotia;
- (m) a Loan Party will not enter into any Hedging Agreement which is not used for risk management in relation to its business or which is not entered into in the ordinary course of its business but is entered into for speculative purposes, or which, in the case of commodity swaps or similar transactions of either a financial or physical nature, have a term exceeding two years or if more than 60% of its forecasted production from proved producing resources would be hedged at the time of determination for the hedged period;
- (n) a Loan Party will not allow any pollutant (including any pollutant now on, under or about such land) to be placed, handled, stored, disposed of or released on, under or about any of its lands unless done in the normal course of its business and then only as long as it complies with all applicable laws in placing, handling, storing, transporting, disposing of or otherwise dealing with such pollutants, except to the extent any failure to do so could not reasonably be expected to have a Material Adverse Effect;
- (o) Borrower will not utilize Borrowings to finance a hostile takeover.

9. REPORTING COVENANTS:

Borrower will provide to Lender:

- (a) within 120 days after the end of each of its fiscal years:
 - i) financial statements of Borrower on an audited basis and on a consolidated basis prepared by a firm of qualified accountants;
 - ii) a compliance certificate executed by a senior officer of Borrower in the form attached hereto as Schedule "A";
- (b) within 90 days after the end of each of its fiscal years:
 - i) external engineering report of the Loan Parties' total proved properties prepared by an accredited, independent firm of consulting petroleum engineers satisfactory to Lender;
 - ii) an officer's certificate as to title, attaching thereto a current land schedule of major producing petroleum and natural gas reserves held by the Loan Parties described by lease (type, date, term, parties), legal description (wells and spacing units), interest (W.I. or other APO/BPO interests), overrides (APO/BPO), gross overrides, and other liens, encumbrances and overrides;
 - iii) an environmental questionnaire and disclosure statement in the form requested by Lender;
 - iv) annual consolidated capital and revenue budget reports from Borrower for the next following fiscal year which include gross and/or net oil and gas production volumes, gross revenues, royalties and other burdens, operating costs, general & administrative costs, commodity price assumptions and, if available, a pro forma balance sheet;
- (c) within 60 days following the end of each fiscal quarter:
 - i) internally produced financial statements of Borrower for that quarter, and
 - ii) a compliance certificate executed by a senior officer of Borrower in the form attached hereto as Schedule "A";
 - iii) actual to plan variance analysis;
- (d) within 60 days following the end of each calendar month, monthly production and revenue reports (operator statements or internally generated area-by-area summaries) for the Loan Parties' producing properties, certified by a senior officer of Borrower, clearly indicating gross and/or net oil and gas production volumes, gross revenues, royalties and other burdens, operating costs, etc.;
- (e) on request, any further information regarding its assets, operations and financial condition that Lender may from time to time reasonably require.

10. FINANCIAL COVENANTS:

Borrower will not at any time, without the prior written consent of Lender, breach the following restriction:

- (a) permit the Working Capital Ratio to fall below 1.00:1.

The above financial ratio shall be maintained at all times and shall be detailed in the compliance certificate required to be delivered hereunder.

11. CONDITIONS PRECEDENT:

It is a condition precedent to each advance hereunder that, at the time of such advance, all representations and warranties hereunder must be true and correct in all material respects as if made on such date, and there must be no default hereunder or under any Security Document.

In addition, no Facilities will be available until the following conditions precedent have been satisfied, unless waived by Lender:

- (a) Lender has received all Security Documents and all registrations and filings have been completed in Alberta and Nova Scotia, in all cases in form and substance satisfactory to Lender;
- (b) Borrower and Guarantors (if any) have provided all authorizations and all financial statements, appraisals, environmental reports and any other information that Lender may require;
- (c) Lender has received payment of all fees due in respect hereof;
- (d) Lender is satisfied as to the value of Borrower's and any Guarantor's assets and financial condition, and Borrower's and any Guarantor's ability to carry on business and repay any amount owed to Lender from time to time;
- (e) Lender has received an officer's certificate as to title satisfactory to Lender including a schedule of major producing petroleum and natural gas reserves described by lease (type, date, term, parties), legal description (wells and spacing units), interest (W.I. or other APO/BPO interests), overrides (APO/BPO), gross overrides, and other liens, encumbrances, and overrides.

12. AUTHORIZATIONS AND SUPPORTING DOCUMENTS

Borrower has delivered or will deliver the following authorizations and supporting documents to Lender:

- Corporate Borrower:
- a) Incorporation documents including Certificate of Incorporation, Articles of Incorporation (including any amendments) and last Notice of Directors;
- b) Business Corporation Agreement;
- c) Corporate MasterCard documentation;
- d) Environmental Questionnaire & Disclosure Statement;
- e) Credit Information and Alberta Land Titles Office Name Search Consent Form;
- General:
- a) Solicitor Opinion Letter from counsel to Borrower;
- b) Solicitor Opinion Letter from counsel to Lender.

13. DRAWDOWNS, PAYMENTS AND EVIDENCE OF INDEBTEDNESS

- Interest on Prime-based loans is calculated on the daily outstanding principal balance, and is payable on the last day of each month.
- If revolvment of loans is permitted hereunder, principal advances and repayments on Prime-based loans are to be in the minimum sum of Cdn. \$10,000.00 or multiples of it.
- If Letters of Credit are available hereunder, the term of each Letter of Credit shall not exceed one (1) year, although automatic extensions thereof (unless notified by Lender) are permitted. On any demand being made by a beneficiary for payment under a Letter of Credit, the amount so paid shall be automatically deemed to be outstanding as a Prime-based loan under the relevant Facility.
- Borrower shall monitor its Borrowings (including the face amount and maturity date of each Letter of Credit) to ensure that the Borrowings hereunder do not exceed the maximum amount available hereunder.
- Borrower shall provide notice to Lender prior to requesting an advance or making a repayment or conversion of Borrowings hereunder, as follows:

For Borrowings:

- under Cdn. \$5,000,000 – same day notice
- Cdn. \$5,000,000 and over – one Business Day prior written notice
- Borrower may cancel the availability of any unused portion of a Facility on five Business Days' notice. Any such cancellation is irrevocable.
- The annual rates of interest or fees to which the rates calculated in accordance with this agreement are equivalent, are the rates so calculated multiplied by the actual number of days in the calendar year in which such calculation is made and divided by 365.
- If the amount of Borrowings outstanding under any Facility, when converted to the Equivalent Amount in Canadian dollars, exceeds the amount available under such Facility, Borrower shall, unless Lender otherwise agrees in its sole discretion, immediately repay such excess to Lender.
- If any amount due hereunder is not paid when due, Borrower shall pay interest on such unpaid amount (including without limitation, interest on interest) if and to the fullest extent permitted by applicable law, at a rate per annum equal to Prime plus 5%.
- The branch of Lender (the "Branch of Account") where Borrower maintains an account and through which the Borrowings will be made available is located at Calgary Stephen Avenue, 239 - 8 Avenue SW, Calgary, Alberta T2P 1B9. Funds under the Credit Facilities will be advanced into and repaid from account no. 760-00215875200 at the Branch of Account, or such other branch or account as Borrower and Lender may agree upon from time to time.
- Lender shall open and maintain at the Branch of Account accounts and records evidencing the Borrowings made available to Borrower by Lender under this agreement. Lender shall record the principal amount of each Borrowing and the payment of principal, interest and fees and all other amounts becoming due to Lender under this agreement. Lender's accounts and records (and any confirmations issued hereunder) constitute, in the absence of manifest error, conclusive evidence of the indebtedness of Borrower to Lender pursuant to this agreement.

Borrower authorizes and directs Lender to automatically debit, by mechanical, electronic or manual means, any bank account of Borrower for all amounts payable by Borrower to Lender pursuant to this agreement. Any amount due on a day other than a Business Day shall be deemed to be due on the Business Day next following such day, and interest shall accrue accordingly.

14. MISCELLANEOUS:

- (a) All legal and other costs and expenses incurred by Lender in respect of the Facilities, the Security Documents and other related matters will be paid or reimbursed by Borrower on demand by Lender.
- (b) All Security Documents will be prepared by or under the supervision of Lender's solicitors, unless Lender otherwise permits. Acceptance of this offer will authorize Lender to instruct Lender's solicitors to prepare all necessary Security Documents and proceed with related matters.
- (c) Lender, without restriction, may waive in writing the satisfaction, observance or performance of any of the provisions of this Commitment Letter. The obligations of a Guarantor (if any) will not be diminished, discharged or otherwise affected by or as a result of any such waiver, except to the extent that such waiver relates to an obligation of such Guarantor. Any waiver by Lender of the strict performance of any provision hereof will not be deemed to be a waiver of any subsequent default, and any partial exercise of any right or remedy by Lender shall not be deemed to affect any other right or remedy to which Lender may be entitled.
- (d) Borrower shall reimburse Lender for any additional cost or reduction in income arising as a result of (i) the imposition of, or increase in, taxes on payments due to Lender hereunder (other than taxes on the overall net income of Lender), (ii) the imposition of, or increase in, any reserve or other similar requirement, (iii) the imposition of, or change in, any other condition affecting the Facilities imposed by any applicable law or the interpretation thereof.
- (e) Lender is authorized but not obligated, at any time, to apply any credit balance, whether or not then due, to which Borrower or Guarantor is entitled on any account in any currency at any branch or office of Lender in or towards satisfaction of the obligations of Borrower or such Guarantor due to Lender under this agreement or any guarantee granted in support hereof, as applicable. Lender is authorized to use any such credit balance to buy such other currencies as may be necessary to effect such application.
- (f) Words importing the singular will include the plural and vice versa, and words importing gender will include the masculine, feminine and neuter, and anything importing or referring to a person will include a body corporate and a partnership and any entity, in each case all as the context and the nature of the parties requires.
- (g) Where more than one person is liable as Borrower (or as a Guarantor) for any obligation hereunder, then the liability of each such person for such obligation is joint and several with each other such person.
- (h) If any portion of this agreement is held invalid or unenforceable, the remainder of this agreement will not be affected and will be valid and enforceable to the fullest extent permitted by law. In the event of a conflict between the provisions hereof and of any Security Document, the provisions hereof shall prevail to the extent of the conflict.

APPENDIX

(i) the Working Capital Ratio is ____:1, calculated as follows:

Current Assets: \$ _____

but excluding mark-to-market impact of hedging +/- \$ _____

+ undrawn availability under Facilities + \$ _____

= \$ _____

divided by:

Current Liabilities, excluding any amount drawn under Facilities: \$ _____

but excluding mark-to-market impact of hedging +/- \$ _____

= \$ _____

This is **Exhibit "B"** referred to in
the Affidavit of

Trina Holland

Sworn before me this 27th day of
April, 2017

A handwritten signature in black ink, appearing to read 'P. A. Grenon', written over a horizontal line.

Paul Anthony Grenon
Student-at-Law

A Commissioner for Oaths in and for Alberta

Phone: 403-663-3144
Fax: 403-974-5784

May 20, 2016

Forent Energy Ltd.
Suite 200, 340 – 12th Avenue SW
Calgary, AB T2R 1L5

Attn: Brad Perry, CFO

Dear Sir:

Reference is made to the Commitment Letter dated July 31, 2015 as amended, supplemented, restated or replaced from time to time (the "**Original Commitment Letter**"). All capitalized terms used herein but not defined shall have the meaning given to them in the Original Commitment Letter.

Please be advised that Alberta Treasury Branches has amended the following items as outlined in the Original Commitment Letter:

1. The next annual review date for any demand credit facilities has been set for July 31, 2016 but may be set at an earlier or later date at the sole discretion of the Lender.

All other terms and conditions of the Original Commitment Letter remain unchanged and in full force and effect.

The Borrower certifies that:


1. the representations and warranties set forth in the Original Commitment Letter are true and correct in all material respects on the date hereof;
2. it has performed and observed or caused to be performed or observed the covenants set forth in the Original Commitment Letter to be performed or observed by it to the date hereof; and
3. if there are any committed facilities contained in the Original Commitment Letter, there has not occurred any un-remedied Default or Event of Default.


Please return the enclosed duplicate letter signed as indicated below prior to May 31, 2016.

Thank you for your continued business.

Yours truly,

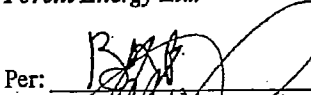
ALBERTA TREASURY BRANCHES

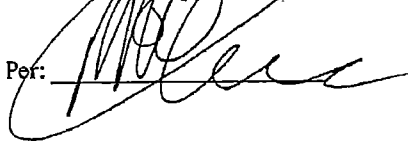
By: 
Amy Bellomo, Senior Director

By: 
Kabir Puri, Senior Associate Director

Acknowledged and Accepted this 20th day of May, 2016

Forent Energy Ltd.

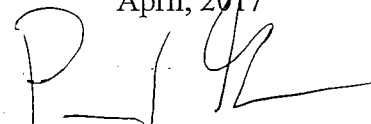
Per: 

Per: 

This is **Exhibit "C"** referred to in
the Affidavit of

Trina Holland

Sworn before me this 27th day of
April, 2017

A handwritten signature in black ink, appearing to read 'P. A. Grenon', written over a horizontal line.

Paul Anthony Grenon
Student-at-Law

A Commissioner for Oaths in and for Alberta

RECEIVED

AUG 1 / 2016

Phone: 403-663-3144

Fax: 403-974-5784

August 16, 2016

Forent Energy Ltd.
Suite 200, 340 – 12th Avenue SW
Calgary, AB T2R 1L5

Attn: Brad Perry, CFO

Dear Sir:

Reference is made to the Commitment Letter dated July 31, 2015 as amended, supplemented, restated or replaced from time to time (the "Original Commitment Letter"). All capitalized terms used herein but not defined shall have the meaning given to them in the Original Commitment Letter.

Alberta Treasury Branches has completed its review of the demand credit facilities provided under the Original Commitment Letter and confirms continuance of all credit facilities provided under the Original Commitment Letter on the same basis as outlined therein with the following exception(s):

1. The next annual review date for any demand credit facilities has been set for August 31, 2016 but may be set at an earlier or later date at the sole discretion of the Lender.

All other terms and conditions of the Original Commitment Letter remain unchanged and in full force and effect.

The Borrower certifies that:


1. the representations and warranties set forth in the Original Commitment Letter are true and correct in all material respects on the date hereof;
2. it has performed and observed or caused to be performed or observed the covenants set forth in the Original Commitment Letter to be performed or observed by it to the date hereof; and
3. if there are any committed facilities contained in the Original Commitment Letter, there has not occurred any un-remedied Default or Event of Default.

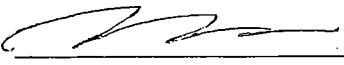
Please return the enclosed duplicate letter signed as indicated below prior to August 30, 2016. This letter may be executed electronically; this letter may be delivered by email, facsimile or other functionally-equivalent electronic means.

Thank you for your continued business.

Yours truly,

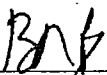
ALBERTA TREASURY BRANCHES

By: 
Amy Bellomo, Senior Director

By: 
Kabir Puri, Senior Associate Director

Acknowledged and Accepted this 17th day of August, 2016

Forent Energy Ltd.

Per: 

Brad R. Perry, CMA
Chief Financial Officer

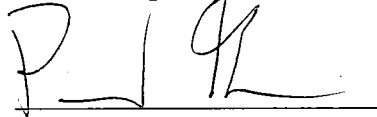
Per: 

Richard Wade, P.Eng.
Chief Operating Officer

This is **Exhibit "D"** referred to in
the Affidavit of

Trina Holland

Sworn before me this 27th day of
April, 2017

A handwritten signature in black ink, appearing to read 'P. A. Grenon', written over a horizontal line.

Paul Anthony Grenon
Student-at-Law

A Commissioner for Oaths in and for Alberta

RECEIVED

JAN 24 2017

**FIRST AMENDING AGREEMENT
TO THE COMMITMENT LETTER
DATED JULY 31, 2015**

THIS FIRST AMENDING AGREEMENT is made effective as of January 6, 2017

AMONG:

FORENT ENERGY LTD.
as Borrower

- and -

ALBERTA TREASURY BRANCHES
as Lender

PREAMBLE:

- A. Pursuant to the commitment letter dated July 31, 2015 and accepted August 14, 2015 between Forent Energy Ltd. (the "**Borrower**"), as borrower, and Alberta Treasury Branches (the "**Lender**"), as lender, as amended by a letter dated May 20, 2016 and a letter dated August 16, 2016 (as amended, restated, supplemented or otherwise modified to the date hereof, the "**Commitment Letter**"), the Lender agreed to provide to the Borrower the Facility.
- B. 1883222 Alberta Inc. ("**188**"), a Subsidiary of the Borrower wishes to provide the Lender with an unlimited guarantee to secure the Borrowings and all other obligations of the Borrower to the Lender (whether present or future, direct or indirect, contingent or matured) (the "**188 Guarantee**") which shall be secured by a general security agreement from 188 providing the Lender with a security interest over all present and after-acquired personal property and a floating charge on all lands (the "**188 GSA**").
- B. The parties hereto wish to amend the Commitment Letter on the terms and conditions herein provided.

AGREEMENT:

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

1. **Definitions.** Capitalized terms used in this first amending agreement (the "**First Amending Agreement**") will, unless otherwise defined herein, have the meaning attributed to such terms in the Commitment Letter, as amended hereby.
2. **Amendment Date.** The amendments contained herein shall be effective as of the date of this First Amending Agreement (the "**First Amendment Date**").

3. **Amendments.** Effective the First Amendment Date and upon satisfaction of the conditions precedent set forth in paragraph 6 below, the Commitment Letter is hereby amended as follows:
- (a) Section 6 of the Commitment Letter is hereby amended by deleting paragraph (i) in its entirety and replacing it with the following:
 - "(i) Borrower has no Subsidiaries other than 1883222 Alberta Inc."; and
 - (b) Section 9 of the Commitment Letter is hereby amended by deleting paragraph (e) in its entirety and replacing it with the following:
 - "(e) by no later than January 20, 2017 at 4:00 p.m. (Calgary time) and then each following Friday at 4:00 p.m. (Calgary time) thereafter, a rolling 13 week cash flow forecast, including actual to plan variance analysis of any changes to the cash flow forecast;
 - (f) by no later than each Friday at 4:00 p.m. (Calgary time) a weekly management update including, without limitation; (A) a general business overview and update (operations, cash flow, G&A etc.); (B) progress made on the arrangement agreement with Perisson Petroleum Corp., relating equity raise or any developments; (C) updated accounts payable listing and commentary on any vendor pressure; (D) update on any alternative plan(s) to the arrangement agreement with Perisson Petroleum Corp. (liquidation/wind down/other); (E) weekly cash flow update; and (F) any other information that may be relevant to the foregoing; and
 - (g) on request, any further information regarding its assets, operations and financial condition that Lender may from time to time reasonably require."
4. **188 Documents:** Effective as of the First Amendment Date and upon satisfaction of the conditions precedent set forth in paragraph 6 below, 188 shall be deemed to be a Guarantor under the Commitment Letter and each of the 188 Guarantee and the 188 GSA shall be deemed to be a Security Document under the Commitment Letter.
5. **Confirmation of Review Date.** Effective as of the First Amendment Date and upon satisfaction of the conditions precedent set forth in paragraph 6 below the next review date is hereby scheduled to be January 15, 2017.
6. **Conditions Precedent.** This First Amending Agreement shall become effective upon the following:
- (a) The Borrower delivering or causing to be delivered to the Lender a fully executed copy of this First Amending Agreement; and
 - (b) receipt by the Lender of a fully executed copy of each of the following:
 - (i) the 188 Guarantee in the form attached hereto as Schedule "A";

- (ii) the 188 GSA in the form attached hereto as Schedule "B"; and
- (iii) an officer's certificate of 188 (the "**188 Certificate**") in the form attached hereto as Schedule "C".

7. **Confirmation of Security Documents.** The Borrower agrees with and confirms to the Lender that as of the First Amendment Date, all Security Documents to which it is a party are and shall remain in full force and effect in all respects and shall continue to exist and apply to all of the obligations, liabilities and indebtedness of the Borrower under, pursuant or relating to the Commitment Letter, as amended by this First Amending Agreement, and all other documents executed and delivered by the Borrower in connection therewith. This confirmation is in addition to and shall not limit, derogate from or otherwise affect any provisions of the Security Documents. Each of the parties hereto acknowledges and agrees that the Commitment Letter, as amended by this First Amending Agreement, and all other documents executed and delivered by the Borrower in connection therewith, will be and continue in full force and effect and are hereby confirmed and the rights and obligations of all parties thereunder will not be effected or prejudiced in any manner except as specifically provided herein.
8. **Representations and Warranties.** The Borrower agrees with and confirms to the Lender that as of the First Amendment Date each of the representations and warranties listed in Section 6 of the Commitment Letter, as amended by this First Amending Agreement, is true and accurate. Further, the Borrower hereby represents and warrants to the Lender that:
- (a) the execution and delivery of this First Amending Agreement and the performance by it of its obligations hereunder: (A) are within its corporate powers; (B) have been duly authorized by all necessary corporate action; (C) have received all necessary governmental approval (if any required); and (D) do not and will not contravene or conflict with any provision of any applicable law or its constating documents or by-laws; and
 - (b) this First Amending Agreement is a legal, valid and binding obligation of it, enforceable against it in accordance with its terms except as such enforcement may be limited by applicable bankruptcy, insolvency, reorganization, winding-up, moratorium or similar applicable laws relating to the enforcement of creditors' rights generally and by general principles of equity.
9. **Further Assurance.** The Borrower will from time to time forthwith at the Lender's request and at the Borrower's own cost and expense, make, execute and deliver, or cause to be done, made, executed and delivered, all such further documents, financing statements, assignments, acts, matters and things which may be reasonably required by the Lender and as are consistent with the intention of the parties as evidence herein, with respect to all matters arising under this First Amending Agreement.
10. **Expenses.** The Borrower will be liable for all expenses of the Lender, including, without limitation, reasonable legal fees (on a solicitor and his own client indemnity basis) and

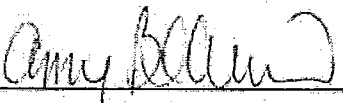
other out-of-pocket expenses in connection with the negotiation, preparation, establishment, operation or enforcement of the Commitment Letter and this First Amending Agreement (whether or not consummated) by the Lender.

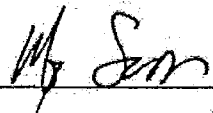
11. **Counterparts.** This First Amending Agreement may be executed in any number of counterparts (including by facsimile transmission or other electronic communication), each of which when executed and delivered will be deemed to be an original, but all of which when taken together constitutes one and the same instrument. Any party may execute this First Amending Agreement by signing any counterpart.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto have caused this First Amending Agreement to be duly executed by their respective authorized officers effective as of the date first written above.

ALBERTA TREASURY BRANCHES,
as Lender

By: 
Name: Amy Bellomo
Title: Senior Director

By: 
Name: Mikael Sears
Title: Director, Energy

FORENT ENERGY LTD., as Borrower

By: Bob
Name: Brad R. Perry
Title: CEO

By: [Signature]
Name: Robyn Lord
Title: Asst

SCHEDULE "A" - FORM OF 188 GUARANTEE

See attached.

Continuing Guarantee
(Including Postponement and Assignment of Claims)

TO: ALBERTA TREASURY BRANCHES

IN CARE OF:

Calgary Stephen Avenue Center, 102 - 8th Avenue SW, Calgary, Alberta, T2P 1B3

IN CONSIDERATION of Alberta Treasury Branches (hereafter sometimes called "ATB " or "you") extending credit to or otherwise dealing or continuing to deal with

Forent Energy Ltd. (hereafter called "the Customer"), the undersigned (jointly and severally if more than one) hereby guarantees unconditionally and promises to pay to ATB or order all existing and future debts and liabilities of the Customer to ATB, whether such debts and liabilities are direct or indirect or by way of guarantee or otherwise, whether incurred alone or with another or others, whether heretofore or hereafter incurred, whether voluntarily or involuntarily incurred, whether due or not due, and whether absolute, inchoate, contingent, liquidated or unliquidated, and including, without limitation, interest accrued or to accrue on all such debts and liabilities at the same rate or rates payable by the Customer, both before and after default, maturity, and judgment, whether such judgment be obtained against the Customer and the undersigned or any of them.

The undersigned (jointly and severally if more than one) further covenants and agrees with ATB as follows:

1. Without further authorization from or notice to the undersigned you may grant credit to or otherwise deal or continue to deal with the Customer from time to time, either before or after revocation hereof, in such manner, upon such terms and for such time as you may deem best, and with or without notice to the undersigned you may alter, compromise, accelerate, extend or change the time or manner for the payment by the Customer or by any person or persons liable to you of any of the debts and liabilities hereby guaranteed, increase or reduce the interest rate thereon, release or add one or more guarantors or endorsers, accept additional or substituted security or release or subordinate any security. No exercise or non-exercise by you of any right hereby given you, no dealing by you with the Customer or any guarantor or endorser, no change, impairment or suspension of any right or remedy you may have against any person or persons shall in any way affect any of the undersigned's obligations hereunder or any security furnished by the undersigned or give the undersigned any recourse against you. No loss of or in respect of any securities received by you from the Customer or any other person, whether occasioned by your fault or otherwise, shall in any way limit or lessen the liability of the undersigned under this guarantee.
2. This shall be a continuing guarantee and shall cover and secure any ultimate balance owing to you by the Customer, but you shall not be obliged to take any action or exhaust your recourse against the Customer, any other guarantor hereunder or under any other guarantee agreement, or against any other person, firm or corporation, or under any securities you may hold at any time, nor to value such securities, before requiring or being entitled to payment from the undersigned of all debts and liabilities hereby guaranteed; PROVIDED always that the undersigned (or any of them, if more than one hereunder) may determine his further liability under this continuing guarantee by thirty (30) days' notice in writing to you, and the liability hereunder of such undersigned shall continue until the expiration of thirty (30) days after the giving of such notice, and after the expiration of such notice such undersigned shall remain liable under this guarantee in respect of any sum or sums of money owing to you as aforesaid on the date such notice expired, together with interest thereafter at the rate or rates payable by the Customer on such sum or sums; if there is more than one undersigned hereunder, a notice by one undersigned under this clause shall not affect the liability of any other undersigned under this guarantee.

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3. If the undersigned is a corporation registered, incorporated, or continued under the *Business Corporations Act* (Alberta) the corporation will comply with all notice requirements at the times and in the manner as required under Section 45 (previously section 42) of the *Business Corporations Act* (Alberta).
4. When this guarantee is delivered to a lending officer of ATB, it shall be deemed to be finally executed and delivered by the person or persons signing the same and shall not be subject to or affected by any promise or condition affecting or limiting the (or any of the) undersigned's liability except as set forth herein, and no statement, representation, agreement or promise on the part of any officer, employee or agent of ATB, unless contained herein, forms any part of this guarantee or has induced the making thereof or shall be deemed in any way to affect the liability of the undersigned or any of the undersigned hereunder.
5. No alteration or waiver of this guarantee or of any of its terms, provisions or conditions shall be binding on ATB unless made in writing over the signature of the President and CEO, Chief Operating Officer or Chief Credit Officer of ATB.
6. Until all indebtedness of the Customer to you has been paid in full, the undersigned shall not have any right of subrogation or to securities held by ATB, unless expressly given to the undersigned in writing by the President and CEO, Chief Operating Officer or Chief Credit Officer of ATB.
7. You shall be at liberty (without in any way prejudicing or affecting your rights hereunder) to appropriate any payment made or monies received hereunder to any portion of the debts and liabilities hereby guaranteed whether then due or to become due, and from time to time to revoke or alter any such appropriation, all as you shall from time to time in your uncontrolled discretion see fit.
8. No change in the name, objects, share capital, business, membership, directors' powers, organization or management of the Customer shall in any way affect the obligations of the undersigned either with respect to transactions occurring before or after any such change, it being understood that where the Customer is a partnership or corporation, this guarantee is to extend to the person or persons or corporation for the time being and from time to time carrying on the business now carried on by the Customer, notwithstanding any change or changes in the name or membership of the Customer's firm or in the name of a corporate Customer, and notwithstanding any reorganization of a corporate Customer, or its amalgamation with another or others or the sale or disposal of its business in whole or in part to another or others.
9. Where the Customer is a corporation or partnership or any entity, you shall not be concerned to see or inquire into the powers of the Customer or its directors, partners or agents acting or purporting to act on its behalf, and credit in fact obtained from you in the professed exercise of such powers shall be deemed to form part of the debts and liabilities hereby guaranteed even though the borrowing or obtaining of such credit was irregularly, fraudulently, defectively or informally affected, or in excess of the powers of the Customer or of the directors, partners or agents thereof.
10. The statement in writing from time to time by a lending officer or account manager of ATB where any of the Customer's accounts are kept, or of a Vice-President of ATB, as to the debts and liabilities of the Customer to you and covered by this guarantee shall be received as prima facie evidence as against the undersigned that such amount is at such time so due and payable to you and is covered hereby.
11. The undersigned shall have a continuing current liability to ATB under this guarantee to the extent of the debts and liabilities of the Customer to ATB from time to time, provided however that for the purpose of the Limitations Act of Alberta or any similar legislation, the undersigned shall not be in breach of this guarantee and no cause of action against the undersigned shall arise hereunder unless and until ATB has served written demand upon the undersigned to pay or otherwise observe or perform his obligations under this guarantee and the undersigned has failed to do so promptly following service of such demand.
12. Upon the bankruptcy or winding up or other distribution of assets of the Customer or of any surety or guarantor for any indebtedness of the Customer to you, your rights shall not be affected or impaired by your omission to prove your claim or to prove your full claim and you may prove such claim as you see fit and may refrain from proving any claim, and in your discretion you may value as you see fit or refrain from valuing any security or securities held by you without in any way releasing, reducing or otherwise affecting any undersigned's liability to you, and until all indebtedness of the Customer to you has been fully paid to you, you shall have the right to include in your claim the amount of all sums paid by the undersigned to you under this guarantee and to prove and rank for such sums paid by the undersigned and to receive the full amount of all dividends in respect thereto, all of the same being hereby assigned and transferred to you. The undersigned shall not be released from liability if recovery from the Customer,

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any other guarantor (including any other guarantor under this guarantee) or any other person becomes barred by any Statute of Limitations or is otherwise prevented.

13. The undersigned will file all claims against the Customer in any bankruptcy or other proceeding in which the filing of claims is required by law upon any indebtedness of the Customer to the undersigned and will assign to you all of the undersigned's rights thereunder. If the undersigned does not file any such claim, you, as attorney in fact of the undersigned, are hereby authorized to do so in the name of the undersigned or in your discretion to assign the claim to you or your nominee and cause proof of claim to be filed in your name or the name of your nominee. In all such cases, whether in administration, bankruptcy or otherwise, the person or persons authorized to pay such claim shall pay to you or your nominee the full amount payable on the claim in the proceeding before making any payment to the undersigned, and to the full extent necessary for that purpose the undersigned hereby assigns to you all the undersigned's rights to any payments or distributions to which the undersigned otherwise would be entitled. If the amount so paid is greater than the indebtedness of the Customer to you then outstanding, you are authorized to pay the amount of the excess to the person entitled thereto.
14. All your rights, powers and remedies hereunder and under any other agreement now or at any time hereafter in force between you and the undersigned shall be cumulative and not alternative and shall be in addition to all rights, powers and remedies given to you by law. If you hold one or more other guarantees executed by the undersigned in respect of the Customer, the amount of the undersigned's liability under such other guarantee or guarantees shall be in addition to the undersigned's liability under this guarantee.
15. In case of default you may maintain an action upon this guarantee against the undersigned (or any one or more of the undersigned) whether or not the Customer is joined therein or separate action is brought against the Customer or judgment obtained against him. Your rights are cumulative and shall not be exhausted by the exercise of any of your rights hereunder or otherwise against the undersigned (or any one undersigned if more than one hereunder) or by any number of successive actions until and unless all debts and liabilities hereby guaranteed have been paid and each of the undersigned's obligations hereunder has been fully performed.
16. The undersigned shall pay to you on demand (in addition to all debts and liabilities of the Customer hereby guaranteed) all costs, charges and expenses (including, without limitation, lawyers' fees as between solicitor and his own client on a full indemnity basis) incurred by you for the preparation, execution, perfection and enforcement of this guarantee and of any securities collateral thereto, together with interest calculated from the date of payment by you of each of such costs, charges and expenses until payment by the undersigned hereunder at a floating rate per annum equal to 3% above the prime lending rate established by you from time to time.
17. Should any one or more provisions of this guarantee be determined to be illegal or unenforceable, all other provisions nevertheless shall remain effective.
18. Any notice or demand which you may wish to give may be served on the undersigned either personally on him, or his legal personal representative or in the case of a corporation on any officer or director of the corporation, or by sending the same by registered mail in an envelope addressed to the last known place of address of the person to be served as it appears on your records, and the notice so sent shall be deemed to be served on the second business day following that on which it is mailed. Any notice which the undersigned may wish to give you shall be served personally on the Manager or acting Manager of the Alberta Treasury Branch at the address specified on the first page of this guarantee.
19. This guarantee shall be construed in accordance with the laws of the Province of Alberta and in any action thereon the undersigned shall be estopped from denying the same; any judgment recovered in the Courts of such Province against any undersigned or his executors, administrators, legal personal representatives, successors and/or assigns shall be binding on him and them. The undersigned accepts and submits to the jurisdiction of the courts of the Province of Alberta in respect of this guarantee.
20. Any word herein contained importing the singular number shall include the plural and vice versa, and any word importing gender shall include the masculine, feminine and neuter gender, and any word importing a person shall include a corporation and a partnership and any entity, in each case as the context requires or permits.
21. This guarantee and agreement on the part of the undersigned shall extend to and enure to your benefit and the benefit of your successors and assigns and shall be binding on the undersigned (jointly and severally if more than one hereunder) and on his (or on each of their) executors, administrators, legal personal representatives, successors and assigns.

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22. POSTPONEMENT AND ASSIGNMENT OF CLAIMS: All indebtedness, present and future, of the Customer to the undersigned (and each of the undersigned if more than one) together with each and every security therefor is hereby assigned to you and postponed to the present and future debts and liabilities of the Customer to you, and all monies received from the Customer or for its account by the undersigned shall be by him received in trust for you, and forthwith upon receipt paid over to you until the Customer's debts and other liabilities to you are fully paid and satisfied, all without prejudice to and without in any way limiting or lessening the liability of the undersigned (or any of them if more than one) to you under this guarantee.

IN WITNESS WHEREOF the undersigned has executed this guarantee under seal, this 20 day of February, 2017

1883222 Alberta Inc.

Per: Bryd R. Perry

Per: Robyn Lane

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Guarantees Acknowledgment Act Certificate

I HEREBY CERTIFY THAT:

1. _____, of _____, in the Province of Alberta, the guarantor (or one of the guarantors) in the guarantee dated the _____ day of _____, made between _____ and ALBERTA TREASURY BRANCHES which this certificate is attached to or noted upon, appeared in person before me and acknowledged that he _____ had executed the guarantee.
2. I satisfied myself by examination of him _____ that he is _____ aware of the contents of the guarantee and understands it.

CERTIFIED by _____, (print name), Lawyer, at the _____ of _____, in the Province of Alberta, this _____ day of _____, 20 _____.

SIGNATURE

Statement of Guarantor

I am the person named in this certificate.

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SCHEDULE "B" - FORM OF 188 GSA

See attached.

Schedule "B"
EXHIBIT "C"

CERTIFIED RESOLUTIONS OF THE DIRECTORS OF 1883222 ALBERTA INC. (THE "CORPORATION") PASSED WITHOUT MEETING, EFFECTIVE THE 5TH DAY OF January, 2017, AS EVIDENCED BY THE SIGNATURES OF ALL DIRECTORS ATTACHED HERETO.

WHEREAS the Corporation is a wholly-owned subsidiary of Forent Energy Ltd.

AND WHEREAS pursuant to a commitment letter dated July 31, 2015 and accepted August 14, 2015 between **FORENT ENERGY LTD.**, as borrower (together with its successors and assigns, the Borrower" and **ALBERTA TREASURY BRANCHES** (the "Lender"), as lender, as amended by a letter dated May 20, 2016 and a letter dated August 16, 2016 (as amended, restated, supplemented or otherwise modified to the date hereof, the "Commitment Letter"), the Lender agreed to provide to the Borrower the facilities described therein.

AND WHEREAS in connection with the Commitment Letter, the Corporation has agreed to provide the Lender with an unlimited guarantee to secure the Borrowings (as defined in the Commitment Letter) and all other obligations of the Borrower to the Lender (whether present or future, direct or indirect, contingent or matured) (the "188 Guarantee") which shall be secured by a general security agreement from 188 providing the Lender with a security interest over all present and after acquired personal property and a floating charge on all lands (the "188 GSA").

NOW THEREFORE, BE IT RESOLVED:

1. THAT the Corporation shall enter into the 188 Guarantee.
2. THAT as security for the 188 Guarantee, the Corporation shall execute and deliver to and in favour of the Lender:
 - (a) the 188 GSA;
 - (b) such other additional or collateral security as the Lender may require; and
 - (c) such other deeds, documents, instruments or assurances as the Lender may from time to time require, all such deeds, documents, instruments and assurances to be in such form and upon such terms and conditions as the Signing Officer of the Corporation (as defined below), in his/her sole discretion may approve, the execution and delivery of such deeds, documents, instruments and assurances by such Signing Officer to be conclusive evidence of such approval.
3. THAT the 188 GSA and the 188 Guarantee be signed by any one director or officer of the Corporation (the "Signing Officer").
4. THAT the 188 Guarantee and the 188 GSA shall be substantially in the draft form of the 188 Guarantee and the 188 GSA as provided and approved by the Directors, with such amendments or variations therein as the Signing Officer of the Corporation may deem to make and approve, and the approval of such Signing Officer to any amendments or variations in the form of the Security shall be conclusively proved by his execution of same.
5. THAT in order to secure the due payment of the principal of interest on and all of the money secured by the 188 GSA; the Corporation does grant a mortgage, charge and security

interest in its real and personal property, both present and future, on and subject to the terms of the 188 GSA.

6. THAT the Signing Officer be, and is hereby authorized to execute and deliver for and on behalf of the Corporation all deeds, documents and other writings as may be required by the Lender to give effect to the 188 GSA and the 188 Guarantee.
7. THAT this resolution may be executed in separate counterparts and all executed counterparts when taken together shall constitute one (1) Resolution. The Corporation shall be entitled to rely on delivery of a facsimile or other electronic copy of the executed Resolution and such facsimile or other electronic copy shall be legally effective to create a valid and binding resolution.

SCHEDULE "C" - FORM OF 188 CERTIFICATE

See attached.

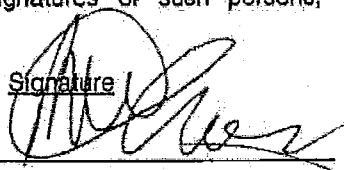
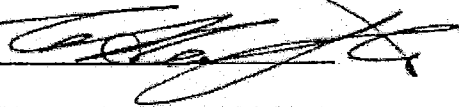
**CERTIFICATE OF CORPORATE RESOLUTION OF 1883222
ALBERTA INC.**

I, Robyn Lore, the President of 1883222 ALBERTA INC. (the "Company"), recognizing ALBERTA TREASURY BRANCHES (the "Lender") is relying on this certificate in extending or continuing to extend certain credit and financial accommodations to Forent Energy Ltd., and in order to induce the Lender to extend or continue to extend such credit or financial accommodations to Forent Energy Ltd., hereby certify the following:

1. That I have custody of the corporate records of the Company.
2. That I am authorized to execute and deliver this Certificate for and on behalf of the Company.
3. The following named persons are, as of the date hereof, the duly elected or appointed, qualified and acting directors of the Company:

Robyn Lore _____
Curtis Hartzler _____

4. The following named persons have executed Documents (as hereinafter defined) and are, as of the date hereof, the duly elected or appointed, qualified and acting holders of the offices of the Company set forth opposite their respective names below and the signatures set forth below opposite each named person are the genuine signatures of such persons, respectively:

<u>Name</u>	<u>Office</u>	<u>Signature</u>
<u>Robyn Lore</u>	<u>President</u>	
<u>Curtis Hartzler</u>	<u>Vice President</u>	

5. Attached hereto as Exhibit "A" are true and complete copies of the Company's Certificate of Incorporation and Articles of Incorporation together with all amendments thereto. Such documents:
 - (a) have not been amended, repealed or supplemented except as set forth in Exhibit "A";
 - (b) are in full force and effect as of the date hereof;
 - (c) are not subject to pending proceedings to amend, repeal, supplement, surrender or cancel the same; and
 - (d) are not subject to any agreement(s) among shareholders except as disclosed in Exhibit "A".
6. Attached hereto as Exhibit "B" is a true and correct copy of By-laws for the Company together with all amendments thereto.
7. Attached hereto as Exhibit "C" is a true and complete copy of the Resolutions duly adopted by the Board of Directors of the Company in conformity with the Articles of Incorporation and

By-laws of the Company and in accordance with the laws of Alberta passed without meeting of the Board of Directors effective as of the 5th day of January, 2017. These Resolutions have not been altered, amended, modified, rescinded or repealed in any way and are in full force and effect as of the date hereof.

8. The exact corporate name of the Company as it appears in its Certificate of Incorporation and all Certificates of Extra-Provincial Registration in all jurisdictions in Canada and all trade names under which the Company carries on business is as follows:

1883222 ALBERTA INC.

9. The chief executive office of the Company is located at the following address:

Mailing address: 200, 390-12th AVE SW, Calgary, AB, T2R 1L5

10. The Company is extra-provincially registered to carry on business in the following jurisdictions:

11. The following is a list of all other names (including trade names or similar appellations) used by the Company or any of its divisions or other business units at any time as of the date hereof:

12. I have reviewed copies of an unlimited guarantee and a general security agreement granted or to be granted by the Company in favour of the Lender (collectively, the "Documents") and the execution, delivery and performance of the Documents and all matters contemplated by the Documents does not violate or conflict with:

- (a) any material contractual restriction, guarantee, bond, debenture, note, mortgage, loan agreement, security agreement, or other agreement or instrument to which the Company is a party or by which either it or its properties, rights, assets or undertakings are, or may be bound; or
- (b) any order, ruling or stipulation of any court, administrative or governmental tribunal or agency having jurisdiction on the Company or its property, rights, assets or undertakings.

13. No bankruptcy or corporate dissolution, reorganization or amalgamation proceedings affecting the Company have been commenced or are contemplated or anticipated by the Company as at the date hereof.

14. None of the directors, officers, shareholder or affiliates of the Company have made any loans to the Company.

15. The Company is not in default of the payment of any taxes, rates or assessments, or in default of any other obligation of payment.

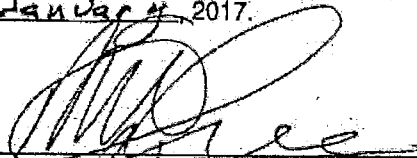
16. There are no writs, claims, judgments, suits or proceedings filed or pending in any court of law or before any regulatory commission, board or other administrative governmental agency against or affecting the Company and none are threatened that have not previously been disclosed in writing to the Lender.

IN WITNESS WHEREOF I have hereunto signed my name and have caused the corporate seal of the Company to be hereunto affixed this 5th day of January 2017.

Per:

Name:

Title:


Robyn Lopp
Director

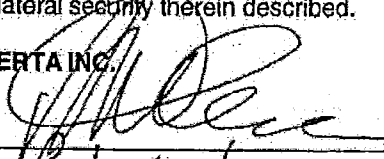
The Company acknowledges that this general corporate certificate is binding on it and that if there is any false or misleading information provided herein or pursuant hereto a default shall be deemed to occur under the Commitment Letter and all or part of the collateral security therein described.

1883222 ALBERTA INC.

Per:

Name:

Title:


Robyn Lopp
Director

Per:

Name:

Title:



Curtis Hautaler
Director

EXHIBIT "A"
CERTIFICATE AND ARTICLES

See attached.

31280309.1

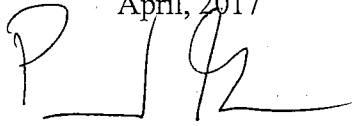
EXHIBIT "B"
BY-LAWS

See attached.

This is **Exhibit "E"** referred to in
the Affidavit of

Trina Holland

Sworn before me this 27th day of
April, 2017

A handwritten signature in black ink, appearing to read 'P. A. Grenon', written over a horizontal line.

Paul Anthony Grenon
Student-at-Law

A Commissioner for Oaths in and for Alberta

8. **Conditions Precedent.** This Second Amending Agreement shall become effective upon the Borrower delivering or causing to be delivered to the Lender the following:
- (a) a fully executed copy of this Second Amending Agreement (including the acknowledgement attached hereto); and
 - (b) an extension fee of \$7,500.
9. **Acknowledgement.** The Lender and the Borrower each acknowledge and agree that by the execution of this Second Amending Agreement:
- (a) notwithstanding the failure of the Lender to receive the 188 GSA in accordance with Section 6(b)(ii) of the First Amending Agreement, all provisions of the First Amending Agreement, except as specifically amended by this Second Amending Agreement are and shall continue with full force and effect and are binding on the parties thereto; and
 - (b) they have acknowledged that the Borrower is currently in default of the Commitment Letter pursuant to the Q3 Working Capital Default.
10. **Confirmation of Security Documents.** The Borrower agrees with and confirms to the Lender that as of the Second Amendment Date, all Security Documents to which it is a party are and shall remain in full force and effect in all respects and shall continue to exist and apply to all of the obligations, liabilities and indebtedness of the Borrower under, pursuant or relating to the Commitment Letter, as amended by this Second Amending Agreement, and all other documents executed and delivered by the Borrower in connection therewith. This confirmation is in addition to and shall not limit, derogate from or otherwise affect any provisions of the Security Documents. Each of the parties hereto acknowledges and agrees that the Commitment Letter, as amended by this Second Amending Agreement, and all other documents executed and delivered by the Borrower in connection therewith, will be and continue in full force and effect and are hereby confirmed and the rights and obligations of all parties thereunder will not be effected or prejudiced in any manner except as specifically provided herein.
11. **Representations and Warranties.** The Borrower agrees with and confirms to the Lender that as of the Second Amendment Date each of the representations and warranties listed in Section 6 of the Commitment Letter, as amended by this Second Amending Agreement, is true and accurate. Further, the Borrower hereby represents and warrants to the Lender that:
- (a) the execution and delivery of this Second Amending Agreement and the performance by it of its obligations hereunder: (A) are within its corporate powers; (B) have been duly authorized by all necessary corporate action; (C) have received all necessary governmental approval (if any required); and (D) do not and will not contravene or conflict with any provision of any applicable law or its constating documents or by-laws; and

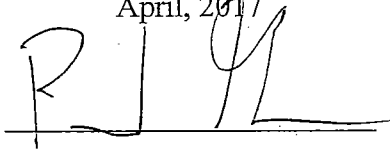
- (b) this Second Amending Agreement is a legal, valid and binding obligation of it, enforceable against it in accordance with its terms except as such enforcement may be limited by applicable bankruptcy, insolvency, reorganization, winding-up, moratorium or similar applicable laws relating to the enforcement of creditors' rights generally and by general principles of equity.
12. **Further Assurance.** The Borrower will from time to time forthwith at the Lender's request and at the Borrower's own cost and expense, make, execute and deliver, or cause to be done, made, executed and delivered, all such further documents, financing statements, assignments, acts, matters and things which may be reasonably required by the Lender and as are consistent with the intention of the parties as evidence herein, with respect to all matters arising under this Second Amending Agreement.
13. **Expenses.** The Borrower will be liable for all expenses of the Lender, including, without limitation, reasonable legal fees (on a solicitor and his own client indemnity basis) and other out-of-pocket expenses in connection with the negotiation, preparation, establishment, operation or enforcement of the Commitment Letter and this Second Amending Agreement (whether or not consummated) by the Lender.
14. **Counterparts.** This Second Amending Agreement may be executed in any number of counterparts (including by facsimile transmission or other electronic communication), each of which when executed and delivered will be deemed to be an original, but all of which when taken together constitutes one and the same instrument. Any party may execute this Second Amending Agreement by signing any counterpart.

[Remainder of Page Intentionally Left Blank]

This is **Exhibit "F"** referred to in
the Affidavit of

Trina Holland

Sworn before me this 27th day of
April, 2017

A handwritten signature in black ink, appearing to read 'P. A. Grenon', written over a horizontal line.

Paul Anthony Grenon
Student-at-Law

A Commissioner for Oaths in and for Alberta

Government Corporation/Non-Profit Search of Alberta ■ Corporate Registration System

Date of Search: 2017/04/20
Time of Search: 03:34 PM
Search provided by: BLAKE CASSELS & GRAYDON LLP

Service Request Number: 26902606
Customer Reference Number: 81518/131 CHNG

Corporate Access Number: 2015749209

Legal Entity Name: FORENT ENERGY LTD.

Legal Entity Status: Active

Alberta Corporation Type: Named Alberta Corporation

Method of Registration: Amalgamation

Registration Date: 2010/12/08.YYYY/MM/DD

Registered Office:

Street: 1250, 639 - 5TH AVENUE S.W.
City: CALGARY
Province: ALBERTA
Postal Code: T2P 0M9

Records Address:

Street: 1250, 639 - 5TH AVENUE S.W.
City: CALGARY
Province: ALBERTA
Postal Code: T2P 0M9

Directors:

Last Name: FORGERON
First Name: JOHN
Street/Box Number: 11 TUSCANY ESTATES POINT N.W.
City: CALGARY

Province: ALBERTA
Postal Code: T3L 0C3

Last Name: HARTZLER
First Name: CURTIS
Street/Box Number: 123 TUSCANY MEADOWS COURT NW.
City: CALGARY
Province: ALBERTA
Postal Code: T3L 2L3

Last Name: HISLOP
First Name: MARTIN
Street/Box Number: 436 COACH GROVE ROAD SW.
City: CALGARY
Province: ALBERTA
Postal Code: T3H 1J4

Last Name: LORE
First Name: ROBYN
Street/Box Number: SUITE 207, 103 - 10TH AVENUE NW.
City: CALGARY
Province: ALBERTA
Postal Code: T2M 0B4

Last Name: MCLEOD
First Name: JOHN
Middle Name: G.F.
Street/Box Number: 68 SANDSTONE RIDGE CRESCENT
City: OKOTOKS
Province: ALBERTA
Postal Code: T1S 1R1

Last Name: ROUSCH
First Name: WAYNE
Street/Box Number: 11 MAJESTIC GATE
City: CALGARY
Province: ALBERTA
Postal Code: T3Z 3A6

Last Name: WILSON
First Name: W.

Middle Name: BRETT
Street/Box Number: 700, 933 - 17TH AVENUE S.W.
City: CALGARY
Province: ALBERTA
Postal Code: T2T 5R6

Transfer Agents:

Legal Entity Name: VALIANT TRUST COMPANY
Corporate Access Number: 308507359
Street: 310, 606 - 4TH STREET S.W.
City: CALGARY
Province: ALBERTA
Postal Code: T2P 1T1

Details From Current Articles:

The information in this legal entity table supersedes equivalent electronic attachments

Share Structure: SEE THE ATTACHED SCHEDULE OF SHARE CAPITAL.
Share Transfers Restrictions: NONE.
Min Number Of Directors: 1
Max Number Of Directors: 10
Business Restricted To: NONE.
Business Restricted From: NONE.
Other Provisions: SEE THE ATTACHED SCHEDULE OF OTHER RULES OR PROVISIONS.

Holding Shares In:

Legal Entity Name
1883222 ALBERTA INC.

Other Information:

Amalgamation Predecessors:

Corporate Access Number	Legal Entity Name
2010270128	EDELEX HOLDINGS LTD.
2014549402	FORENT ENERGY LTD.

Last Annual Return Filed:

File Year	Date Filed (YYYY/MM/DD)
2016	2017/01/04

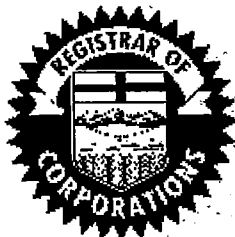
Filing History:

List Date (YYYY/MM/DD)	Type of Filing
2010/12/08	Amalgamate Alberta Corporation
2015/06/30	Name/Structure Change Alberta Corporation
2015/10/22	Change Director / Shareholder
2017/01/04	Enter Annual Returns for Alberta and Extra-Provincial Corp.

Attachments:

Attachment Type	Microfilm Bar Code	Date Recorded (YYYY/MM/DD)
Share Structure	ELECTRONIC	2010/12/08
Other Rules or Provisions	ELECTRONIC	2010/12/08
Statutory Declaration	10000607103435822	2010/12/08
Consolidation, Split, Exchange	ELECTRONIC	2015/06/30

This is to certify that, as of this date, the above information is an accurate reproduction of data contained within the official records of the Corporate Registry.



Schedule of Share Capital

The Corporation is authorized to issue an unlimited number of Common Shares and an unlimited number of Preferred Shares, such Common and Preferred Shares having attached thereto the following rights, privileges, restrictions and conditions:

Common Shares

The rights of the holders of the Common Shares are equal in all respects and include the following:

- (a) to vote at all meetings of the shareholders of the Corporation, except meetings at which only holders of a specified class are entitled to vote;
- (b) subject to the rights, privileges, restrictions and conditions attaching to any other class or series of shares of the Corporation, to receive any dividend declared by the Corporation on the Common Shares; and
- (c) subject to the rights, privileges, restrictions and conditions attaching to any other class or series of shares of the Corporation, to receive the remaining property of the Corporation upon dissolution.

Preferred Shares

(a) The Preferred Shares shall be issued from time to time in one or more series with such rights, restrictions, privileges, conditions and designations attached thereto as shall be fixed from time to time before issuance by any resolution or resolutions providing for the issue of the shares of any series which may be passed by the board of directors of the Corporation and confirmed and declared by Articles of Amendment. Reference to one class or series of shares ranking on a parity with another class or series of shares shall mean ranking on a parity with respect to the payment of dividends and distribution of assets in the event of liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, to the extent of their respective rights in that connection.

(b) The Preferred Shares of each series shall rank on a parity with the Preferred Shares of every other series; provided, however, that when in the case of any of such shares, any cumulative dividends or amounts payable on a return of capital are not paid in full in accordance with their respective terms, the Preferred Shares of all series shall participate rateably in respect of such dividends (including all unpaid accumulated dividends which for such purpose shall be calculated as if the same were accruing up to the date of payment) in accordance with the sums which

would be payable on said shares if all such dividends were declared and paid in full in accordance with their respective terms, and on any return of capital in accordance with the sums which would be payable on such return of capital if all sums so payable were paid in full in accordance with their respective terms, and provided further that in the event of there being insufficient assets to satisfy in full all such claims as aforesaid, the claims of the holders of said shares with respect to return of capital shall first be paid and satisfied and any assets remaining thereafter shall be applied towards the payment and satisfaction of claims in respect of dividends as aforesaid.

(c) The Preferred Shares shall be entitled to preference over the Common Shares of the Corporation and any other shares of the Corporation ranking junior to the Preferred Shares with respect to payment of dividends and distribution of assets in the event of liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, to the extent fixed in the case of each respective series, and may also be given such other preferences over the Common Shares of the Corporation and any other shares of the Corporation ranking junior to the said Preferred Shares as may be fixed in the case of each such series.

Schedule of Other Rules or Provisions

(a) The Directors may, between annual general meetings of the Corporation, appoint one or more additional Directors of the Corporation to serve until the next annual general meeting of the Corporation, but the number of additional Directors so appointed and serving as Directors at any particular time shall not exceed one-third of the number of Directors who held office at the expiration of the immediately preceding annual general meeting of the Corporation.

(b) The Corporation shall have a lien on all shares registered in the name of a shareholder or his legal representative for a debt of that shareholder to the Corporation.

(c) The holder of a fractional share of the Corporation shall be entitled to exercise any voting rights and to receive any dividend in respect of the fractional share.

SHARE CONSOLIDATION

Pursuant to subsection 173(1)(f) of the Business Corporations Act (Alberta), the Articles of the Corporation are hereby amended by consolidating all of the presently issued and outstanding Common Shares of the Corporation, on the basis of one (1) new Common Share for every twenty (20) Common Shares presently issued and outstanding.



Profile Report

Entity Number: 101178257

Entity Name: FORENT ENERGY LTD.

Report Date: 21-Apr-2017

Entity Details

Entity Type	Business Corporation
Entity Subtype	NWP Corporation
Entity Status	Active
Registration Date	15-Dec-2010
Entity Number in Home Jurisdiction	2015749209
Entity Name in Home Jurisdiction	FORENT ENERGY LTD.
Home Jurisdiction	Alberta, Canada
Incorporation/Amalgamation Date in Home Jurisdiction	08-Dec-2010
Nature of Business	Oil and gas extraction
Amalgamated From	101156491 - FORENT ENERGY LTD.

Registered Office/Mailing Address

Physical Address	200, 340 12TH AVENUE SW, CALGARY, Alberta, Canada, T2R 1L5
Mailing Address	200, 340 12TH AVENUE SW, CALGARY, Alberta, Canada, T2R 1L5

Power of Attorney

CHRISTOPHER J.H. DONALD

Physical Address:

Mailing Address: 600, 105 21ST STREET EAST, SASKATOON, Saskatchewan, Canada, S7K 0B3

Previous Entity Names

Type	Name	Effective Until
Registered Name	FORENT ENERGY LTD.	31-Oct-2016
Home Jurisdiction Name	FORENT ENERGY LTD.	31-Oct-2016

Event History

Type	Date
Business Corporation - NWP Restoral	31-Oct-2016
Business Corporation - Annual Return	10-Jan-2012

Saskatchewan
Corporate Registry



Information[™]
Services
Corporation

Profile Report

Entity Number: 101178257

Page 2 of 2

Entity Name: FORENT ENERGY LTD.

Report Date: 21-Apr-2017

Business Corporation - Extra-provincial Amalgamation


15-Dec-2010

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Text Size: [A+](#) [A-](#)

Profile

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[Profile Info](#) [People Info](#) [Activites Info](#) [Related Reg's Info](#)

PROFILE - FORENT ENERGY LTD. - as of: 2017-04-20 06:48 PM

Business/Organization Name:	FORENT ENERGY LTD.
Registry ID:	3250642
Type:	Extra-Provincial Corporation
Nature of Business:	
Status:	Revoked by Request
Jurisdiction:	Alberta
Registered Office:	200, 340-12TH AVENUE SW CALGARY AB Canada T2R 1L5
Mailing Address:	200, 340-12TH AVENUE SW CALGARY AB Canada T2R 1L5

PEOPLE

Name	Position	Civic Address	Mailing Address
W. BRETT WILSON	Director	700, 933 - 17TH AVENUE S.W. CALGARY AB T2T 5R6	
Robyn Lore	Director	Suite 207, 103 - 10 Avenue NW Calgary AB T2M0B4	
John G.F. McLeod	Director	68 Sandstone Ridge Crescent Okotoks AB T1S1R1	
Curtis Hartzler	Director	123 Tuscany Meadows Crt NW Calgary AB T3L2L3	
JOHN FORGERON	Director	11 TUSCANY ESTATES POINT N.W. CALGARY AB T3L 0C3	
WAYNE ROUSCH	Director	11 MAJESTIC GATE CALGARY AB T3Z 3A6	
Martin Hislop	Director	536 Coach Grove Road SW Calgary AB T3H1J4	

Robyn Lore	President & CEO	Suite 207, 103 - 10 Avenue NW Calgary AB T2M0B4	
Curtis Hartzler	VP Business Development	123 Tuscany Meadows Crt NW Calgary AB T3L2L3	
TIM LASKA	VP Exploration	32184 TWP RD. 243 A CALGARY ALBERTA T3Z 2M7	
RICHARD WADE	Chief Operating Officer	107 RIDGEVIEW PL COCHRANE ALBERTA T4C 0P6	
IAN SHOOK	VP Geophysics	203 SILVERMEADE CLOSE NW CALGARY ALBERTA T3B 3V5	
BRAD R. PERRY	CFO	9 Manor Road SW CALGARY ALBERTA T2V 1Z8	
DANIEL F. GALLIVAN	Recognized Agent	1100-1959 UPPER WATER STREET HALIFAX NS B3J 3N2	P.O. BOX 2380 HALIFAX NS B3J 3E5

ACTIVITIES

Activity	Date
Revoked on Request	2016-12-16
Annual Renewal	2015-12-07
Annual Statement Filed	2015-12-07
Annual Statement Filed	2014-12-29
Annual Renewal	2014-12-19
Annual Statement Filed	2014-06-10
Annual Statement Filed	2014-02-05
Annual Renewal	2014-01-31
Annual Statement Filed	2013-01-30
Annual Renewal	2013-01-25
Annual Statement Filed	2012-07-23
Annual Renewal	2011-12-21
Appoint an Agent	2011-06-28
Date of Filing Amalgamation	2010-12-15
Amalgamated in other Jurisdiction	2010-12-08

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RELATED REGISTRATIONS

This Company ...	
FORENT ENERGY LTD.	Amalgamated From

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This is **Exhibit "G"** referred to in
the Affidavit of

Trina Holland

Sworn before me this 27th day of
April, 2017

A handwritten signature in black ink, appearing to read 'P. A. Grenon', written over a horizontal line.

Paul Anthony Grenon
Student-at-Law

A Commissioner for Oaths in and for Alberta

Government of Alberta ■ Corporation/Non-Profit Search Corporate Registration System

Date of Search: 2017/04/20
Time of Search: 03:34 PM
Search provided by: BLAKE CASSELS & GRAYDON LLP

Service Request Number: 26902620
Customer Reference Number: 81518/131 CHNG

Corporate Access Number: 2018832226
Legal Entity Name: 1883222 ALBERTA INC.

Legal Entity Status: Active
Alberta Corporation Type: Numbered Alberta Corporation
Registration Date: 2015/03/11 YYYY/MM/DD

Registered Office:

Street: THIRD FLOOR, 14505 BANNISTER ROAD SE
City: CALGARY
Province: ALBERTA
Postal Code: T2X 3J3

Records Address:

Street: THIRD FLOOR, 14505 BANNISTER ROAD SE
City: CALGARY
Province: ALBERTA
Postal Code: T2X 3J3

Directors:

Last Name: HARTZLER
First Name: CURTIS
Middle Name: AVON
Street/Box Number: 123 TUSCANY MEADOWS COURT NW
City: CALGARY

Province: ALBERTA
Postal Code: T3L 2L3

Last Name: LORE
First Name: ROBYN
Street/Box Number: 207, 103 - 10 AVENUE NW
City: CALGARY
Province: ALBERTA
Postal Code: T3K 4A2

Voting Shareholders:

Legal Entity Name: FORENT ENERGY LTD.
Corporate Access Number: 2015749209
Street: 207, 103 - 10 AVENUE NW
City: CALGARY
Province: ALBERTA
Postal Code: T2M 0B4
Percent Of Voting Shares: 100

Details From Current Articles:

The information in this legal entity table supersedes equivalent electronic attachments

Share Structure: SEE ATTACHED SCHEDULE "A"
Share Transfers Restrictions: NONE
Min Number Of Directors: 1
Max Number Of Directors: 3
Business Restricted To: NONE
Business Restricted From: NONE
Other Provisions: SEE ATTACHED SCHEDULE "C"

Other Information:

Last Annual Return Filed:

File Year	Date Filed (YYYY/MM/DD)
-----------	-------------------------

2016|2016/09/13

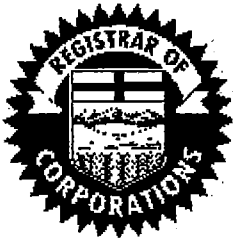
Filing History:

List Date (YYYY/MM/DD)	Type of Filing
2015/03/11	Incorporate Alberta Corporation
2016/09/13	Enter Annual Returns for Alberta and Extra-Provincial Corp.

Attachments:

Attachment Type	Microfilm Bar Code	Date Recorded (YYYY/MM/DD)
Share Structure	ELECTRONIC	2015/03/11
Other Rules or Provisions	ELECTRONIC	2015/03/11

This is to certify that, as of this date, the above information is an accurate reproduction of data contained within the official records of the Corporate Registry.



SCHEDULE A

SHARE CAPITAL

The Corporation is authorized to issue an unlimited number of Common Shares and an unlimited number of Preferred Shares.

COMMON SHARES, as a class, shall have the following rights, privileges, restrictions and conditions:

(a) Voting: The holders of the Common Shares without nominal or par value shall be entitled to receive notice of and to attend all meetings of the shareholders of the Corporation and to one vote in respect of each Common Share without nominal or par value held at all such meetings.

(b) Dividends: Subject to the rights of the holders of the Preferred Shares and any other class of shares ranking senior to the Common Shares, the holders of the Common Shares without nominal or par value shall be entitled to receive and participate rateably in any dividends declared by the board of directors of the Corporation.

(c) Liquidation, Dissolution or Winding-Up: Subject to the rights of the holders of the Preferred Shares and any other class of shares ranking senior to the Common Shares, in the event of the liquidation, dissolution or winding up of the Corporation or other distribution of the assets of the Corporation among its shareholders for the purposes of winding up its affairs, the holders of the Common Shares without nominal or par value shall participate rateably in the distribution of the assets of the Corporation.

PREFERRED SHARES, as a class, shall have the following rights, privileges, restrictions and conditions:

(a) Issuance in Series: The Preferred Shares may be issued from time to time in one or more series and, subject to these articles, the board of directors is authorized to fix, from time to time before issuance, the number of shares in and the designation, rights, privileges, restrictions and conditions attaching to the shares of each series of Preferred Shares.

(b) Ranking of Preferred Shares: The Preferred Shares of each series shall, with respect to the payment of dividends and the distribution of assets in the event of the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other distribution of the assets of the Corporation among its shareholders for the purpose of winding up its affairs, rank equally with the Preferred Shares of every other series and be entitled to preference over the Common Shares and the shares of any other class ranking junior to the Preferred Shares. The Preferred Shares of any series shall also be entitled to such other preferences, not inconsistent with these provisions, over the Common Shares and the shares of any other class ranking junior to the Preferred Shares, or as may be fixed in accordance with subparagraph (a).

SCHEDULE C

OTHER PROVISIONS

1. The directors may, between annual general meetings, appoint one or more additional directors of the Corporation to serve until the next annual general meeting but the number of additional directors shall not at any time exceed one third (1/3) of the number of directors who held office at the expiration of the last annual meeting.

2. The number of beneficial holders, direct or indirect, of securities that are:

(a) voting securities,

(b) securities that are not debt securities and that carry a residual right to participate in the earnings of the Corporation or, on the liquidation or winding up of the Corporation, in its assets, or

(c) securities convertible, directly or indirectly, into such securities,

shall not be more than 50 persons or companies, counting any 2 or more joint registered owners as one beneficial owner, and not counting employees and former employees of the Corporation or its affiliates.

3. The Corporation may issue securities described in 2(a), (b) and (c), only to those persons described under the private issuer exemption in National Instrument 45-106 entitled "Prospectus and Registration Exemptions".

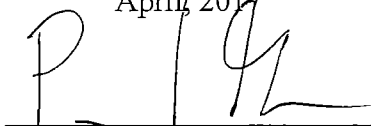
4. Shareholders meetings may be held at any location as determined by resolution of the board of directors.

This is **Exhibit "H"** referred to in
the Affidavit of

Trina Holland

Sworn before me this 27th day of

April, 2017

A handwritten signature in black ink, appearing to read 'P. A. Grenon', written over a horizontal line.

Paul Anthony Grenon
Student-at-Law

A Commissioner for Oaths in and for Alberta

AMALGAMATION AGREEMENT

THIS AMALGAMATION AGREEMENT made as of the 4th day of March, 2016.

BETWEEN:

PERISSON PETROLEUM CORPORATION, a corporation incorporated under the laws of Alberta (hereinafter "Perisson");

-and-

FORENT ENERGY LTD., a corporation existing under the laws of Alberta (hereinafter "Forent");

WHEREAS Perisson and Forent are parties to a letter of intent dated February 3, 2016 (the "LOI");

AND WHEREAS the parties have agreed to amalgamate Perisson and Forent pursuant to section 181 of the *Business Corporations Act* (Alberta);

NOW THEREFORE THIS AGREEMENT WITNESSES THAT in consideration of the mutual covenants and agreements herein contained and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree with each other as follows:

ARTICLE I DEFINITIONS

1.1 **Definitions.** In this Agreement, unless there is something in the context or subject matter inconsistent therewith, the following words and terms set forth in this Article I shall have the following meanings:

- (a) "Act" means the *Business Corporations Act* (Alberta);
- (b) "Affiliate" means an affiliated body corporate within the meaning of the Act;
- (c) "Agreement" means this Agreement and all instruments supplemental hereto or in amendment or confirmation hereof; "herein", "hereof" and similar expressions mean and refer to this Agreement and not to any particular article, section, clause or subclause; and "Article", "Section", "clause" or "subclause" means and refers to the specified article, section, clause or subclause of this Agreement;
- (d) "Amalco" means the continuing corporation to be constituted upon completion of the Amalgamation to be named "Perisson Petroleum Corporation", or such other name as shall be determined in the sole discretion of Perisson;
- (e) "Amalco Share" means the common shares in the capital of Amalco provided for in the Articles of Amalgamation;
- (f) "Amalgamating Corporations" means, collectively, Forent and Perisson;
- (g) "Amalgamation" means the amalgamation of Forent and Perisson pursuant to this Agreement in accordance with the Act;
- (h) "Arm's Length" has the same meaning ascribed thereto in the Tax Act;
- (i) "Articles of Amalgamation" means the proposed articles of amalgamation in respect to the Amalgamation;
- (j) "Business Day" means a day other than a Saturday or Sunday on which the principal commercial banks located in Calgary, Alberta, are open for business during normal banking hours;
- (k) "Closing" or "Closing Date" means the completion of the Amalgamation as set forth herein, which is intended to take place at the offices of TingleMerrett LLP in Calgary, Alberta on or about May 16, 2016 or such other date that is mutually agreed to by the parties hereto;



- (l) "Continuance" means the continuance of Perisson into Province of Alberta under Section 188 of the Act;
- (m) "CSE" means the Canadian Securities Exchange;
- (n) "Depository" means Computershare Trust Company or such other person that may be appointed by the parties for the purpose of receiving deposits of certificates formerly representing Forent Shares;
- (o) "Effective Date" means the date of Amalgamation as set forth in the certificate of amalgamation for Amalco;
- (p) "Forent" means Forent Energy Ltd., a public corporation existing under the laws of Alberta;
- (q) "Forent Amalgamation Resolution" means the special resolution in respect of the Amalgamation to be considered by the Forent Shareholders at the Forent Meeting;
- (r) "Forent Information" means the information describing Forent and the Forent Business specifically provided by Forent for inclusion in the Information Circular;
- (s) "Forent Meeting" means the special meeting of Forent Shareholders to be held to consider the Forent Amalgamation Resolution and related matters, and any adjournments thereof;
- (t) "Forent Public Disclosure" has the meaning set forth in Section 4.3(ii);
- (u) "Forent's Assets" means all of Forent's material assets including, without limitation, its interests in oil and gas properties as set out in the Information Circular and in Forent's Financial Statements;
- (v) "Forent's Business" means the business of Forent as described in the Information Circular;
- (w) "Forent's Financial Statements" means (i) the audited financial statements of Forent for the years ended December 31, 2013 and December 31, 2014 consisting of the balance sheet and the statements of income and retained earnings and cash flows and all notes thereto; and (ii) the unaudited consolidated financial statements of Forent for the period ended September 30, 2015 consisting of the balance sheet and the statements of income and retained earnings and cash flows and all notes thereto;
- (x) "Forent Share" means one fully paid and non-assessable common share in the capital of Forent;
- (y) "Forent Shareholders" means the shareholders of Forent;
- (z) "Forent Stock Options" means all of the stock options granted by Forent, which are exercisable into an aggregate of 1,344,916 Forent Shares;
- (aa) "IFRS" means International Financial Reporting Standards as issued by the International Accounting Standards Board;
- (bb) "Information Circular" means the joint notice of meeting and Information Circular of Forent and Perisson to be forwarded by Forent and Perisson to their respective shareholders in connection with the Forent Meeting and the Perisson Meeting;
- (cc) "LOI" shall have the meaning ascribed thereto in the recitals herein;
- (dd) "Material Fact" in relation to any party hereto includes, without limitation, any fact that significantly affects, or would reasonably be expected to have a significant effect on, the market price or value of the shares of such party;
- (ee) "Merger Proposal" means any merger, amalgamation, consolidation, arrangement, business combination, recapitalization, take-over bid, sale of material assets, material sale of treasury shares or rights or interests therein or thereto (other than a public offering of treasury shares) or similar transactions involving Forent, or a proposal to do so, excluding the transactions contemplated hereby;
- (ff) "Perisson" means Perisson Petroleum Corporation, a public corporation existing under the laws of Canada;

- (gg) "Perisson Amalgamation Resolution" means the special resolution in respect of the Amalgamation and the Continuance to be considered by the Perisson Shareholders;
- (hh) "Perisson Assets" means all of Perisson's material assets including, without limitation, its interests in oil and gas properties as set out in the Information Circular;
- (ii) "Perisson Business" means the business of Perisson as described in the Information Circular;
- (jj) "Perisson Financial Statements" means (i) the audited financial statements of Perisson for the years ended December 31, 2013 and December 31, 2014 consisting of the balance sheet and the statements of income and retained earnings and cash flows and all notes thereto; and (ii) the unaudited consolidated financial statements of Perisson for the period ended September 30, 2015 consisting of the balance sheet and the statements of income and retained earnings and cash flows and all notes thereto;
- (kk) "Perisson Financing" means the proposed equity financing of Perisson at a minimum weighted average price of \$0.40 per Perisson Share for minimum gross proceeds of US\$24,000,000;
- (ll) "Perisson Information" means the information describing Perisson and the Perisson Business specifically provided by Perisson for inclusion in the Information Circular;
- (mm) "Perisson Meeting" means the special meeting of Perisson Shareholders to be held to consider the Perisson Amalgamation Resolution and related matters, and any adjournments thereof;
- (nn) "Perisson Public Disclosure" has the meaning set forth in Section 4.1(r)(ii);
- (oo) "Perisson Shareholders" means the shareholders of Perisson;
- (pp) "Perisson Shares" means the Class A common shares in the capital of Perisson as presently constituted;
- (qq) "Perisson Stock Options" means all of the stock options granted by Perisson, which are exercisable into an aggregate of 7,670,730 Perisson Shares;
- (rr) "Person" means any individual, corporation, partnership, unincorporated syndicate, unincorporated organization, trust, trustee, executor, administrator or other legal representative;
- (ss) "Securities Acts" means collectively, the *Securities Act* (Alberta), the *Securities Act* (Ontario), *Securities Act* (Quebec) and the *Securities Act* (British Columbia), each act as may be amended from time to time, and any successors thereto;
- (tt) "Support Agreements" means the support agreements among directors, officers and certain shareholders of Forent and Perisson, substantially in the form attached hereto as Schedule "B";
- (uu) "Tax Act" means the *Income Tax Act* (Canada), as it may be amended from time to time, and any successor thereto. Any reference herein to a specific section or sections of the Tax Act, or regulations promulgated thereunder, shall be deemed to include a reference to all corresponding provision of future law;
- (vv) "Tax Laws" shall mean the Tax Act and any applicable provincial, or foreign income taxation statute(s), as from time to time amended, and any successors thereto;
- (ww) "Third Party" means any Person other than the parties to this Agreement; and
- (xx) "TSXV" means the TSX Venture Exchange.

1.2 **Currency.** Unless otherwise indicated, all dollar amounts referred to in this Agreement are in Canadian funds.

1.3 **Tender.** Any tender of documents or money hereunder may be made upon the parties or their respective counsel and money may be tendered by bank draft or by certified cheque.

1.4 **Number and Gender.** Where the context requires, words imparting the singular shall include the plural and *vice versa*, and words imparting gender shall include all genders.



1.5 **Headings.** Article and Section headings contained in this Agreement are included solely for convenience, are not intended to be full or accurate descriptions of the content thereof and shall not be considered part of this Agreement or affect the construction or interpretation of any provision hereof.

1.6 **Schedules.** The Schedules to this Agreement shall be construed with and be considered an integral part of this Agreement to the same extent as if the same had been set forth *verbatim* herein. The following Schedules are attached hereto:

Schedule "A"	Rights, Privileges and Restrictions of Amalco Share Capital
Schedule "B"	Form of Support Agreement

1.7 **Accounting Terms.** All accounting terms not specifically defined herein shall be construed in accordance with IFRS.

Article II AMALGAMATION

2.1 **Agreement to Amalgamate.** Subject to the completion of the Continuance, the Amalgamating Corporations do hereby agree to amalgamate pursuant to the provisions of Section 181 of the Act as of the Effective Date and to continue as one corporation on the terms and conditions set out in this Agreement.

2.2 **Name.** The name of Amalco shall be "Perisson Petroleum Corporation" or such other similar name as the shareholders of the Amalgamating Corporations determine.

2.3 **Registered Office.** The registered office of Amalco shall be 1250, 639 – 5th Ave. SW, Calgary, Alberta T2P 0M9.

2.4 **Authorized Capital.** Amalco shall be authorized to issue an unlimited number of Amalco Shares, an unlimited number of class B non-voting common shares and class C preferred shares, issuable in series, which shall have the rights, privileges, restrictions and conditions substantially in the form set forth in the share schedule attached as Schedule "A" hereto.

2.5 **Number of Directors.** The board of directors of Amalco shall, until otherwise changed in accordance with the Act, consist of a minimum number of three (3) and a maximum number of ten (10) directors.

2.6 **Fiscal Year End.** The fiscal year end of Amalco shall be December 31, subject to receipt of all necessary regulatory approval.

2.7 **Business.** There shall be no restrictions on the business which Amalco is authorized to carry on.

2.8 **Initial Directors.** The first directors of Amalco shall be Robyn Lore, John G. F. McLeod, Wayne Rousch, Chien Yeh (Gary) Chen and two appointees of Perisson. Such directors shall hold office until the next annual meeting of shareholders of Amalco or until their successors are elected or appointed. Chien Yeh (Gary) Chen shall be appointed as Chief Executive Officer, Robyn Lore shall be appointed as President and Scott Reeves shall be appointed as Corporate Secretary of Amalco.

2.9 **Effect of Certificate of Amalgamation.** On the Effective Date, the Amalgamation of Perisson and Forent and their continuance as one corporation shall become effective; the property of each of Perisson and Forent shall continue to be the property of Amalco; Amalco shall continue to be liable for the obligations of each of Perisson and Forent; any existing cause of action, claim or liability to prosecution shall be unaffected; any civil, criminal or administrative action or proceeding pending by or against either Perisson or Forent may be continued to be prosecuted by or against Amalco; a conviction against, or filing, order or judgment in favour of or against, either Perisson or Forent may be enforced by or against Amalco; and the Articles of Amalgamation shall be deemed to be the Articles of Incorporation of Amalco and the Certificate of Amalgamation shall be deemed to be the Certificate of Incorporation for Amalco.

2.10 **By-Laws.** The by-laws of Amalco, until repealed, amended or altered, shall be the by-laws of Perisson.

2.11 **Filing of Documents.** Upon the shareholders of Perisson approving the Continuance, Perisson shall file Articles of Continuance with the Registrar under the Act along with such other documents as may be required. Upon the shareholders of each of the Amalgamating Corporations approving this Agreement by special resolution in accordance with the Act, the Amalgamating Corporations shall jointly file with the Registrar, under the Act, the Articles of Amalgamation and such other documents as may be required.

2.12 **Stated Capital.** The stated capital of Amalco immediately after the Amalgamation becomes effective shall be equal to the aggregate stated capital of each of the Amalgamating Corporations.

2.13 **Amendments to Structure.** Notwithstanding the foregoing, the parties hereto agree that the foregoing structure for the Amalgamation may be amended to accommodate certain tax planning and operational efficiencies of either party provided that such amendments shall not have a detrimental effect on either party and shall not negatively impact the business combination of Perisson and Forent evidenced hereby. In no event shall the structure be amended unless such amendment is permitted by the rules and policies of the TSXV.

ARTICLE III ISSUANCE OF AMALCO SHARES IN EXCHANGE FOR FORENT SHARES

3.1 **Issuance of Shares.** In consideration of the agreement of the parties and their respective shareholders to the actions set forth herein, subject to the approval of the TSXV, on the Effective Date:

- (i) each holder of Forent shares shall receive one (1) fully paid and non-assessable Amalco Share for each one (1) Forent Share held, following which all such Forent Shares shall be cancelled;
- (ii) Perisson Shareholders shall receive one (1) fully paid and non-assessable Amalco Share for each one (1) Perisson Share held, following which all such Perisson Shares shall be cancelled; and
- (iii) Amalco shall add an amount to the stated capital maintained in respect of: (i) the Amalco Shares equal to the aggregate paid-up capital for income tax purposes of the Perisson Shares immediately prior to the Amalgamation; and (ii) the Amalco Shares equal to the aggregate paid-up capital for income tax purposes of the Forent Shares immediately prior to the Amalgamation. The stated capital accounts shall be adjusted to recognized payments that may be made to Dissenting Shareholders as set out in Section 3.6.

3.2 **Convertible Securities.** Subject to the approval of the TSXV, on the Effective Date:

- (i) each holder of a Forent Stock Option outstanding immediately prior to the Effective Date shall receive (and such holder shall accept), upon the exercise of such holder's Forent Stock Option, in lieu of such Forent Shares to which such holder was theretofore entitled, upon such exercise and for the same aggregate consideration payable therefor, the number of Amalco Shares equal to the number of Forent Shares subject to such Forent Stock Option immediately prior to the Effective Date; (ii) each holder of a Perisson Stock Option outstanding immediately prior to the Effective Date shall receive (and such holder shall accept), upon the exercise of such holder's Perisson Stock Option, in lieu of such Perisson Shares to which such holder was theretofore entitled, upon such exercise and for the same aggregate consideration payable therefor, the number of Amalco Shares equal to the number of Perisson Shares subject to such Perisson Stock Option immediately prior to the Effective Date;

3.3 **Restrictions on Securities.** The parties acknowledge and agree that Amalco Shares issued pursuant to the terms and conditions provided herein shall be subject to compliance with applicable securities laws.

3.4 **Exchange of Share Certificates.** On the Effective Date:

- (i) the registered holders of Forent Shares may surrender such certificates to the Depositary and, upon such surrender, shall be entitled to receive a share certificate representing the number of Amalco Shares to which it is entitled, calculated in accordance with the provisions hereof; and
- (ii) the registered holders of Perisson Shares may surrender certificates representing Perisson Shares to the Depositary and, upon such surrender, shall be entitled to receive a share certificate representing the number of Amalco Shares to which it is entitled, calculated in accordance with the provisions hereof.

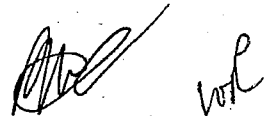
3.5 **Stale Certificates.** Any certificate formerly representing Forent Shares which is not deposited with the Depositary on or prior to the sixth (6th) anniversary of the Effective Date less than one (1) day shall cease to represent a right or claim of any kind or nature whatsoever.

3.6 **Dissenting Shareholders.** Forent Shares or Perisson Shares, as applicable, which are held by a shareholder who dissents to the Amalgamation pursuant to section 191 of the ABCA (a "Dissenting Shareholder"), shall not be exchanged Amalco Shares pursuant to the Amalgamation. However, if a Dissenting Shareholder fails to perfect or effectively withdraws such Dissenting Shareholder's claim under section 191 of the ABCA or forfeits such Dissenting Shareholder's right to make a claim under section 191 of the ABCA, or if his rights as a Forent Shareholder or Perisson Shareholder, as applicable, are otherwise reinstated, such Forent Shareholder's Forent Shares or Perisson Shareholder's Perisson Shares, as applicable, shall thereupon be deemed to have been converted as of the Effective Date as prescribed herein.

ARTICLE IV REPRESENTATIONS AND WARRANTIES

4.1 **Representations and Warranties of Perisson.** Perisson hereby represents and warrants to Forent that:

- (a) Perisson is a corporation continued and validly existing under the laws of the Province of Alberta, has all legal capacity and requisite corporate power to own its properties and to conduct its business as it is presently being conducted, and is duly registered or otherwise qualified to carry on business in all jurisdictions in which the nature of its assets or business makes such registration or qualification necessary or advisable;
- (b) Perisson has no subsidiaries and has no agreement of any nature to acquire any other subsidiary, or to acquire or lease any other business operation;
- (c) Perisson has the full legal capacity and corporate power to enter into this Agreement and to take, perform or execute all proceedings, acts and instruments necessary or advisable to consummate the other actions and transactions contemplated in this Agreement and to fulfill its obligations under this Agreement;
- (d) all necessary corporate action has been taken, or shall be taken prior to the Effective Date, by or on the part of Perisson to authorize the execution and delivery of this Agreement, including, approval of the Continuance and the Amalgamation by special resolution of its shareholders, and the taking, performing or executing of such proceedings, acts and instruments as are necessary or advisable for consummating the actions and transactions contemplated in this Agreement and for fulfilling its obligations hereunder;
- (e) this Agreement has been duly executed and delivered by Perisson and this Agreement constitutes a legal, valid and binding obligation of Perisson enforceable against Perisson in accordance with its terms, except as such terms may be limited by bankruptcy, insolvency, re-organization or other laws relating to the enforcement of creditors' rights generally;
- (f) neither the execution, nor delivery of this Agreement, nor the consummation of the transactions contemplated hereby, nor compliance with and fulfillment of the terms and provisions of this Agreement shall, except as otherwise described herein, require any affirmative approval, consent, authorization or other order or action by any court, governmental authority or regulatory body or



by any creditor of Perisson or any party to any agreement to which Perisson is a party or by which Perisson is bound, except as shall have been obtained prior to Closing;

- (g) Perisson is not in default or breach of, and the execution and delivery of, and the performance of and compliance with the terms of, this Agreement and the performance of any of the transactions contemplated hereby by Perisson, do not and will not result in any breach of, or constitute a default under, and do not and will not create a state of facts which, after notice or lapse of time or both, will result in a breach or constitute a default under, any applicable laws or any term of provision of the articles, by-laws or resolutions of the directors (including committees thereof) or shareholders of Perisson or any mortgage, note, indenture, contract, agreement (written or oral), instrument, lease or other document to which Perisson is a party or by which it is bound, or any judgment, decree, order, statute, rule or regulation application to Perisson, which default or breach might reasonably be expected to materially adversely affect the business, operations, capital or condition (financial or otherwise) of Perisson or its properties or assets;
- (h) the authorized capital of Perisson is an unlimited number of Perisson Shares of which 83,457,281 Perisson Shares are presently validly issued and outstanding as fully paid and non-assessable shares in the capital of Perisson (not including any Perisson Shares to be issued in connection with the Perisson Financing);
- (i) except for the Perisson Stock Options, no person, firm or corporation has any agreement or option or any right or privilege (whether by law, pre-emptive or contractual) capable of becoming an agreement or option, including convertible securities, warrants or convertible obligations of any nature, for the purchase of any unissued shares in the securities of Perisson;
- (j) of the total number of Perisson Stock Options (being 7,670,730 as of the date of this Agreement), none of which have an exercise price of less than \$0.13 per share;
- (k) the books and records of Perisson fairly and correctly set out and disclose in all material respects, the financial position of Perisson as at the dates thereof and all material financial transactions of Perisson relating to Perisson's Business have been accurately recorded in such books and records;
- (l) Perisson's Financial Statements fairly present the financial position of Perisson as at the date thereof and fairly present the results of operations for the periods ended on such dates, all in accordance with IFRS consistently applied throughout the period covered thereby, save and except as stated therein. Perisson's books of account reflect items of income and expense and all assets and liabilities and accruals required to be reflected therein;
- (m) as of the date hereof, the board of directors of Perisson, after considering this Agreement and the transactions contemplated herein, has determined unanimously that this Agreement and the transactions contemplated herein are fair to Perisson security holders and are in the best interests of Perisson;
- (n) save and except for matters which are disclosed in Perisson's Financial Statements or otherwise expressly set out in this Agreement, since September 30, 2015, Perisson has not (nor has it agreed to):
 - (i) incurred any debts, obligations or liabilities (absolute, accrued, contingent or otherwise and whether due or to become due), except debts, obligations and liabilities incurred in the ordinary course of business;
 - (ii) discharged or satisfied any liens or paid any obligation or liability other than liabilities shown on Perisson's Financial Statements, other than in the ordinary course of business;
 - (iii) declared or made any payment, distribution or dividend based on its shares or purchased, redeemed or otherwise acquired any of the shares in its capital or other securities or obligated itself to do so;



- (iv) mortgaged, pledged or subjected to lien or other security interest any of its assets, tangible or intangible other than the usual security granted to secure a bank line of credit or other than in the ordinary course of business;
- (v) except as previously disclosed in writing to Forent, sold, assigned, leased, transferred or otherwise disposed of any of its assets (excluding inventory) having either a book value or fair market value in excess of \$50,000, whether or not in the ordinary course of business, except for transactions involving Perisson's Assets or Perisson's Business previously disclosed to Forent;
- (vi) increased the compensation payable or to become payable to any of its officers, directors or employees, or in any bonus payment to or arrangement made with any officer, director or employee, or made any material changes in its personnel policies or employee benefits, except as agreed to by Forent;
- (vii) cancelled, waived, released or compromised any debt, claim or right resulting in a material adverse effect on the business, prospects or financial condition of Forent;
- (viii) significantly altered or revised any of its accounting principles, procedures, methods or practices except as required under IFRS or other regulatory guidelines;
- (ix) suffered any material damage, destruction or loss (whether or not covered by insurance) materially and adversely affecting the properties, business or prospects of Perisson;
- (x) entered into any transaction, contract or commitment, other than in the ordinary course of business, except for the transactions set forth in this Agreement or the Information Circular;
- (xi) made or authorized capital expenditures in excess of \$50,000 in the aggregate except for commitments made in respect of Perisson's Assets or Perisson's Business previously disclosed to Forent;
- (xii) issued or sold any shares in its capital stock or other securities, or granted any options with respect thereto; or
- (xiii) suffered or experienced any material adverse change in, or event or circumstance affecting, the condition (financial or otherwise) of its properties, assets, liabilities, earnings, business, operations or and Perisson has no knowledge, information or belief of any fact, event or circumstances which might reasonably be expected to affect materially and adversely the condition (financial or otherwise) of its properties, assets, liabilities, earnings, business operations or prospects and it has not changed any shares of its capital stock, whether by way of reclassification, stock split or otherwise;
- (o) the corporate records and minute books of Perisson as provided to Forent or its legal counsel contain complete and accurate minutes of all meetings of and corporate actions or written consents by the directors and shareholders of Perisson, including all by-laws and resolutions passed by the board of directors and shareholders of Perisson since the incorporation of Perisson and all such meetings were duly called and held. The shareholders' list maintained by Perisson's registrar and transfer agent and provided to Forent or its legal counsel is, to the best of Perisson's knowledge, complete and accurate in all respects;
- (p) Perisson does not operate or engage in any business activities, operations or management of any nature or kind whatsoever other than Perisson's Business;
- (q) except as expressly referred to in Perisson's Financial Statements or the Information Circular,
 - (i) Perisson does not have any outstanding bonds, debentures, mortgages, notes or other similar indebtedness or liabilities whatsoever and Perisson is not bound under any agreement to create, issue or incur any bonds, debentures, mortgages, notes or other similar indebtedness or liabilities whatsoever; and

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- (ii) Perisson is not a party to or bound by any agreement of guarantee, indemnification, assumption or endorsement or any other like commitment of the obligations, liabilities (contingent or otherwise) or indebtedness of any other person.
- (r) since incorporation, no payments have been made or authorized by Perisson to its officers, directors, employees, shareholders or former directors, officers, employees or shareholders or to any person not dealing at Arm's Length with any of the foregoing, except those expressly disclosed herein, reflected in Perisson's Financial Statements or the Information Circular or made in the ordinary course of business and at the regular rates payable to them of salary, pension, bonuses or other remuneration of any nature;
- (s) Perisson has filed all tax returns required to be filed by it prior to the date hereof in all applicable jurisdictions and has paid, collected and remitted all taxes, customs duties, tax instalments, levies, assessments, reassessments, penalties, interest and fines due and payable, collectible or remittable by it at present. All such tax returns properly reflect, and do not in any respect understate the income, taxable income or the liability for taxes of Perisson in the relevant period and the liability of Perisson for the collection, payment and remittance of tax under applicable Tax Laws;
- (t) all filings by Perisson pursuant to which Perisson has received, or is entitled to receive, government incentives have been made in accordance with all applicable legislation and other requirements relating thereto and contained no misrepresentations of material fact or omitted to state a material fact which could cause any amount previously paid to Perisson or previously accrued on the accounts thereof to be recovered or disallowed;
- (u) adequate provision has been made in Perisson's Financial Statements for all taxes, governmental charges and assessments, including interest and penalties thereon, payable by Perisson for all periods up to the date of the balance sheets comprising part of Perisson's Financial Statements;
- (v) Perisson has withheld and remitted all amounts required to be withheld and remitted by it in respect of any taxes, governmental charges or assessments in respect of any taxable year or portion thereof up to and including the date hereof;
- (w) there are no actions, suits or other proceedings, investigations or claims in progress or, to the best of Perisson's belief and knowledge, pending and there are no actions, suits or other proceedings or investigations or claims threatened, against Perisson in respect of any taxes, governmental charges or assessments. No waivers have been filed by Perisson with any taxing authority;
- (x) other than the filing of articles of amalgamation and any required regulatory approvals, no consent, licence, approval, order or authorization of, or registration, filing or declaration with any governmental authority that has not been obtained or made by Perisson and no consent of any Third Party is required to be obtained by Perisson in connection with the execution, delivery and performance by Perisson of this Agreement or the consummation of the transactions contemplated hereby;
- (y) Perisson is conducting and has always conducted Perisson's Business in substantial compliance with all applicable laws, rules and regulations of each jurisdiction in which Perisson's Business is carried on, is not currently in breach of any such laws, rules or regulations and is duly licensed, registered or qualified, in each jurisdiction in which Perisson owns or leases property or carries on Perisson's Business, to enable Perisson's Business to be carried on as now conducted and its property and assets to be owned, leased and operated, and all such licences, registrations and qualifications are valid and subsisting and in good standing and none of the same contains any burdensome term, provision, condition or limitation which has or may have an adverse effect on the operation of Perisson's Business;
- (z) Perisson does not own any assets in any jurisdictions other than Colombia;
- (aa) no employee has made any claim or, to the best of Perisson's knowledge, has any basis for any action or proceeding against Perisson, arising out of any statute, ordinance or regulation relating to discrimination in employment or employment practices, harassment, occupational health and safety standards or worker's compensation;

- (bb) Perisson has not made any agreements with any labour union or employee association nor made any commitments to or conducted any negotiations with any labour union or employee association with respect to any future agreements;
- (cc) no trade union, council of trade unions, employee bargaining agency or affiliated bargaining agent holds bargaining rights with respect to any of the employees of Perisson by way of certification, interim certification, voluntary recognition, designation or successor rights;
- (dd) there is no action, lawsuit, claim, proceeding, or investigation pending or, to the best knowledge of Perisson, threatened against, relating to or affecting Perisson before any court, government agency, or any arbitrator of any kind. Perisson is not aware of any existing ground on which any such proceeding might be commenced with any reasonable likelihood of success and there is not presently outstanding against Perisson any judgment, decree, injunction, rule or order of any court, governmental agency, or arbitrator relating to or affecting Perisson, Perisson's Assets or Perisson's Business;
- (ee) except as expressly set out in this Agreement, there is not now outstanding any arrangement (contractual or otherwise) between Perisson and any Person which shall or may be, terminated or, to the best knowledge of Perisson, prejudicially affected as a result of the Amalgamation contemplated herein;
- (ff) Perisson is a reporting issuer under the Securities Acts and, to the knowledge of Perisson, is not in material default of any requirement of any such Securities Acts or the requirements of the CSE. The issued and outstanding Perisson Shares are currently listed and posted for trading on the CSE;
- (gg) no cease trade order has been issued against Perisson or the Perisson Shares in any jurisdiction, and, to the knowledge of Perisson, no cease trade order is pending or threatened;
- (hh) since the date Perisson became a reporting issuer, Perisson has been in material compliance with the filing of all required forms, reports and documents (collectively, the "Perisson Public Disclosure") with the applicable regulatory authorities having jurisdiction. None of the Perisson Public Disclosure filed by Perisson with the applicable securities regulatory authorities having jurisdiction, at the time filed or as subsequently amended, contained any misrepresentation or any untrue statement of a Material Fact or omitted to state a Material Fact required to be stated therein or necessary in order to make the statements made therein, in light of the circumstances under which there were made, not misleading;
- (ii) Perisson has not incurred any obligation or liability, contingent or otherwise, for broker's fees, commissions or finder's fees or other similar fees in respect of the transactions contemplated herein;
- (jj) except as previously disclosed in writing to Forent, there are no outstanding written or oral employment contracts, sales, services, management or consulting agreements, employee benefit or profit-sharing plans, or any bonus arrangements with any employee of Perisson, nor are there any outstanding oral contracts of employment which are not terminable on the giving of reasonable notice in accordance with applicable law. There are no pension or retirement plans established by or for Perisson for the employees of Perisson's Business;
- (kk) Perisson shall not incur any severance and termination payments for its employees, directors, officers, consultants and any other applicable Persons in connection with the transactions contemplated herein;
- (ll) Perisson maintains sufficient property, general liability and third party insurance and all of such insurance policies are in good standing and in the opinion of management of Perisson acting reasonably are sufficient, in all material respects, to protect Perisson against potential liabilities of Perisson's Business;
- (mm) any and all operations of Perisson, and, to the best of Perisson's knowledge, any and all operations by third parties, on or in respect of the assets and properties of Perisson, have been conducted in accordance with good oilfield practice;

- (nn) in respect of the assets and properties of Perisson that are operated by it, Perisson holds all valid licenses, permits and similar rights and privileges that are material and required and necessary under applicable law to operate the assets and properties of Perisson as presently operated or as proposed to be operated except where the failure to so hold such licenses and permits would not have a material adverse effect on Perisson;
- (oo) although it does not warrant title, Perisson does not have reason to believe that it does not have good and marketable title to or the irrevocable right to produce and sell its petroleum, natural gas and related hydrocarbons (for the purposes of this clause, the foregoing are referred to as the "Interests") and does represent and warrant that the Interests are free and clear of all liens, charges, encumbrances, restrictions or adverse claims created by, through or under Perisson, other than any liens or encumbrances that may be outstanding pursuant to credit agreements with Perisson's bank, and those arising in the ordinary course of business, which are not material in the aggregate, and to the knowledge of Perisson after due inquiry, Perisson holds its Interests under valid and subsisting leases, licenses, permits, concessions, concession agreements, contracts, subleases, reservations or other agreements;
- (pp) Perisson has made available to Netherland, Sewell & Associates, Inc. ("NSAI"), prior to the issuance of its independent reserve report prepared effective as of December 31, 2014 and dated April 30, 2015 (the "NSAI Report") for the purposes of preparing such report, all information requested by NSAI which information did not contain any material misrepresentation at the time such information was so provided. There are no changes in any reserves information provided to NSAI since the date that such information was so provided which would result in any material adverse change to the quantity or pre-tax present worth value of estimated future net revenue values of Perisson as set out in the NSAI Report. Perisson believes that the NSAI Report reasonably presents the quantity and pre-tax present worth value of estimated future net revenue values of oil and natural gas reserves of Perisson as at the effective date thereof in respect of reserves information therein based upon information available in respect of such reserves at the time such report was prepared and the price assumptions contained therein;
- (qq) to the best of Perisson's knowledge, there are no pending or threatened actions, suits, proceedings or inquiries which, in aggregate, could have a material adverse effect on: (i) the quantity and pre-tax present value of estimated future net revenue values of oil and natural gas reserves of Perisson as shown in the NSAI Report; (ii) the current or future production of Perisson; or (iii) the current or future cash flow of Perisson;
- (rr) to the best of Perisson's knowledge, there are no defects, failures or impairments in the title of Perisson to its oil and natural gas properties, whether or not an action, suit, proceeding or inquiry is pending or threatened or whether or not discovered by any third party which, in aggregate, could have a material adverse effect on: (i) the quantity and pre-tax present value of estimated future net revenue values of oil and natural gas reserves of Perisson as shown in the NSAI Report, (ii) the current or future production of Perisson, or (iii) the current or future cash flow of Perisson;
- (ss) any and all operations of Perisson and to the best of Perisson's knowledge, any and all operations by third parties, on or in respect of the assets and properties of Perisson, have been conducted in accordance with good oil and gas industry practices and in material compliance with applicable laws, rules, regulations, orders and directions of government and other competent authorities;
- (tt) to the best of Perisson's knowledge, except to the extent that any violation or other matter referred to in this subparagraph does not have a material adverse effect on Perisson, in respect of Perisson:
 - (i) it is not in violation of any applicable federal, provincial, state, municipal or local laws, regulations, orders, government decrees or ordinances with respect to environmental health or safety matters (collectively, the "Environmental Laws");
 - (ii) it has operated its business at all times and has received, handled, used, stored, treated, shipped and disposed of all contaminants without violation of the Environmental Laws;



- (iii) there have been no spills, releases, deposits or discharges of hazardous or toxic substances, contaminants or wastes into the earth, air or into any body of water or any municipal or other sewer or drain water systems by Perisson that have not been remedied;
- (iv) no orders, directions or notices have been issued and remain outstanding pursuant to any Environmental Laws relating to the business and assets of Perisson;
- (v) it has not failed to report to the proper federal, provincial, state, municipal or other political subdivision, government, commission, board, bureau, agency or instrumentality, domestic or foreign, the occurrence of any event which is required to be so reported by any Environmental Laws; and
- (vi) it holds all licenses, permits and approvals required under any Environmental Laws in connection with the operations of its business and the ownership and use of its assets, all such licenses, permits and approvals are in full force and effect, and Perisson has not received any notification pursuant to any Environmental Laws that any work, repairs, construction, or capital expenditures are required to be made by it as a condition of continued compliance with any Environmental Laws, or any license, permit or approval issued pursuant thereto, or that any license, permit or approval referred to above is about to be reviewed, made subject to limitation or conditions, revoked, withdrawn or terminated;
- (uu) Perisson is not a party to any unanimous shareholders' agreement, pooling agreement, voting trust or other similar type of arrangement in respect of the outstanding securities of Perisson;
- (vv) Perisson has complied with all environmental laws, rules and regulations at all facilities where oil and gas drilling or exploration has occurred, including the construction and operation of sealed or lined reserve pits consistent with applicable environmental laws, rules and regulations;
- (ww) there are no defaults related to payments required to keep a lease in good standing under any oil and gas lease held by Perisson;
- (xx) there are no unfunded Authorizations For Expenditure which have not been previously disclosed to Perisson;
- (yy) no director, officer, insider or other non-arm's length party to Perisson (or any associate or affiliate thereof) has any right, title or interest in (or the right to acquire any right, title or interest in) any royalty interest, carried interest, participation interest or any other interest whatsoever which are based on production from or in respect of any properties of Perisson;
- (zz) other than as disclosed to Forent, Perisson does not have any loans or other indebtedness outstanding which have been made to or from any of its shareholders, officers, directors or employees or any other person not dealing at Arm's Length with Perisson that are currently outstanding;
- (aaa) all amounts due or accrued for all salary, wages, bonuses, commissions, vacation with pay, and other employee benefits in respect of any employee, director, independent contractor, consultant and agent of Perisson which are attributable to the period before the Effective Date shall be paid at or prior to the Effective Time in amounts as previously disclosed to Perisson and are or shall be accurately reflected in the books and records of Perisson;
- (bbb) except for indemnity agreements with its directors and officers as contemplated by the by-laws of Perisson and any applicable laws, and other than standard indemnity agreements in underwriting and agency agreements and in the ordinary course provided to service providers, Perisson is not a party to or bound by any agreement, guarantee, indemnification, or endorsement or like commitment of the obligations, liabilities (contingent or otherwise) or indebtedness of any person, firm or corporation;
- (ccc) Perisson is not a party to any shareholder rights plan or any other form of plan, agreement, contract or instrument that shall trigger any rights to acquire Perisson Shares or other securities of

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Perisson or rights, entitlements or privileges in favour of any person upon the entering into of this Agreement or the Amalgamation;

- (ddd) to the best of Perisson's knowledge, all wells located on any lands in which Perisson has an interest, or lands with which such lands have been pooled or unitized, which have been abandoned have been abandoned in material compliance with all applicable statutes and regulations regarding the abandonment of wells;
- (eee) to the best of Perisson's knowledge, all *ad valorem*, property, production, severance and similar taxes and assessments based on or measured by the ownership of property or the production of its hydrocarbon substances, or the receipt of proceeds therefrom, payable in respect of its oil and gas assets prior to the date hereof have been properly and fully paid and discharged, and there are no unpaid taxes or assessments which could result in a lien or charge on its oil and gas assets, except where the failure to do so would not individually or in the aggregate have a material adverse effect on Perisson;
- (fff) other than with respect to the Forent Information, Perisson represents and warrants that all information in the Information Circular shall, as of the mailing date of the Information Circular and as of the Effective Date, be true and complete in all material respects and shall not contain any misrepresentation; and
- (ggg) no representation or warranty made by Perisson in this Agreement and no statement made in any schedule, exhibit, certificate or other document furnished pursuant to this Agreement, contains, or shall contain, any untrue statement of a Material Fact or omits, or shall omit, to state any Material Fact necessary to make such representation or warranty or any such statement not misleading. Perisson does not know of any fact which, if known to the other parties hereto would deter them from consummating the transactions contemplated herein.

4.2 No investigations made by or on behalf of Forent at any time shall have the effect of waiving, diminishing the scope of or otherwise affecting any representation, warranty or covenant made by Perisson herein or pursuant hereto and no waiver by Forent of any condition, in whole or in part, shall operate as a waiver of any other conditions.

4.3 **Representations and Warranties of Forent.** Forent hereby represents and warrants to Perisson that:

- (a) Forent is a corporation validly existing under the laws of the Province of Alberta, has all legal capacity and requisite corporate power to own its properties and to conduct its business as it is presently being conducted, and is duly registered or otherwise qualified to carry on business in all jurisdictions in which the nature of its assets or business makes such registration or qualification necessary or advisable;
- (b) Forent has no subsidiaries, other than 1883222 Alberta Inc., and has no agreement of any nature to acquire any other subsidiary, or to acquire or lease any other business operation;
- (c) Forent has the full legal capacity and corporate power to enter into this Agreement and to take, perform or execute all proceedings, acts and instruments necessary or advisable to consummate the other actions and transactions contemplated in this Agreement and to fulfill its obligations under this Agreement;
- (d) all necessary corporate action has been taken, or shall be taken prior to the Effective Date, by or on the part of Forent to authorize the execution and delivery of this Agreement, including, approval of the Amalgamation by special resolution of its shareholders, and the taking, performing or executing of such proceedings, acts and instruments as are necessary or advisable for consummating the actions and transactions contemplated in this Agreement and for fulfilling its obligations hereunder;
- (e) this Agreement has been duly executed and delivered by Forent and this Agreement constitutes a legal, valid and binding obligation of Forent enforceable against Forent in accordance with its

terms, except as such terms may be limited by bankruptcy, insolvency, re-organization or other laws relating to the enforcement of creditors' rights generally;

- (f) neither the execution, nor delivery of this Agreement, nor the consummation of the transactions contemplated hereby, nor compliance with and fulfillment of the terms and provisions of this Agreement shall, except as otherwise described herein, require any affirmative approval, consent, authorization or other order or action by any court, governmental authority or regulatory body or by any creditor of Forent or any party to any agreement to which Forent is a party or by which Forent is bound, except as shall have been obtained prior to Closing;
- (g) Forent is not in default or breach of, and the execution and delivery of, and the performance of and compliance with the terms of, this Agreement and the performance of any of the transactions contemplated hereby by Forent, do not and will not result in any breach of, or constitute a default under, and do not and will not create a state of facts which, after notice or lapse of time or both, will result in a breach or constitute a default under, any applicable laws or any term of provision of the articles, by-laws or resolutions of the directors (including committees thereof) or shareholders of Forent or any mortgage, note, indenture, contract, agreement (written or oral), instrument, lease or other document to which Forent is a party or by which it is bound, or any judgment, decree, order, statute, rule or regulation application to Forent, which default or breach might reasonably be expected to materially adversely affect the business, operations, capital or condition (financial or otherwise) of Forent or its properties or assets;
- (h) the authorized capital of Forent is an unlimited number of Forent Shares of which 14,932,641 Forent Shares are presently validly issued and outstanding as fully paid and non-assessable shares in the capital of Forent;
- (i) except for the Forent Stock Options, no person, firm or corporation has any agreement or option or any right or privilege (whether by law, pre-emptive or contractual) capable of becoming an agreement or option, including convertible securities, warrants or convertible obligations of any nature, for the purchase of any unissued shares in the securities of Forent;
- (j) of the total number of Forent Stock Options (being 1,344,916 as of the date of this Agreement), no Forent Stock Options have an exercise price of less than \$0.40 per share;
- (k) the books and records of Forent fairly and correctly set out and disclose in all material respects, the financial position of Forent as at the dates thereof and all material financial transactions of Forent relating to Forent's Business have been accurately recorded in such books and records;
- (l) Forent's Financial Statements fairly present the financial position of Forent as at the date thereof and fairly present the results of operations for the periods ended on such dates, all in accordance with IFRS consistently applied throughout the period covered thereby, save and except as stated therein. Forent's books of account reflect items of income and expense and all assets and liabilities and accruals required to be reflected therein;
- (m) as of the date hereof, the board of directors of Forent, after considering this Agreement and the transactions contemplated herein, has determined unanimously that this Agreement and the transactions contemplated herein are fair to Forent security holders and are in the best interests of Forent;
- (n) Perisson has been provided on the date hereof with a list of all agreements, contracts, indentures and other documentation material to the business, affairs or operations of Forent and any swap contracts to which Forent is a party;
- (o) save and except for matters which are disclosed in Forent's Financial Statements or otherwise expressly set out in this Agreement, since September 30, 2015, Forent has not (nor has it agreed to):
 - (i) incurred any debts, obligations or liabilities (absolute, accrued, contingent or otherwise and whether due or to become due), except debts, obligations and liabilities incurred in the ordinary course of business;

- (r) except as expressly referred to in Forent's Financial Statements or the Information Circular,
 - (i) Forent does not have any outstanding bonds, debentures, mortgages, notes or other similar indebtedness or liabilities whatsoever and Forent is not bound under any agreement to create, issue or incur any bonds, debentures, mortgages, notes or other similar indebtedness or liabilities whatsoever; and
 - (ii) Forent is not a party to or bound by any agreement of guarantee, indemnification, assumption or endorsement or any other like commitment of the obligations, liabilities (contingent or otherwise) or indebtedness of any other person.
- (s) since incorporation, no payments have been made or authorized by Forent to its officers, directors, employees, shareholders or former directors, officers, employees or shareholders or to any person not dealing at Arm's Length with any of the foregoing, except those expressly disclosed herein, reflected in Forent's Financial Statements or the Information Circular or made in the ordinary course of business and at the regular rates payable to them of salary, pension, bonuses or other remuneration of any nature;
- (t) Forent has filed all tax returns required to be filed by it prior to the date hereof in all applicable jurisdictions and has paid, collected and remitted all taxes, customs duties, tax instalments, levies, assessments, reassessments, penalties, interest and fines due and payable, collectible or remittable by it at present. All such tax returns properly reflect, and do not in any respect understate the income, taxable income or the liability for taxes of Forent in the relevant period and the liability of Forent for the collection, payment and remittance of tax under applicable Tax Laws;
- (u) all filings by Forent pursuant to which Forent has received, or is entitled to receive, government incentives have been made in accordance with all applicable legislation and other requirements relating thereto and contained no misrepresentations of material fact or omitted to state a material fact which could cause any amount previously paid to Forent or previously accrued on the accounts thereof to be recovered or disallowed;
- (v) adequate provision has been made in Forent's Financial Statements for all taxes, governmental charges and assessments, including interest and penalties thereon, payable by Forent for all periods up to the date of the balance sheets comprising part of Forent's Financial Statements;
- (w) Forent has withheld and remitted all amounts required to be withheld and remitted by it in respect of any taxes, governmental charges or assessments in respect of any taxable year or portion thereof up to and including the date hereof;
- (x) there are no actions, suits or other proceedings, investigations or claims in progress or, to the best of Forent's belief and knowledge, pending and there are no actions, suits or other proceedings or investigations or claims threatened, against Forent in respect of any taxes, governmental charges or assessments. No waivers have been filed by Forent with any taxing authority;
- (y) other than the filing of articles of amalgamation and any required regulatory approvals, no consent, licence, approval, order or authorization of, or registration, filing or declaration with any governmental authority that has not been obtained or made by Forent and no consent of any Third Party is required to be obtained by Forent in connection with the execution, delivery and performance by Forent of this Agreement or the consummation of the transactions contemplated hereby;
- (z) Forent is conducting and has always conducted Forent's Business in substantial compliance with all applicable laws, rules and regulations of each jurisdiction in which Forent's Business is carried on, is not currently in breach of any such laws, rules or regulations and is duly licensed, registered or qualified, in each jurisdiction in which Forent owns or leases property or carries on Forent's Business, to enable Forent's Business to be carried on as now conducted and its property and assets to be owned, leased and operated, and all such licences, registrations and qualifications are valid and subsisting and in good standing and none of the same contains any burdensome term, provision, condition or limitation which has or may have an adverse effect on the operation of Forent's Business;

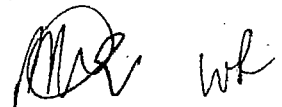
- (aa) Forent does not own any assets in any jurisdictions other than the Provinces of Alberta and Saskatchewan;
- (bb) no employee has made any claim or, to the best of Forent's knowledge, has any basis for any action or proceeding against Forent, arising out of any statute, ordinance or regulation relating to discrimination in employment or employment practices, harassment, occupational health and safety standards or worker's compensation;
- (cc) Forent has not made any agreements with any labour union or employee association nor made any commitments to or conducted any negotiations with any labour union or employee association with respect to any future agreements;
- (dd) no trade union, council of trade unions, employee bargaining agency or affiliated bargaining agent holds bargaining rights with respect to any of the employees of Forent by way of certification, interim certification, voluntary recognition, designation or successor rights;
- (ee) there is no action, lawsuit, claim, proceeding, or investigation pending or, to the best knowledge of Forent, threatened against, relating to or affecting Forent before any court, government agency, or any arbitrator of any kind. Forent is not aware of any existing ground on which any such proceeding might be commenced with any reasonable likelihood of success and there is not presently outstanding against Forent any judgment, decree, injunction, rule or order of any court, governmental agency, or arbitrator relating to or affecting Forent, Forent's Assets or Forent's Business;
- (ff) except as expressly set out in this Agreement, there is not now outstanding any arrangement (contractual or otherwise) between Forent and any Person which shall or may be, terminated or, to the best knowledge of Forent, prejudicially affected as a result of the Amalgamation contemplated herein;
- (gg) Forent is a reporting issuer in the provinces of British Columbia and Alberta and, to the knowledge of Forent, is not in material default of any requirement of the securities legislation of such provinces or the requirements of the TSXV. The issued and outstanding Forent Shares are currently listed and posted for trading on the TSXV;
- (hh) no cease trade order has been issued against Forent or the Forent Shares in any jurisdiction, and, to the knowledge of Forent, no cease trade order is pending or threatened;
- (ii) since the date Forent became a reporting issuer, Forent has been in material compliance with the filing of all required forms, reports and documents (collectively, the "Forent Public Disclosure") with the applicable regulatory authorities having jurisdiction. None of the Forent Public Disclosure filed by Forent with the applicable securities regulatory authorities having jurisdiction, at the time filed or as subsequently amended, contained any misrepresentation or any untrue statement of a Material Fact or omitted to state a Material Fact required to be stated therein or necessary in order to make the statements made therein, in light of the circumstances under which there were made, not misleading;
- (jj) Forent has not incurred any obligation or liability, contingent or otherwise, for broker's fees, commissions or finder's fees or other similar fees in respect of the transactions contemplated herein;
- (kk) except as previously disclosed in writing to Perisson, there are no outstanding written or oral employment contracts, sales, services, management or consulting agreements, employee benefit or profit-sharing plans, or any bonus arrangements with any employee of Forent, nor are there any outstanding oral contracts of employment which are not terminable on the giving of reasonable notice in accordance with applicable law. There are no pension or retirement plans established by or for Forent for the employees of Forent's Business;
- (ll) Forent shall incur a maximum of \$1,000,000 in severance and termination payments for its employees, directors, officers, consultants and any other applicable Persons in connection with the transactions contemplated herein;

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- (mm) Forent's net debt, including off balance sheet items including working capital, shall not be more than \$7,000,000 at Closing;
- (nn) as at September 30, 2015, Forent's aggregate tax pools were not less than \$18,000,000 (the "Tax Pools"), and such net tax pool balances shall not be materially different at Closing;
- (oo) Forent maintains sufficient property, general liability and third party insurance and all of such insurance policies are in good standing and in the opinion of management of Forent are sufficient, in all material respects, to protect Forent against potential liabilities of Forent's Business;
- (pp) any and all operations of Forent, and, to the best of Forent's knowledge, any and all operations by third parties, on or in respect of the assets and properties of Forent, have been conducted in accordance with good oilfield practice;
- (qq) in respect of the assets and properties of Forent that are operated by it, Forent holds all valid licenses, permits and similar rights and privileges that are material and required and necessary under applicable law to operate the assets and properties of Forent as presently operated or as proposed to be operated except where the failure to so hold such licenses and permits would not have a material adverse effect on Forent;
- (rr) although it does not warrant title, Forent does not have reason to believe that it does not have good and marketable title to or the irrevocable right to produce and sell its petroleum, natural gas and related hydrocarbons (for the purposes of this clause, the foregoing are referred to as the "Interests") and does represent and warrant that the Interests are free and clear of all liens, charges, encumbrances, restrictions or adverse claims created by, through or under Forent, other than any liens or encumbrances that may be outstanding pursuant to credit agreements with Forent's bank, and those arising in the ordinary course of business, which are not material in the aggregate, and to the knowledge of Forent after due inquiry, Forent holds its Interests under valid and subsisting leases, licenses, permits, concessions, concession agreements, contracts, subleases, reservations or other agreements;
- (ss) Forent has made available to McDaniel Engineering Consultants Inc. ("McDaniel"), prior to the issuance of its independent reserve report prepared effective as of December 31, 2014 and dated February 18, 2015 (the "McDaniel Report") for the purposes of preparing such report, all information requested by McDaniel which information did not contain any material misrepresentation at the time such information was so provided. There are no changes in any reserves information provided to McDaniel since the date that such information was so provided which would result in any material adverse change to the quantity or pre-tax present worth value of estimated future net revenue values of Forent as set out in the McDaniel Report. Forent believes that the McDaniel Report reasonably presents the quantity and pre-tax present worth value of estimated future net revenue values of oil and natural gas reserves of Forent as at the effective date thereof in respect of reserves information therein based upon information available in respect of such reserves at the time such report was prepared and the price assumptions contained therein;
- (tt) to the best of Forent's knowledge, there are no pending or threatened actions, suits, proceedings or inquiries which, in aggregate, could have a material adverse effect on: (i) the quantity and pre-tax present value of estimated future net revenue values of oil and natural gas reserves of Forent as shown in the McDaniel Report; (ii) the current or future production of Forent; or (iii) the current or future cash flow of Forent;
- (uu) to the best of Forent's knowledge, there are no defects, failures or impairments in the title of Forent to its oil and natural gas properties, whether or not an action, suit, proceeding or inquiry is pending or threatened or whether or not discovered by any third party which, in aggregate, could have a material adverse effect on: (i) the quantity and pre-tax present value of estimated future net revenue values of oil and natural gas reserves of Forent as shown in the McDaniel Report, (ii) the current or future production of Forent, or (iii) the current or future cash flow of Forent;
- (vv) any and all operations of Forent and to the best of Forent's knowledge, any and all operations by third parties, on or in respect of the assets and properties of Forent, have been conducted in

- (k) Perisson shall not directly or indirectly do or permit to occur any of the following: (i) amend its constating documents; (ii) declare, set aside or pay any dividend or other distribution or payment (whether in cash, shares or property) in respect of its outstanding shares; (iii) redeem, purchase or otherwise acquire any of its outstanding shares or other securities; (iv) split, combine or reclassify any of its securities; (v) adopt a plan of liquidation or resolutions providing for the liquidation, dissolution or reorganization of Perisson; (vi) reduce the stated capital of Perisson or any of its outstanding shares; (vii) take any action, refrain from taking any action, permit any action to be taken or not taken, inconsistent with this Agreement, which might directly or indirectly interfere or affect the consummation of the Amalgamation; or (viii) enter into or modify any contract, agreement, commitment or arrangement with respect to any of the foregoing;
- (l) Perisson shall use its reasonable commercial efforts to cause its current insurance (or reinsurance) policies not to be cancelled or terminated or any of the coverage thereunder to lapse, unless simultaneously with such termination, cancellation or lapse, replacement policies underwritten by insurance or re-insurance companies of nationally recognized standing providing coverage equal to or greater than the coverage under the cancelled, terminated or lapsed policies for substantially similar premiums are in full force and effect and shall pay all premiums in respect of such insurance policies that become due prior to the Effective Date;
- (m) give its consent (and provide such other reasonable assurances as may be required) and use its best efforts to obtain (including the provision of such reasonable assurances as may be required), consents of all other Persons to the transactions contemplated by this Agreement, as may be required pursuant to any statute, law or ordinance or by any governmental or other regulatory authority having jurisdiction;
- (n) Perisson shall not take any action that would render, or may reasonably be expected to render, any representation or warranty made by it in this Agreement untrue in any material respect at any time prior to completion of the Amalgamation or termination of this Agreement, whichever first occurs, other than as consented to in writing by Forent, such consent not to be unreasonably withheld;
- (o) subject to approval of the Perisson Amalgamation Resolution, accept the resignations from Brad Nichol, David Foo, Jinbao Liu and Victor Hsu as directors of Perisson, as applicable;
- (p) upon Perisson receiving notification or other information from any regulatory authority or body concerning the transactions contemplated hereunder, such information shall be promptly disclosed in writing to the solicitors for Forent;
- (q) in consultation with Forent and its counsel, forthwith use its best efforts to obtain all necessary regulatory approvals and assist in making all submissions, preparing all press releases and circulars and making all notifications required with respect to this transaction and the issuance of shares as contemplated hereunder;
- (r) use its best efforts to maintain its status as a reporting issuer in Alberta, Ontario, Quebec and British Columbia;
- (s) take all steps necessary to make proper disclosure within such time as required by any regulatory authority and any other applicable statutes and laws concerning this Agreement and the transactions contemplated herein;
- (t) use all reasonable commercial efforts to satisfy (or cause the satisfaction of) the conditions precedent to its obligations hereunder set forth in Article VI to the extent the same is within its control and take, or cause to be taken, all other action and to do, or cause to be done, all other things necessary, proper or advisable under all applicable laws to complete the Amalgamation, including using its reasonable commercial efforts to:
 - (i) obtain all necessary waivers, consents and approvals required to be obtained by it from other parties to loan agreements, leases and other contracts;
 - (ii) obtain all necessary consents, approvals and authorizations as are required to be obtained by it under any applicable laws;

- (iii) effect all necessary registrations and filings and submissions of information requested by governmental entities required to be effected by it in connection with the Amalgamation and participate and appear in any proceedings of either party before governmental entities in connection with the Amalgamation;
 - (iv) oppose, lift or rescind any injunction or restraining order or other order or action seeking to stop or otherwise adversely affect the ability of the parties to consummate the transactions contemplated hereby;
 - (v) fulfill all conditions and satisfy all provisions of this Agreement;
 - (vi) cooperate with Forent in connection with the performance by Perisson of its obligations hereunder; and
 - (vii) not take any action, refrain from taking any action or permit any action to be taken or not taken that is inconsistent with this Agreement or that would reasonably be expected to significantly impede the consummation of the Amalgamation;
- (u) not incur any material liabilities of any kind whatsoever, whether or not accrued and whether or not determined or determinable, in respect of which Perisson may become liable on or after the Closing Date, except as set out in Perisson's Financial Statements and except for those costs in the ordinary course of business and transactional costs incurred prior to Closing;
- (v) to file, duly and timely, all tax returns required to be filed by it and to pay promptly all taxes, assessments and governmental charges which are claimed by any governmental authority to be due and owing and not to enter into any agreement, waiver or other arrangement providing for an extension of time with respect to the filing of any tax return or the payment or assessment of any tax, governmental charge or deficiency;
- (w) Perisson shall indemnify and save harmless Forent and the directors, officers and agents of Forent from and against any and all liabilities, claims, demands, losses, costs, damages and expenses (excluding any loss of profits or consequential damages) to which Forent, or any director, officer or agent thereof may be subject or which Forent, or any director, officer or agent thereof may suffer, whether under the provisions of any statute or otherwise, in any way caused by, or arising, directly or indirectly, from or in consequence of:
- (i) any misrepresentation or alleged misrepresentation in the Information Circular relating to Perisson and Perisson's Business;
 - (ii) any order made or any inquiry, investigation or proceeding by any securities commission or other competent authority based upon any untrue statement or omission or alleged untrue statement or omission of a material fact or any misrepresentation or any alleged misrepresentation the Information Circular relating to Perisson and Perisson's Business; or
 - (iii) Perisson not complying with any requirement of applicable laws in connection with the transactions contemplated in this Agreement;
- (x) Perisson shall restrict capital expenditures to \$50,000 or less until Closing, unless otherwise consented to in writing by Forent;
- (y) not issue any press releases or other statements regarding this Agreement without prior consultation and concurrence from Forent;
- (z) neither declare nor pay any dividends or other distributions or returns of capital on Perisson Shares from the date of this Agreement until the Closing Date; and
- (aa) subject to the Closing, cause Amalco to validly issue the Amalco Shares in accordance with Article III as fully paid and non-assessable common shares in the capital of Amalco, free and clear

Handwritten signatures and initials, including a large signature that appears to be 'Mae' and the initials 'wh'.

of all mortgages, liens, charges, security deposits, adverse claims, pledges, encumbrances, options, warrants, rights, privileges and demands whatsoever.

5.2 **General Covenants of Forent.** Forent covenants and agrees that, until Closing or the date on which this Agreement is terminated, and unless otherwise contemplated herein, it shall:

- (a) ensure that Forent's business shall be conducted only in the usual and ordinary course of business consistent with past practice;
- (b) take all requisite action to:
 - (i) approve this Agreement; and
 - (ii) approve such actions as Perisson may determine to be necessary or desirable for the purposes hereof;
- (c) convene the Forent Meeting for the purpose of approving the Amalgamation and to solicit proxies to be voted at the Forent Meeting in favour of the approval of all of such matters;
- (d) include in the Information Circular the recommendation of the board of directors of Forent that the Forent Shareholders vote in favour of the Amalgamation;
- (e) in consultation with Perisson and its counsel, in a timely and expeditious manner, prepare the Information Circular, and assist with the preparation of any *pro forma* financial information, as applicable, required to be included in the Information Circular and obtaining the necessary consents from the auditors of Forent, all in accordance with applicable laws;
- (f) file and distribute to the Forent Shareholders in a timely and expeditious manner, the Information Circular, and any amendments or supplements to the Information Circular, all as required by applicable law, in all jurisdictions where the same is required complying in all material respects with all applicable legal requirements on the date of issue thereof;
- (g) use its reasonable commercial efforts to preserve intact as a going concern its business organization and goodwill, to keep available the services of its officers and employees as a group and to maintain its business relationships;
- (h) Forent shall not adopt or amend or make any contribution to any bonus, employee benefit plan, profit sharing, deferred compensation, insurance, incentive compensation, other compensation or other similar plan, agreement, stock purchase plan, fund or arrangement for the benefit of employees, except as is necessary to comply with the law or with respect to existing provisions of any such plans, programs, arrangements or agreements;
- (i) Forent shall not (i) grant any officer, director or employee an increase in compensation in any form; (ii) grant any general salary increase; (iii) take any action with respect to the amendment of any severance or termination pay policies or arrangements for any directors, officers or employees, except as contemplated herein; (iv) adopt or amend (other than to permit accelerated vesting of currently outstanding rights) any stock option plan or the terms of any outstanding rights thereunder; nor (v) advance any loan to any officer, director or any other party not at Arm's Length;
- (j) Forent shall promptly notify Perisson in writing of any material change (actual, anticipated, contemplated or, to the knowledge of Forent threatened, financial or otherwise) in its business, operations, affairs, assets, capitalization, financial condition, licenses, permits, rights, privileges or liabilities, whether contractual or otherwise, or of any change in any representation or warranty provided by Forent in this Agreement which change is or may be of such a nature to render any representation or warranty misleading or untrue in any material respect and Forent shall in good faith discuss with Perisson any change in circumstances (actual, anticipated, contemplated, or to the knowledge of Forent threatened) which is of such a nature that there may be a reasonable question as to whether notice need to be given to Perisson pursuant to this provision;

- (k) Forent shall not directly or indirectly do or permit to occur any of the following: (i) amend its constating documents; (ii) declare, set aside or pay any dividend or other distribution or payment (whether in cash, shares or property) in respect of its outstanding shares; (iii) redeem, purchase or otherwise acquire any of its outstanding shares or other securities; (iv) split, combine or reclassify any of its securities; (v) adopt a plan of liquidation or resolutions providing for the liquidation, dissolution or reorganization of Forent; (vi) reduce the stated capital of Forent or any of its outstanding shares; (vii) take any action, refrain from taking any action, permit any action to be taken or not taken, inconsistent with this Agreement, which might directly or indirectly interfere or affect the consummation of the Amalgamation; or (viii) enter into or modify any contract, agreement, commitment or arrangement with respect to any of the foregoing;
- (l) Forent shall use its reasonable commercial efforts to cause its current insurance (or reinsurance) policies not to be cancelled or terminated or any of the coverage thereunder to lapse, unless simultaneously with such termination, cancellation or lapse, replacement policies underwritten by insurance or re-insurance companies of nationally recognized standing providing coverage equal to or greater than the coverage under the cancelled, terminated or lapsed policies for substantially similar premiums are in full force and effect and shall pay all premiums in respect of such insurance policies that become due prior to the Effective Date;
- (m) give its consent (and provide such other reasonable assurances as may be required) and use its best efforts to obtain (including the provision of such reasonable assurances as may be required), consents of all other Persons to the transactions contemplated by this Agreement, as may be required pursuant to any statute, law or ordinance or by any governmental or other regulatory authority having jurisdiction;
- (n) Forent shall not take any action that would render, or may reasonably be expected to render, any representation or warranty made by it in this Agreement untrue in any material respect at any time prior to completion of the Amalgamation or termination of this Agreement, whichever first occurs, other than as consented to in writing by Perisson, such consent not to be unreasonably withheld;
- (o) subject to approval of the Forent Amalgamation Resolution, accept the resignations from W. Brent Wilson, John Forgeron, Marty Hislop, Curtis Hartzler and Bill Walker as officers and/or directors of Forent, as applicable;
- (p) upon Forent receiving notification or other information from any regulatory authority or body concerning the transactions contemplated hereunder, such information shall be promptly disclosed in writing to the solicitors for Perisson;
- (q) in consultation with Perisson and its counsel, forthwith use its best efforts to obtain all necessary regulatory approvals and assist in making all submissions, preparing all press releases and circulars and making all notifications required with respect to this transaction and the issuance of shares, as contemplated hereunder;
- (r) use its best efforts to maintain its status as a reporting issuer in Alberta and British Columbia;
- (s) take all steps necessary to make proper disclosure within such time as required by any regulatory authority and any other applicable statutes and laws concerning this Agreement and the transactions contemplated herein;
- (t) use all reasonable commercial efforts to satisfy (or cause the satisfaction of) the conditions precedent to its obligations hereunder set forth in Article VI to the extent the same is within its control and take, or cause to be taken, all other action and to do, or cause to be done, all other things necessary, proper or advisable under all applicable laws to complete the Amalgamation, including using its reasonable commercial efforts to:
 - (i) obtain all necessary waivers, consents and approvals required to be obtained by it from other parties to loan agreements, leases and other contracts;
 - (ii) obtain all necessary consents, approvals and authorizations as are required to be obtained by it under any applicable laws;

- (iii) effect all necessary registrations and filings and submissions of information requested by governmental entities required to be effected by it in connection with the Amalgamation and participate and appear in any proceedings of either party before governmental entities in connection with the Amalgamation;
 - (iv) oppose, lift or rescind any injunction or restraining order or other order or action seeking to stop or otherwise adversely affect the ability of the parties to consummate the transactions contemplated hereby;
 - (v) fulfill all conditions and satisfy all provisions of this Agreement;
 - (vi) cooperate with Perisson in connection with the performance by Forent of its obligations hereunder; and
 - (vii) not take any action, refrain from taking any action or permit any action to be taken or not taken that is inconsistent with this Agreement or that would reasonably be expected to significantly impede the consummation of the Amalgamation;
- (u) not incur any material liabilities of any kind whatsoever, whether or not accrued and whether or not determined or determinable, in respect of which Forent may become liable on or after the Closing Date, except as set out in Forent's Financial Statements and except for those costs in the ordinary course of business and transactional costs incurred prior to Closing;
- (v) to file, duly and timely, all tax returns required to be filed by it and to pay promptly all taxes, assessments and governmental charges which are claimed by any governmental authority to be due and owing and not to enter into any agreement, waiver or other arrangement providing for an extension of time with respect to the filing of any tax return or the payment or assessment of any tax, governmental charge or deficiency;
- (w) Forent shall indemnify and save harmless Perisson and the directors, officers and agents of Perisson from and against any and all liabilities, claims, demands, losses, costs, damages and expenses (excluding any loss of profits or consequential damages) to which Perisson, or any director, officer or agent thereof may be subject or which Perisson, or any director, officer or agent thereof may suffer, whether under the provisions of any statute or otherwise, in any way caused by, or arising, directly or indirectly, from or in consequence of:
- (i) any misrepresentation or alleged misrepresentation in the Information Circular relating to Forent and Forent's Business;
 - (ii) any order made or any inquiry, investigation or proceeding by any securities commission or other competent authority based upon any untrue statement or omission or alleged untrue statement or omission of a material fact or any misrepresentation or any alleged misrepresentation the Information Circular relating to Forent and Forent's Business; or
 - (iii) Forent not complying with any requirement of applicable laws in connection with the transactions contemplated in this Agreement;
- (x) Forent shall restrict capital expenditures to \$50,000 or less until Closing, unless otherwise consented to in writing by Perisson;
- (y) not issue any press releases or other statements regarding this Agreement without prior consultation and concurrence from Perisson; and
- (z) neither declare nor pay any dividends or other distributions or returns of capital on Forent Shares from the date of this Agreement until the Closing Date.

5.3 **Forent's Covenant Regarding Non-Solicitation.** Forent shall not, directly or indirectly, through any officer, director, employee, representative or agent, solicit, initiate, invite or knowingly encourage (including by way of furnishing confidential information or entering into any form of agreement, arrangement or understanding) the initiation of or participate in, any inquiries or proposals regarding a Merger Proposal, provided that nothing

contained in this Section 5.3 or other provisions of this Agreement shall prevent the board of directors of Forent from considering, negotiating, approving or recommending to its shareholders an agreement in respect of an unsolicited bona fide written Merger Proposal (i) in respect of which the board of directors of Forent determines (having consulted outside counsel) that in the exercise of its fiduciary duty it would be necessary for such board of directors to take such action in order to avoid breaching its fiduciary duties, and (ii) in respect of which the board of directors of Forent determines in good faith, after consultation with financial advisors, if consummated in accordance with its terms, would result in a transaction more favourable to its shareholders than the transaction contemplated hereby (any such Merger Proposal that satisfies clauses (i) and (ii) above being referred to herein as a "Superior Merger Proposal").

Forent shall continue to refrain from participating in any discussions or negotiations with any parties (other than Perisson) with respect to any potential Merger Proposal.

Forent shall immediately notify Perisson (both orally and in writing) of any future Merger Proposal of which Forent's directors or senior officers become aware of or any amendments to the foregoing or any request for non-public information relating to Forent in connection with a Merger Proposal or for access to the properties, books or records or for a list of the shareholders by any person or entity that informs Forent that it is considering making a Merger Proposal. Such notice shall include a copy of all written communications and a description of the material terms and conditions of any proposal and provide such details of the proposal, inquiry or contact as Perisson may reasonably request, including without limitation, the identity of the person and controlling person, if any, making such proposal, inquiry or contact.

Forent shall not accept, approve, or recommend or enter into any agreement in respect of a Merger Proposal on the basis that it constitutes a Superior Merger Proposal unless (i) it has provided Perisson with a copy of the Merger Proposal document which has been determined to be a Superior Merger Proposal, with such deletions as are necessary to protect confidential portions of such Merger Proposal document, provided that the material terms, conditions and the identity of the person and controlling person, if any, making the Merger Proposal may not be deleted, and (ii) five (5) business days (the "Notice Period") shall have elapsed from the later of the date Perisson received notice of the determination to accept, approve or recommend an agreement in respect of such Merger Proposal and the date Perisson received a copy of the Merger Proposal document. During the Notice Period, Forent shall provide a reasonable opportunity to Perisson to consider, discuss and offer such adjustments to the terms and conditions of this Agreement as would enable the party receiving the Superior Merger Proposal to proceed with its recommendation to security holders with respect to the Merger Proposal; provided, however, that any such adjustment shall be at the discretion of the parties. The board of directors of Forent shall review in good faith any offer made by Perisson to amend the terms of this Agreement in order to determine, in the board's discretion, as part of exercising its fiduciary duties, whether the proposed amendments would, upon acceptance, result in such Superior Merger Proposal ceasing to be a Superior Merger Proposal. If the board of directors of Forent determines that the Superior Merger Proposal would cease to be a Superior Merger Proposal, it shall so advise Perisson and shall accept the offer by Perisson to amend the terms of this Agreement and the parties agree to take such actions and execute such documents as are necessary to give effect to the foregoing. Each successive material modification of any Merger Proposal or a Superior Merger Proposal shall constitute a new Merger Proposal for the purposes of this Section 5.3 and shall require a five (5) business day Notice Period from the date such amendment is communicated to the other party hereto, other than an amendment to improve upon a Superior Merger Proposal in respect of which the other party has been provided with an opportunity to amend the terms of this Agreement and such Superior Merger Proposal has not ceased to be a Superior Merger Proposal prior to the proposed amendment.

ARTICLE VI CONDITIONS TO CLOSING

6.1 **Mutual Conditions Precedent.** The respective obligations of the parties to complete the transactions contemplated hereunder are subject to the satisfaction, on or before the Closing Date, of the following conditions any of which may only be waived by the mutual consent of such parties without prejudice to their rights to rely on any other conditions contained herein:

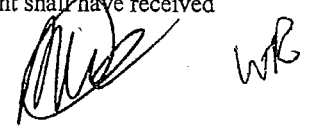
- (a) the parties shall have received all necessary regulatory, court and third party consents, orders, approvals, waivers and authorizations as may be required in respect of the Continuance and the Amalgamation including, without limitation, all applicable approvals of the CSE and the TSXV

(as applicable) and relevant securities commissions, with all such consents and approvals to be on terms and conditions acceptable to both Forent and Perisson, each acting reasonably;

- (b) there being no material actions, suits or proceedings outstanding, pending or threatened against Forent or Perisson at law or in equity before any federal, provincial, municipal court or other governmental department, commission, bureau, agency or instrumentality;
- (c) each of Forent and Perisson shall be satisfied that, from the date of this Agreement to the Effective Date, there has been no material change or change in a material fact or a new material fact or an undisclosed material fact or material change in respect of the other party which might reasonably be expected to have a material adverse effect on the condition (financial or otherwise), capital, property, assets, operations, business affairs, profitability or prospects of the other party, and both Forent and Perisson shall be satisfied that the other party shall not have taken any act, entered into or become a party to or subject to any agreement or transaction or incurred or become liable for any obligation except in the ordinary course of business;
- (d) the Amalgamation and this Agreement shall have been approved by the directors of Perisson and Forent;
- (e) upon Closing, all regulatory requirements shall have been or are capable of being satisfied, including any requirements of the TSXV and, if applicable, the CSE;
- (f) Perisson Shares shall be listed and posted for trading on the TSXV;
- (g) Perisson shall have closed the Perisson Financing;
- (h) the Amalgamation and this Agreement shall have been approved by the required majority of the votes of the Forent Shareholders and Perisson Shareholders who, being entitled to do so, vote in person or by proxy at the Forent Meeting or, in the case of Perisson, by written resolution, as applicable, in accordance with applicable laws and both the Forent Meeting and the Perisson Meeting shall have been held, either (i) sixty (60) days after the date of this Agreement or (ii) by May 31, 2016, whichever date is later, or such later date agreed to by the parties hereto;
- (i) not more than 5% of the issued and outstanding Forent Shares shall have exercised rights of dissent in relation to the Amalgamation and not withdrawn such exercise prior to Closing;
- (j) not more than 5% of the issued and outstanding Perisson Shares shall have exercised rights of dissent in relation to the Amalgamation and not withdrawn such exercise prior to Closing;
- (k) there shall not be in force any order or decree restraining or enjoining the consummation of the transactions contemplated by this Agreement, including, without limitation, the Amalgamation;
- (l) the TSXV and the CSE, as applicable, shall have granted conditional approval in respect of the Amalgamation and related transactions; and
- (m) all other consents, orders and approvals, including, without limitation, regulatory approvals, required or desirable for the completion of the transactions contemplated herein shall have been obtained or received from the Persons, authorities or bodies having jurisdiction in the circumstances, all on terms satisfactory to each of the parties hereto, acting reasonably.

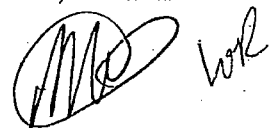
6.2 Conditions Precedent to Obligations of Forent. The obligations of Forent to complete the transactions contemplated hereunder shall be subject to the satisfaction of, or compliance with, at or before the Closing Date, each of the following conditions precedent (each of which is hereby acknowledged to be for the exclusive benefit of Forent and may be waived by Forent in whole or in part on or before the Closing Date, except as otherwise set forth herein):

- (a) all of the representations and warranties of Perisson made in or pursuant to this Agreement shall be true and correct in all material respects as at the Closing Date and with the same effect as if made at and as of the Closing Date (except as such representations and warranties may be affected by the occurrence of events or transactions expressly contemplated and permitted hereby that are not materially adverse and arise in the ordinary course of business) and Forent shall have received

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certificates dated as at the Closing Date in form satisfactory to Forent and its solicitors, acting reasonably, signed by a senior officer or director of Perisson on behalf of Perisson, certifying the truth and correctness in all material respects of the representations and warranties of Perisson set out in this Agreement;

- (b) Forent shall have obtained a "fairness opinion" in form and substance satisfactory to Forent, acting reasonably;
- (c) the Information Circular shall reflect the execution and delivery of Support Agreements in a form satisfactory to Forent, acting reasonably, and that all the directors, officers and certain shareholders of Perisson executing such agreements have covenanted to vote in favour of the Perisson Amalgamation Resolution at the Perisson Meeting;
- (d) Support Agreements shall have been provided by all the directors, officers and certain shareholders of Perisson including, but not limited to, Gary Chen and Red Mountain Energy Investment Fund LP;
- (e) Perisson shall have furnished Forent with certified copies of (i) the resolutions duly passed by the boards of directors of Perisson approving this Agreement and the consummation of the transactions contemplated by this Agreement; and (ii) the resolutions duly passed by the Perisson Shareholders approving the Continuance and the Perisson Amalgamation Resolution;
- (f) Perisson shall have performed and complied with all terms, covenants and conditions required by this Agreement to be performed or complied with by it on or before the Closing Date;
- (g) at the Closing Date, there shall have been no material adverse change or change in a Material Fact or a new Material Fact or an undisclosed Material Fact which might reasonably be expected to have a material adverse effect in the condition (financial or otherwise), capital, properties, assets, liabilities, earnings, profitability, prospects or business operations or prospects of Perisson from the date of the LOI;
- (h) if requested by Forent, Perisson shall deliver to Forent at Closing a favourable opinion of their solicitors (it being understood that such counsel may rely, to the extent appropriate in the circumstances, on local counsel opinions in jurisdictions other than Alberta, and as to matters of fact on a certificate(s) of a senior officer of Perisson) in form satisfactory to the solicitors for Forent acting reasonably;
- (i) all consents, approvals, orders and authorizations of any Persons or governmental authorities in Canada or elsewhere (or registrations, declarations, filings or records with any such authorities), including, without limitation, all such registrations, recordings and filings with such securities regulatory and other public authorities as may be required to be obtained by Perisson in connection with the execution of this Agreement, the Closing or the performance of any of the terms and conditions hereof, shall have been obtained on or before the Closing Date;
- (j) no act, action, suit, proceeding, objection or opposition shall have been taken against or affecting Perisson before or by any domestic or foreign court, tribunal or governmental agency or other regulatory or administrative agency or commission by any elected or appointed public official or private person in Canada or elsewhere, whether or not having the force of law and no law, regulation, policy, judgment, decision, order, ruling or directive (whether or not having the force of law) shall have been enacted, promulgated, amended or applied, which in the sole judgment of Forent, acting reasonably, in either case has had or, if the Amalgamation was consummated, would result in a material adverse change respecting Perisson or would materially impede the ability of the parties to complete the Amalgamation;
- (k) Perisson shall deliver, or cause to be delivered to Forent on or before the Closing Date such other certificates, agreements or other documents as may reasonably be required by Forent or their solicitors, acting reasonably, to give full effect to this Agreement; and
- (l) Forent shall have provided releases in favour of the directors and officers of Forent, in a form acceptable to Forent.

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6.3 **Conditions Precedent to Obligations of Perisson.** The obligation of Perisson to complete the transactions contemplated hereunder shall be subject to the satisfaction of or compliance with, at or before the Closing Date, each of the following conditions precedent (each of which is hereby acknowledged to be for the exclusive benefit of Perisson and may be waived by Perisson in writing, in whole or in part, on or before the Closing Date, except as otherwise set forth herein):

- (a) the representations, warranties and covenants of Forent made in or pursuant to this Agreement shall be true and correct in all material respects as at the Closing Date and with the same effect as if made at and as of the Closing Date (except as such representations and warranties may be affected by the occurrence of events or transactions expressly contemplated and permitted hereby that are not materially adverse and arise in the ordinary course of business) and Perisson shall have received certificates of Forent dated as at the Closing Date in form satisfactory to Perisson and its solicitors, acting reasonably, signed by a senior officer or director of Forent on behalf of Forent, certifying the truth and correctness in all material respects of the representations, warranties and covenants of Forent set out in this Agreement;
- (b) the Information Circular shall reflect the execution and delivery of Support Agreements in a form satisfactory to Perisson, acting reasonably, and that all the directors, officers and certain shareholders of Forent executing such agreements have covenanted to vote in favour of the Forent Amalgamation Resolution at the Forent Meeting;
- (c) Support Agreements shall have been provided by all the directors, officers and certain shareholders of Forent including, but not limited to Robyn Lore, Curtis Hartzler and W. Brett Wilson and Kerry Forgeron;
- (d) Forent shall have furnished Perisson with certified copies of (i) the resolutions duly passed by the boards of directors of Forent approving this Agreement and the consummation of the transactions contemplated by this Agreement and (ii) the resolutions duly passed by the Forent Shareholders approving the Forent Amalgamation Resolution;
- (e) Forent shall have performed and complied with all terms, covenants and conditions required by this Agreement to be performed or complied with by it on or before the Closing Date;
- (f) at the Closing Date, there shall have been no material adverse change or change in a Material Fact or a new Material Fact or an undisclosed Material Fact which might reasonably be expected to have a material adverse effect in the condition (financial or otherwise), capital, properties, assets, liabilities, earnings, profitability, prospects or business operations or prospects of Forent from the date of the LOI;
- (g) if requested by Perisson, Forent shall deliver to Perisson at Closing a favourable opinion of its solicitors (it being understood that such counsel may rely, to the extent appropriate in the circumstances, as to matters of fact on a certificate(s) of a senior officer of Forent and on a certificate(s) of Computershare Trust Company, the registrar and transfer agent of Forent) in form satisfactory to the solicitors for Perisson acting reasonably;
- (h) all consents, approvals, orders and authorizations of any Persons or governmental authorities in Canada or elsewhere (or registrations, declarations, filings or records with any such authorities), including, without limitation, all such registrations, recordings and filings with such securities regulatory and other public authorities as may be required to be obtained by Forent in connection with the execution of this Agreement, the Closing or the performance of any of the terms and conditions hereof, shall have been obtained on or before the Closing Date;
- (i) no act, action, suit, proceeding, objection or opposition shall have been taken against or affecting Forent before or by any domestic or foreign court, tribunal or governmental agency or other regulatory or administrative agency or commission by any elected or appointed public official or private person in Canada or elsewhere, whether or not having the force of law and no law, regulation, policy, judgment, decision, order, ruling or directive (whether or not having the force of law) shall have been enacted, promulgated, amended or applied, which in the sole judgment of Perisson, acting reasonably, in either case has had or, if the Amalgamation was consummated,

would result in a material adverse change respecting Forent or would materially impede the ability of the parties to complete the Amalgamation;

- (j) all of the directors, officers, employees and consultants of Forent shall have resigned or been terminated on or before the Closing Date and no more than \$200,000 (which amount shall include any insurance payments to be paid) shall have been paid to such directors, officers, employees and consultants of Forent who are resigning or being terminated in connection with the Amalgamation;
- (k) the Tax Pool balances of Forent shall not be materially different at Closing from that represented hereunder;
- (l) the net debt of Forent, including off balance sheet items (which include, but are not limited to, abandonment costs, tax amounts, change of control payments and deal fees) including working capital, shall not be more than \$7,000,000 at Closing;
- (m) Forent shall not have declared nor paid any dividends or other distributions or returns of capital on Forent Shares from the date of this Agreement until the Closing Date;
- (n) Forent is a reporting issuer not in material default of any of the requirements of the securities legislation of the provinces of British Columbia and Alberta as at the Closing Date; and
- (o) Forent shall deliver, or cause to be delivered to Perisson on or before the Closing Date such other certificates, agreements or other documents as may reasonably be required by Perisson or its solicitors, acting reasonably, to give full effect to this Agreement.

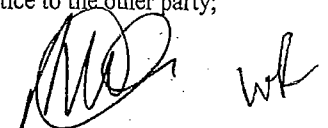
6.4 **Notice and Effect of Failure to Comply with Conditions.**

- (a) Each of Perisson and Forent shall give prompt notice to the other of the occurrence, or failure to occur, at any time from the date hereof to the Effective Date of any event or state of facts which occurrence or failure would, or would be likely to, (i) cause any of the representations or warranties of such party contained herein to be untrue or inaccurate in any material respect, or (ii) result in the failure to comply with or satisfy any covenant, condition or agreement to be complied with or satisfied by any party hereunder; provided, however, that no such notification shall affect the representations or warranties of the parties or the conditions to the obligations of the parties hereunder.
- (b) If any of the conditions precedents set forth in Sections 6.1, 6.2 or 6.3 shall not be complied with or waived by the party or parties for whose benefit such conditions are provided on or before the date required for the performance thereof, then a party for whose benefit the condition precedent is provided may, in addition to any other remedies they may have at law or equity, rescind and terminate this Agreement as provided for in Section 7.1 hereof provided that prior to the filing of the Articles of Amalgamation, the party intending to rely thereon has delivered a written notice to the other party, specifying in reasonable detail all breaches of covenants, representations and warranties or other matters which the Party delivering such notice is asserting as the basis for the non-fulfillment of the applicable conditions precedent and shall provide in such notice that the other party shall be entitled to cure any breach of a covenant or representation and warranty or other matters within five (5) Business Days after receipt of such notice (except that no cure period shall be provided for a breach which by its nature cannot be cured and, in no event, shall any cure period extend beyond June 30, 2016. More than one such notice maybe delivered by a party.

**ARTICLE VII
TERMINATION OF AGREEMENT**

7.1 **Rights of Termination.** If any of the conditions contained in Article 6 shall not be fulfilled or performed by either (i) May 31, 2016; or (ii) sixty (60) days after the date of this Agreement, whichever date is later, or such later date agreed to by the parties hereto (the "Termination Date") and such condition is contained in:

- (a) Section 6.1, either of the parties may terminate this Agreement by written notice to the other party;

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- (b) Section 6.2, Forent may terminate this Agreement by written notice to Perisson; and
- (c) Section 6.3, Perisson may terminate this Agreement by written notice to Forent.

If Forent receives a Superior Merger Proposal, it may terminate this Agreement by written notice to Perisson.

If this Agreement is terminated as aforesaid, the party terminating this Agreement shall be released from all obligations under this Agreement, all rights of specific performance against such party shall terminate and, unless such party can show that the condition or conditions the non-performance of which has caused such party to terminate this Agreement were reasonably capable of being performed by the other party, then the other party shall also be released from all obligations hereunder; and further provided that any such conditions may be waived in full or in part by either of the parties without prejudice to its rights of termination in the event of the non-fulfillment or non-performance of any other condition.

7.2 Break Fee.

- (a) Forent agrees to pay Perisson (in cash upon the occurrence of such event) the amount of \$500,000 if prior to Closing, Forent completes a Merger Proposal or if, after the conditions in Section 6.1 and 6.2 have been met, Forent fails to complete the Amalgamation in accordance with the terms hereof.
- (b) Perisson agrees to pay Forent (in cash upon the occurrence of such event) the amount of \$500,000 if after the conditions in Section 6.1 and 6.3 have been met, Perisson fails to complete the Amalgamation in accordance with the terms hereof.

7.3 Notice of Unfulfilled Condition. If either of Forent or Perisson shall determine at any time prior to the Effective Date that it intends to refuse to consummate the Amalgamation or any of the other transactions contemplated hereby because of any unfulfilled or unperformed condition contained in this Agreement on the part of the other of them to be fulfilled or performed, Forent or Perisson, as the case may be, shall so notify the other of them forthwith upon making such determination in order that such other of them shall have the right and opportunity to take such steps, at its own expense, as may be necessary for the purpose of fulfilling or performing such condition within a reasonable period of time, but in no event later than the Termination Date.

7.4 Mutual Termination. This Agreement may, at any time before or after the holding of the Forent Meeting, but no later than the last Business Day immediately preceding the Effective Date, be terminated by mutual agreement of the directors of Forent and Perisson without further action on the part of the Forent Shareholders or the Perisson Shareholders, and, if the Amalgamation does not become effective on or before the Termination Date, either Forent or Perisson may unilaterally terminate this Agreement, which termination shall be effective upon a resolution to that effect being passed by its directors and notice thereof being given to the other of them.

**ARTICLE VIII
AMENDMENT**

8.1 Amendment. This Agreement may, at any time and from time to time before or after the passing of the Forent Amalgamation Resolution or the Perisson Amalgamation Resolution, be amended by written agreement of the parties without, subject to applicable laws, further notice to or authorization on the part of the Forent Shareholders and Perisson Shareholders and any such amendment may, without limitation:

- (a) change the time for performance of any of the obligations or acts of the parties;
- (b) waive any inaccuracies or modify any representation or warranty contained herein or in any document delivered pursuant hereto;
- (c) waive compliance with or modify any of the covenants herein contained and waive or modify performance of any of the obligations of the parties; or



(d) waive compliance with or modify any other conditions precedent contained herein;

provided that no such amendment reduces or materially adversely affects the consideration to be received by a Forent Shareholder or a Perisson Shareholder without approval by the Forent Shareholders or the Perisson Shareholders, as applicable, given in the same manner as required for the approval of the Amalgamation.

**ARTICLE IX
GENERAL**

9.1 **Confidentiality & Public Notices.** Except where compliance with this Section 9.1 would result in a breach of applicable law, notices, releases, statements and communications to Third Parties, including employees of the parties and the press, relating to transactions contemplated by this Agreement, shall be made only in such manner as shall be authorized and approved by the parties. Perisson and Forent shall maintain the confidentiality of any information received from each other in connection with the transactions contemplated by this Agreement. In the event that the issuance of the Amalco Shares provided for in this Agreement is not consummated, each party shall return any confidential schedules, documents or other written information to the party who provided same in connection with this Agreement. Forent agrees that it shall not, directly or indirectly, make reciprocal use for its own purposes of any information or confidential data relating to Perisson or Perisson's Business discovered or acquired by it, its representatives or accountants as a result of Perisson making available to it, its representatives and accountants, any information, books, accounts, records or other data and information relating to Perisson or Perisson's Business and Forent agrees that it shall not disclose, divulge or communicate orally, in writing or otherwise (directly or indirectly), any such information or confidential data so discovered or acquired by any other Person, except as otherwise set forth in the LOI. Perisson agrees that it shall not, directly or indirectly, make reciprocal use for its own purposes of any information or confidential data relating to Forent discovered or acquired by it, its representatives or accountants as a result of Forent making available to it, its representatives and accountants, any information, books, accounts, records or other data and information relating to Forent or Forent's Business and Perisson agrees that it shall not disclose, divulge or communicate orally, in writing or otherwise (directly or indirectly), any such information or confidential data so discovered or acquired to any other Person, except as otherwise set forth in the LOI.

9.2 **Notices.** All notices or other communications required to be given in connection with this Agreement shall be given in writing and shall be given by personal delivery, by registered mail or by transmittal by facsimile or other form of recorded communication addressed to the recipient as follows:

To Perisson:

1400, 717 - 7th Avenue SW
Calgary, AB T2R 1L9

Attention: Wayne Rousch
Facsimile No.: (403) 767-9007
Email: wrousch@perisson.com

with a copy to:

TingleMerrett LLP
1250, 639 5th Avenue S.W.
Calgary, Alberta T2P 0M9

Attention: Scott Reeves
Facsimile No.: (403) 571-8008
Email: sreeves@tinglemerrett.com

To Forent:

400, 333 - 11th Avenue SW
Calgary, AB T2R 1L9

Attention: Robyn Lore
Facsimile No.: (403) 262-4351
Email: rlore@forentenergy.com

with a copy to:

McLeod Law LLP
2110, 250 - 5th Street S.W.
Calgary, Alberta T2P 0R4

Attention: Bill Walker
Facsimile No.: (403) 271-1769
Email: wmwalker@mcleod-law.com

or to such other address, facsimile number or individual as may be designated by notice given by either party to the other. Any such communication given by personal delivery shall be conclusively deemed to have been given on the day of actual delivery thereof and, if given by registered mail, on the fifth (5th) Business Day following the deposit thereof in the mail and, if given by facsimile or other form of recorded or electronic communication, shall be deemed given and received on the date of such transmission if received during the normal business hours of the recipient and on the next Business Day if it is received after the end of such normal business hours on the date of its transmission. If the party giving any such communication knows or ought reasonably to know of any difficulties with the postal system which might affect the delivery of mail, any such communication shall not be mailed but shall be given by personal delivery or by facsimile or electronic transmittal.

9.3 **Expenses.** Except as otherwise provided herein, all costs and expenses (including, without limitation, the fees and disbursements of legal counsel) incurred in connection with this Agreement and the transactions contemplated hereby shall be paid by the party incurring such expenses.

9.4 **Time of the Essence.** Time shall be of the essence hereof.

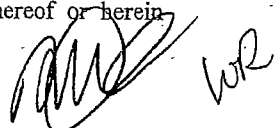
9.5 **Further Assurances.** The parties hereto shall with reasonable diligence do all such things and provide all such reasonable assurances as may be required to consummate the transactions contemplated hereby, and each party shall execute and deliver such further documents, instruments, papers and information as may be reasonably requested by another party hereto in order to carry out the purpose and intent of this Agreement.

9.6 **Law and Jurisdiction.** This Agreement shall be governed by and construed in accordance with the laws of the Province of Alberta and the laws of Canada applicable therein. The parties hereby attorn to the non-exclusive jurisdiction of the Courts of Alberta in any dispute that may arise hereunder.

9.7 **Counterparts.** For the convenience of the parties, this Agreement may be executed in several counterparts, each of which when so executed shall be, and be deemed to be, an original instrument and such counterparts together shall constitute one and the same instrument (and notwithstanding their date of execution shall be deemed to bear date as of the date of this Agreement). A signed facsimile or electronically transmitted copy of this Agreement shall be effective and valid proof of execution and delivery.

9.8 **Entire Agreement.** This Agreement, including the Schedules attached hereto, together with the agreements and other documents to be delivered pursuant hereto, constitute the entire agreement between the parties pertaining to the subject matter hereof and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, of the parties (including, but not limited to, the LOI) and there are no warranties, representations or other agreements between the parties in connection with the subject matter hereof except as specifically set forth herein and therein. This Agreement may not be amended or modified in any respect except by written instrument signed by all parties.

9.9 **Severability.** The invalidity or unenforceability of any provision of this Agreement or any covenant herein contained shall not affect the validity or enforceability of any other provision or covenant hereof or herein.

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contained, and this Agreement shall be construed as if such invalid or unenforceable provision or covenant were omitted.

9.10 **Enurement.** This Agreement shall be binding upon and shall inure to the benefit of and be enforceable by the successors and permitted assigns of the parties hereto.

9.11 **Waivers.** The parties hereto may, by written agreement:

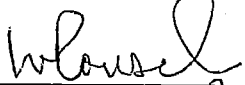
- (a) extend the time for the performance of any of the obligations or other acts of the parties hereto;
- (b) waive any inaccuracies in the warranties, representations, covenants or other undertakings contained in this Agreement or in any document or certificate delivered pursuant to this Agreement; or
- (c) waive compliance with or modify any of the warranties, representations, covenants or other undertakings or obligations contained in this Agreement and waive or modify performance by any of the parties thereto.

9.12 **Form of Documents.** All documents to be executed and delivered by Perisson to Forent on the Closing Date shall be in form and substance satisfactory to Forent, acting reasonably. All documents to be executed and delivered by Forent to Perisson on the Closing Date shall be in a form and substance satisfactory to Perisson, acting reasonably.

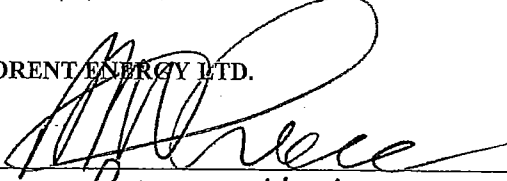
9.13 **Construction Clause.** This Agreement has been negotiated and approved by counsel on behalf of all parties hereto and, notwithstanding any rule or maxim of construction to the contrary, any ambiguity or uncertainty shall not be construed against any party hereto by reason of the authorship of any of the provisions hereof.


IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the date first written above.

PERISSON PETROLEUM CORPORATION


Name: Wayne Rousch
Title: President

FORENT ENERGY LTD.


Name: Robyn H. Love
Title: Pres + CEO

 WR

SCHEDULE "A"

RIGHTS, PRIVILEGES AND RESTRICTIONS OF AMALCO SHARE CAPITAL

SHARE STRUCTURE SCHEDULE

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wh

SCHEDULE "B"

FORM OF SUPPORT AGREEMENT

[Handwritten signature] *WJ*

agreement, arrangement, understanding or restriction of any kind to which the undersigned is a party or by which the undersigned is bound.

3. The undersigned covenants and agrees with Perisson that, until the date (the "Relevant Date") which is the earlier of: (i) the effective date of the Amalgamation; (ii) the termination of the Amalgamation Agreement in accordance with its terms; or (iii) the later of (A) May 31, 2016 or (B) 60 days after the execution of the Amalgamation, the undersigned shall:
- (a)
 - (i) vote all of the Undersigned's Shares in favour of all matters contemplated in the Amalgamation Agreement and any resolutions or matters relating thereto at any meeting of the security holders of Forent called to consider same in accordance with the terms of the Amalgamation Agreement; and
 - (ii) execute any resolutions in writing to approve the matters contemplated in the Amalgamation Agreement in accordance with the terms of the Amalgamation Agreement;
 - (b) not exercise any statutory rights of dissent or appraisal in respect of any matters contemplated in the Amalgamation Agreement or in connection therewith, or any aspect thereof, and not exercise any other shareholder rights or remedies available at common law or pursuant to the *Business Corporations Act* (Alberta) in connection with the approval of the matters contemplated in the Amalgamation Agreement, or otherwise delay, hinder, upset or challenge the matters contemplated in the Amalgamation Agreement;
 - (c) not, without the prior written consent of Perisson, sell, assign, transfer or otherwise convey or dispose of any of the Undersigned's Shares (except to an affiliate or associate of the undersigned provided that such affiliate or associate agrees to be bound by the terms of this Agreement and provided that the undersigned remains liable for the performance by such affiliate or associate of all terms and obligations of the undersigned hereunder), provided that the foregoing shall not constitute a restriction on the ability of the undersigned to pledge any shares of Forent as security for a *bona fide* debt or a restriction on a *bona fide* realization by the lender on such pledge;
 - (d) so long as the undersigned is required to vote the Undersigned's Shares in favour of the matters contemplated in the Amalgamation Agreement hereunder, the undersigned shall not, and shall use its reasonable best efforts to cause its representatives and advisors not to, directly or indirectly take any action that might reasonably be expected to reduce the likelihood of success of the matters contemplated in the Amalgamation Agreement; and
 - (e) not, and shall use its reasonable endeavours to cause Forent not to (without prior consent of Perisson), solicit, initiate, invite or knowingly encourage (including by way of furnishing confidential information or entering into any form of agreement, arrangement or understanding) the initiation of or participate in, any inquiries or proposals regarding a Merger Proposal (as such term is defined in the Amalgamation Agreement), provided that nothing contained herein shall prevent the board of directors of Forent from considering, negotiating, approving or recommending to its shareholders an agreement in respect of an unsolicited *bona fide* written Merger Proposal (i) in respect of which the board of directors of Forent determines (having consulted outside counsel) that in the exercise of its fiduciary duty it would be necessary for such board of directors to take such action in order to avoid breaching its fiduciary duties, and (ii) in respect of which the board of

directors of Forent determines in good faith, after consultation with financial advisors, if consummated in accordance with its terms, would result in a transaction more favourable to its shareholders than the transaction contemplated hereby.

5. The undersigned acknowledges receipt of a copy of the LOI and the Amalgamation Agreement.
6. This Agreement shall be governed in all respects, including validity, interpretation and effect, by the laws of the Province of Alberta and the federal laws of Canada applicable therein, without giving effect to the principles of conflicts of laws thereof and the undersigned hereby irrevocably attorns to the jurisdiction of the Courts of the Province of Alberta in respect of any matter arising hereunder or in connection herewith.
7. The undersigned agrees not to make any public disclosure or announcement of or pertaining to this Agreement, the LOI or the Amalgamation Agreement, nor to disclose that any discussions or negotiations are taking place in connection therewith without the prior written consent of Perisson, except as required by law.
8. Time shall be of the essence of this Agreement.
9. This Agreement shall be binding upon, enure to the benefit of and be enforceable by the undersigned, Perisson and their respective successors and permitted assigns.
10. All references to Undersigned's Shares herein shall include any shares into which the Undersigned's Shares may be reclassified, subdivided, redivided, consolidated or convened by amendment to the articles of Forent.
11. This Agreement may be executed in counterparts and the parties shall be entitled to rely on delivery of a facsimile copy hereof which shall be legally effective to create a valid and binding agreement of the parties in accordance with the terms hereof.

Yours very truly,

PERISSON PETROLEUM CORPORATION

Per: _____

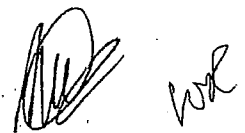
In consideration of your entering into this Agreement and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Shareholder hereby irrevocably accepts the foregoing as of _____, 2016.

Witness

Signature of Shareholder

Name of Shareholder - please print

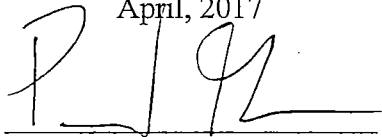
Number of Forent Shares
beneficially held or controlled



This is **Exhibit "I"** referred to in
the Affidavit of

Trina Holland

Sworn before me this 27th day of
April, 2017

A handwritten signature in black ink, appearing to read 'P. A. Grenon', written over a horizontal line.

Paul Anthony Grenon
Student-at-Law

A Commissioner for Oaths in and for Alberta

TRUST AGREEMENT

This Agreement made as of April 27, 2016.

BETWEEN:

FORENT ENERGY LTD.

("Forent")

and

PERISSON PETROLEUM CORPORATION

("Perisson")

WHEREAS:

Forent has executed a purchase and sale agreement (the "PSA") to acquire certain Petroleum and Natural Gas Rights, Miscellaneous Interests and Tangibles ("Assets") from Alvarez & Marsal Canada Inc. ("Vendor"), in its capacity as the court-appointed receiver and manager of Bumper Development Corporation Ltd. ("Bumper");

The terms and conditions on which Forent is to acquire the Assets from the Vendor are set forth and contained in the said PSA and in the Schedules attached thereto;

The purchase price to be paid by Forent to the Vendor is \$2,050,000.00 and includes the amount of \$500,000.00 which was paid by Forent to Bumper pursuant to a prior Purchase and Sale Agreement between the said parties;

Pursuant to the PSA, Forent is required to pay the balance of the purchase price in the sum of \$1,570,500.00 to Forent's solicitors within five (5) business days of the acceptance of the Offer to be held by them in trust and released to the Vendor's solicitors as payment of the purchase price for the Assets on the closing of the PSA;

On March 7, 2016, Forent and Perisson entered into a definitive agreement pursuant to which they agreed to amalgamate under the *Business Corporations Act* (Alberta);

Perisson has agreed to finance the acquisition of the Assets by Forent and, to obtain the funds required to pay the purchase price under the PSA, Perisson will issue a series of debentures to be secured by a first and fixed charge on the Assets;

Perisson will use a portion of the proceeds of the debenture financing to pay the balance of the purchase price to the Vendor;

To facilitate the PSA financing Forent has agreed to hold the Assets to be acquired under the PSA in trust for Perisson;

Perisson and Forent have executed an amalgamation agreement dated March 7, 2016 with respect to the proposed amalgamation of Perisson and Forent (the "Amalgamation");

The Parties wish to acknowledge and reduce to writing the terms and conditions on which Perisson will pay the balance of the purchase price to the Vendor, and, on which Forent will hold

the Assets to be acquired under the PSA in trust for Perisson;

WITNESSETH THAT in consideration of the premises and mutual covenants contained herein and other good and valuable consideration, the Parties hereby agree as follows:

1 PAYMENT BY PERISSON

- 1.1 Forent shall advise Perisson of the date on which it is required by the PSA to pay the balance of the purchase price owing on the PSA ("**Payment Date**").
- 1.2 Perisson shall, at least two (2) business days before the Payment Date, by an electronic transfer of funds, pay the sum of \$2,070,500.00 in full to Forent's solicitors to be held by them in trust and released by them on the following conditions:
 - (a) to pay the sum of \$1,570,500.00 to the Vendor's solicitors as payment of the purchase price for the Assets on the closing of the PSA; and,
 - (b) to pay the sum of \$500,000.00 to Forent forthwith on the closing of the said PSA.

2 TRUST BY FORENT

- 2.1 Forent hereby acknowledges and agrees that, upon the closing of the PSA, Forent shall hold legal title to the Assets as a bare Trustee for Perisson until such time as the amalgamation of Forent and Perisson is final, or, until such time as Forent exercises its rights pursuant to Article 3 hereof.
- 2.2 Upon closing of the PSA, and until the completion of the Amalgamation, or, until such time as Forent exercises its rights pursuant to Article 3 below, Forent shall hold legal title to the Assets in trust for the sole use, enjoyment and benefit of Perisson and as bare legal trustee for Perisson. Perisson shall be entitled to maintain the registration of an instrument or caveat on title to the Assets or in respect of Crown Leases related thereto as evidence of its beneficial interest therein while this Agreement is in effect. Perisson shall withdraw and discharge any such registration if the Assets are retained by Forent pursuant to Clause 3.1 (b).
- 2.3 Perisson shall assume all benefits and burdens associated with the Assets. Forent shall, on behalf of Perisson, make any necessary payments in respect of all costs associated with the maintenance and repair of the Assets. Forent shall be entitled to seek contribution and indemnity from Perisson for all payments made from time to time in respect thereof.
- 2.4 All profits, funds and advantages accruing to or arising directly or indirectly in respect of Perisson's interest in the Assets are and shall be held by Forent for the sole use, enjoyment and benefit of Perisson and as a bare legal trustee for Perisson. Except to the extent any funds are set off against costs and expenses paid by Forent on Perisson's behalf, Forent shall deliver all profits and funds it receives pertaining to Perisson's interest in the Assets to Perisson as soon as reasonably possible.
- 2.5 Forent shall promptly deliver to Perisson any and all notices and communications received by Forent pertaining to the Assets.

- 2.6 Forent shall not assign, transfer, encumber, alienate or in any way dispose of Perisson's interest in the Assets unless authorized and directed in writing by Perisson.
- 2.7 Perisson shall indemnify Forent against all actions, suits, claims, costs and demands, losses, damages and expenses which may be brought against or suffered by Forent or which Forent may sustain, pay or incur by reason of any matter or thing arising out of or in any way attributable to Forent holding Perisson's interest in the Assets as bare legal trustee for Perisson.

3 FORENT OPTION

- 3.1 If the Amalgamation has not been completed by September 1, 2016, Forent shall have the exclusive and sole option to treat the sum of \$2,070,500.00 as a loan by Perisson to Forent and in full satisfaction of the loan:
- (a) elect to forthwith assign, transfer and convey its registered interest in the Assets to Perisson; or,
 - (b) elect to repay the loan by paying the sum of \$2,070,500.00 in full to Perisson and retain beneficial title to the Assets free and clear of any claims whatsoever by Perisson.
- 3.2 If Forent elects to repay the loan pursuant to Clause 3.1(b), Forent shall have until October 31, 2016 to pay the sum of \$2,070,500.00 to Perisson. If Forent does not make the said payment, Forent shall forthwith assign, transfer and convey its registered interest in the Assets to Perisson effective as of November 1, 2016.
- 3.3 Subject to Forent complying with Clause 3.1 or Clause 3.2 hereof, Perisson does hereby remise, release and forever discharge Forent from any and all claims, demands, actions and causes of action of every nature and kind whatsoever that Perisson has or may have against Forent as the result of or in any way connected with this Agreement.

4 ADDITIONAL PROVISIONS

- 4.1 All notices hereunder shall be in writing and shall be delivered personally or by courier to the following addresses for service of notices:

FORENT ENERGY LTD.
200, 340 – 12th Avenue S.W.
CALGARY, Alberta T2R 1L5

PERISSON PETROLEUM CORPORATION
200, 340 – 12th Avenue S.W.
CALGARY, Alberta T2R 1L5

- 4.2 This Agreement shall be governed by, subject to, construed and enforced in accordance with the laws of the Province of Alberta and the Parties hereby unconditionally submit and attorn to the jurisdiction of the courts of the Province of Alberta.
- 4.3 The recitals shall form an integral part of this Agreement.

- 4.4 The Parties shall do all further acts and execute and deliver all further documents that are reasonably required to give full force and effect to this Agreement.
- 4.5 This Agreement may be executed in counterpart and all executed pages taken together shall constitute one agreement. Communication of execution by fax transmission or by e-mailed PDF shall constitute good and valid execution.

In witness whereof the Parties hereto have signed, sealed and delivered this Agreement effective as of the date and year first above written.

FORENT ENERGY LTD.

Per: 
Curtis Hartzler, VP Business Development

PERISSON PETROLEUM CORPORATION

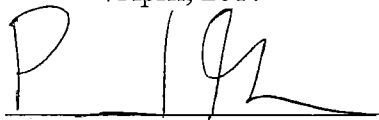
Per: 
Wayne Rousch, President

This is the Execution Page to and forming part of the Trust Agreement dated April 19, 2016 between FORENT ENERGY LTD., as Forent, and, PERISSON PETROLEUM CORPORATION, as Perisson.

This is **Exhibit "J"** referred to in
the Affidavit of

Trina Holland

Sworn before me this 27th day of
April, 2017

A handwritten signature in black ink, appearing to read 'P. A. Grenon', written over a horizontal line.

Paul Anthony Grenon
Student-at-Law

A Commissioner for Oaths in and for Alberta

- (u) adequate provision has been made in Perisson's Financial Statements for all taxes, governmental charges and assessments, including interest and penalties thereon, payable by Perisson for all periods up to the date of the balance sheets comprising part of Perisson's Financial Statements;
- (v) Perisson has withheld and remitted all amounts required to be withheld and remitted by it in respect of any taxes, governmental charges or assessments in respect of any taxable year or portion thereof up to and including the date hereof;
- (w) there are no actions, suits or other proceedings, investigations or claims in progress or, to the best of Perisson's belief and knowledge, pending and there are no actions, suits or other proceedings or investigations or claims threatened, against Perisson in respect of any taxes, governmental charges or assessments. No waivers have been filed by Perisson with any taxing authority;
- (x) other than the filing of articles of amalgamation and any required regulatory approvals, no consent, licence, approval, order or authorization of, or registration, filing or declaration with any governmental authority that has not been obtained or made by Perisson and no consent of any Third Party is required to be obtained by Perisson in connection with the execution, delivery and performance by Perisson of this Agreement or the consummation of the transactions contemplated hereby;
- (y) Perisson is conducting and has always conducted Perisson's Business in substantial compliance with all applicable laws, rules and regulations of each jurisdiction in which Perisson's Business is carried on, is not currently in breach of any such laws, rules or regulations and is duly licensed, registered or qualified, in each jurisdiction in which Perisson owns or leases property or carries on Perisson's Business, to enable Perisson's Business to be carried on as now conducted and its property and assets to be owned, leased and operated, and all such licences, registrations and qualifications are valid and subsisting and in good standing and none of the same contains any burdensome term, provision, condition or limitation which has or may have an adverse effect on the operation of Perisson's Business;
- (z) Perisson does not own any assets in any jurisdictions other than Colombia;
- (aa) no employee has made any claim or, to the best of Perisson's knowledge, has any basis for any action or proceeding against Perisson, arising out of any statute, ordinance or regulation relating to discrimination in employment or employment practices, harassment, occupational health and safety standards or worker's compensation;
- (bb) Perisson has not made any agreements with any labour union or employee association nor made any commitments to or conducted any negotiations with any labour union or employee association with respect to any future agreements;
- (cc) no trade union, council of trade unions, employee bargaining agency or affiliated bargaining agent holds bargaining rights with respect to any of the employees of Perisson by way of certification, interim certification, voluntary recognition, designation or successor rights;
- (dd) there is no action, lawsuit, claim, proceeding, or investigation pending or, to the best knowledge of Perisson, threatened against, relating to or affecting Perisson before any court, government agency, or any arbitrator of any kind. Perisson is not aware of any existing ground on which any such proceeding might be commenced with any reasonable likelihood of success and there is not presently outstanding against Perisson any judgment, decree, injunction, rule or order of any court, governmental agency, or arbitrator relating to or affecting Perisson, Perisson's Assets or Perisson's Business;
- (ee) except as expressly set out in this Agreement, there is not now outstanding any arrangement (contractual or otherwise) between Perisson and any Person which shall or may be, terminated or, to the best knowledge of Perisson, prejudicially affected as a result of the Amalgamation contemplated herein;
- (ff) Perisson is a reporting issuer under the Securities Acts and, to the knowledge of Perisson, is not in material default of any requirement of any such Securities Acts or the requirements of the CSE. The issued and outstanding Perisson Shares are currently listed and posted for trading on the CSE;

- (gg) no cease trade order has been issued against Perisson or the Perisson Shares in any jurisdiction, and, to the knowledge of Perisson, no cease trade order is pending or threatened;
- (hh) since the date Perisson became a reporting issuer, Perisson has been in material compliance with the filing of all required forms, reports and documents (collectively, the "**Perisson Public Disclosure**") with the applicable regulatory authorities having jurisdiction. None of the Perisson Public Disclosure filed by Perisson with the applicable securities regulatory authorities having jurisdiction, at the time filed or as subsequently amended, contained any misrepresentation or any untrue statement of a Material Fact or omitted to state a Material Fact required to be stated therein or necessary in order to make the statements made therein, in light of the circumstances under which there were made, not misleading;
- (ii) Perisson has not incurred any obligation or liability, contingent or otherwise, for broker's fees, commissions or finder's fees or other similar fees in respect of the transactions contemplated herein;
- (jj) except as previously disclosed in writing to Forent, there are no outstanding written or oral employment contracts, sales, services, management or consulting agreements, employee benefit or profit-sharing plans, or any bonus arrangements with any employee of Perisson, nor are there any outstanding oral contracts of employment which are not terminable on the giving of reasonable notice in accordance with applicable law. There are no pension or retirement plans established by or for Perisson for the employees of Perisson's Business;
- (kk) Perisson shall not incur any severance and termination payments for its employees, directors, officers, consultants and any other applicable Persons in connection with the transactions contemplated herein;
- (ll) Perisson maintains sufficient property, general liability and third party insurance and all of such insurance policies are in good standing and in the opinion of management of Perisson acting reasonably are sufficient, in all material respects, to protect Perisson against potential liabilities of Perisson's Business;
- (mm) any and all operations of Perisson, and, to the best of Perisson's knowledge, any and all operations by third parties, on or in respect of the assets and properties of Perisson, have been conducted in accordance with good oilfield practice;
- (nn) in respect of the assets and properties of Perisson that are operated by it, Perisson holds all valid licenses, permits and similar rights and privileges that are material and required and necessary under applicable law to operate the assets and properties of Perisson as presently operated or as proposed to be operated except where the failure to so hold such licenses and permits would not have a material adverse effect on Perisson;
- (oo) although it does not warrant title, Perisson does not have reason to believe that it does not have good and marketable title to or the irrevocable right to produce and sell its petroleum, natural gas and related hydrocarbons (for the purposes of this clause, the foregoing are referred to as the "**Interests**") and does represent and warrant that the Interests are free and clear of all liens, charges, encumbrances, restrictions or adverse claims created by, through or under Perisson, other than any liens or encumbrances that may be outstanding pursuant to credit agreements with Perisson's bank, and those arising in the ordinary course of business, which are not material in the aggregate, and to the knowledge of Perisson after due inquiry, Perisson holds its Interests under valid and subsisting leases, licenses, permits, concessions, concession agreements, contracts, subleases, reservations or other agreements;
- (pp) Perisson has made available to Netherland, Sewell & Associates, Inc. ("**NSAI**"), prior to the issuance of its independent reserve report prepared effective as of December 31, 2014 and dated April 30, 2015 (the "**NSAI Report**") for the purposes of preparing such report, all information requested by NSAI which information did not contain any material misrepresentation at the time such information was so provided. There are no changes in any reserves information provided to NSAI since the date that such information was so provided which would result in any material adverse change to the quantity or pre-tax present worth value of estimated future net revenue values of Perisson as set out in the NSAI Report. Perisson believes that the NSAI Report

reasonably presents the quantity and pre-tax present worth value of estimated future net revenue values of oil and natural gas reserves of Perisson as at the effective date thereof in respect of reserves information therein based upon information available in respect of such reserves at the time such report was prepared and the price assumptions contained therein;

- (qq) to the best of Perisson's knowledge, there are no pending or threatened actions, suits, proceedings or inquiries which, in aggregate, could have a material adverse effect on: (i) the quantity and pre-tax present value of estimated future net revenue values of oil and natural gas reserves of Perisson as shown in the NSAI Report; (ii) the current or future production of Perisson; or (iii) the current or future cash flow of Perisson;
- (rr) to the best of Perisson's knowledge, there are no defects, failures or impairments in the title of Perisson to its oil and natural gas properties, whether or not an action, suit, proceeding or inquiry is pending or threatened or whether or not discovered by any third party which, in aggregate, could have a material adverse effect on: (i) the quantity and pre-tax present value of estimated future net revenue values of oil and natural gas reserves of Perisson as shown in the NSAI Report, (ii) the current or future production of Perisson, or (iii) the current or future cash flow of Perisson;
- (ss) any and all operations of Perisson and to the best of Perisson's knowledge, any and all operations by third parties, on or in respect of the assets and properties of Perisson, have been conducted in accordance with good oil and gas industry practices and in material compliance with applicable laws, rules, regulations, orders and directions of government and other competent authorities;
- (tt) to the best of Perisson's knowledge, except to the extent that any violation or other matter referred to in this subparagraph does not have a material adverse effect on Perisson, in respect of Perisson:
 - (i) it is not in violation of any applicable federal, provincial, state, municipal or local laws, regulations, orders, government decrees or ordinances with respect to environmental health or safety matters (collectively, the "**Environmental Laws**");
 - (ii) it has operated its business at all times and has received, handled, used, stored, treated, shipped and disposed of all contaminants without violation of the Environmental Laws;
 - (iii) there have been no spills, releases, deposits or discharges of hazardous or toxic substances, contaminants or wastes into the earth, air or into any body of water or any municipal or other sewer or drain water systems by Perisson that have not been remedied;
 - (iv) no orders, directions or notices have been issued and remain outstanding pursuant to any Environmental Laws relating to the business and assets of Perisson;
 - (v) it has not failed to report to the proper federal, provincial, state, municipal or other political subdivision, government, commission, board, bureau, agency or instrumentality, domestic or foreign, the occurrence of any event which is required to be so reported by any Environmental Laws; and
 - (vi) it holds all licenses, permits and approvals required under any Environmental Laws in connection with the operations of its business and the ownership and use of its assets, all such licenses, permits and approvals are in full force and effect, and Perisson has not received any notification pursuant to any Environmental Laws that any work, repairs, construction, or capital expenditures are required to be made by it as a condition of continued compliance with any Environmental Laws, or any license, permit or approval issued pursuant thereto, or that any license, permit or approval referred to above is about to be reviewed, made subject to limitation or conditions, revoked, withdrawn or terminated;
- (uu) Perisson is not a party to any unanimous shareholders' agreement, pooling agreement, voting trust or other similar type of arrangement in respect of the outstanding securities of Perisson;
- (vv) Perisson has complied with all environmental laws, rules and regulations at all facilities where oil and gas drilling or exploration has occurred, including the construction and operation of sealed or lined reserve pits consistent with applicable environmental laws, rules and regulations;

- (ww) there are no defaults related to payments required to keep a lease in good standing under any oil and gas lease held by Perisson;
- (xx) there are no unfunded Authorizations For Expenditure which have not been previously disclosed to Forent;
- (yy) no director, officer, insider or other non-arm's length party to Perisson (or any associate or affiliate thereof) has any right, title or interest in (or the right to acquire any right, title or interest in) any royalty interest, carried interest, participation interest or any other interest whatsoever which are based on production from or in respect of any properties of Perisson;
- (zz) other than as disclosed to Forent, Perisson does not have any loans or other indebtedness outstanding which have been made to or from any of its shareholders, officers, directors or employees or any other person not dealing at Arm's Length with Perisson that are currently outstanding;
- (aaa) all amounts due or accrued for all salary, wages, bonuses, commissions, vacation with pay, and other employee benefits in respect of any employee, director, independent contractor, consultant and agent of Perisson which are attributable to the period before the Effective Date shall be paid at or prior to the Effective Time in amounts as previously disclosed to Perisson and are or shall be accurately reflected in the books and records of Perisson;
- (bbb) except for indemnity agreements with its directors and officers as contemplated by the by-laws of Perisson and any applicable laws, and other than standard indemnity agreements in underwriting and agency agreements and in the ordinary course provided to service providers, Perisson is not a party to or bound by any agreement, guarantee, indemnification, or endorsement or like commitment of the obligations, liabilities (contingent or otherwise) or indebtedness of any person, firm or corporation;
- (ccc) Perisson is not a party to any shareholder rights plan or any other form of plan, agreement, contract or instrument that shall trigger any rights to acquire Perisson Shares or other securities of Perisson or rights, entitlements or privileges in favour of any person upon the entering into of this Agreement or the Amalgamation;
- (ddd) to the best of Perisson's knowledge, all wells located on any lands in which Perisson has an interest, or lands with which such lands have been pooled or unitized, which have been abandoned have been abandoned in material compliance with all applicable statutes and regulations regarding the abandonment of wells;
- (eee) to the best of Perisson's knowledge, all *ad valorem*, property, production, severance and similar taxes and assessments based on or measured by the ownership of property or the production of its hydrocarbon substances, or the receipt of proceeds therefrom, payable in respect of its oil and gas assets prior to the date hereof have been properly and fully paid and discharged, and there are no unpaid taxes or assessments which could result in a lien or charge on its oil and gas assets, except where the failure to do so would not individually or in the aggregate have a material adverse effect on Perisson;
- (fff) other than with respect to the Forent Information, Perisson represents and warrants that all information in the Information Circular shall, as of the mailing date of the Information Circular and as of the Effective Date, be true and complete in all material respects and shall not contain any misrepresentation; and
- (ggg) no representation or warranty made by Perisson in this Agreement and no statement made in any schedule, exhibit, certificate or other document furnished pursuant to this Agreement, contains, or shall contain, any untrue statement of a Material Fact or omits, or shall omit, to state any Material Fact necessary to make such representation or warranty or any such statement not misleading. Perisson does not know of any fact which, if known to the other parties hereto would deter them from consummating the transactions contemplated herein.

4.2 No investigations made by or on behalf of Forent at any time shall have the effect of waiving, diminishing the scope of or otherwise affecting any representation, warranty or covenant made by Perisson herein or pursuant

hereto and no waiver by Forent of any condition, in whole or in part, shall operate as a waiver of any other conditions.

4.3 **Representations and Warranties of Forent.** Forent hereby represents and warrants to Perisson that:

- (a) Forent is a corporation validly existing under the laws of the Province of Alberta, has all legal capacity and requisite corporate power to own its properties and to conduct its business as it is presently being conducted, and is duly registered or otherwise qualified to carry on business in all jurisdictions in which the nature of its assets or business makes such registration or qualification necessary or advisable;
- (b) Forent has no subsidiaries, other than 1883222 Alberta Inc., and has no agreement of any nature to acquire any other subsidiary, or to acquire or lease any other business operation;
- (c) Forent has the full legal capacity and corporate power to enter into this Agreement and to take, perform or execute all proceedings, acts and instruments necessary or advisable to consummate the other actions and transactions contemplated in this Agreement and to fulfill its obligations under this Agreement;
- (d) all necessary corporate action has been taken, or shall be taken prior to the Effective Date, by or on the part of Forent to authorize the execution and delivery of this Agreement, including, approval of the Amalgamation by special resolution of its shareholders, and the taking, performing or executing of such proceedings, acts and instruments as are necessary or advisable for consummating the actions and transactions contemplated in this Agreement and for fulfilling its obligations hereunder;
- (e) this Agreement has been duly executed and delivered by Forent and this Agreement constitutes a legal, valid and binding obligation of Forent enforceable against Forent in accordance with its terms, except as such terms may be limited by bankruptcy, insolvency, re-organization or other laws relating to the enforcement of creditors' rights generally;
- (f) neither the execution, nor delivery of this Agreement, nor the consummation of the transactions contemplated hereby, nor compliance with and fulfillment of the terms and provisions of this Agreement shall, except as otherwise described herein, require any affirmative approval, consent, authorization or other order or action by any court, governmental authority or regulatory body or by any creditor of Forent or any party to any agreement to which Forent is a party or by which Forent is bound, except as shall have been obtained prior to Closing;
- (g) Forent is not in default or breach of, and the execution and delivery of, and the performance of and compliance with the terms of, this Agreement and the performance of any of the transactions contemplated hereby by Forent, do not and will not result in any breach of, or constitute a default under, and do not and will not create a state of facts which, after notice or lapse of time or both, will result in a breach or constitute a default under, any applicable laws or any term of provision of the articles, by-laws or resolutions of the directors (including committees thereof) or shareholders of Forent or any mortgage, note, indenture, contract, agreement (written or oral), instrument, lease or other document to which Forent is a party or by which it is bound, or any judgment, decree, order, statute, rule or regulation application to Forent, which default or breach might reasonably be expected to materially adversely affect the business, operations, capital or condition (financial or otherwise) of Forent or its properties or assets;
- (h) the authorized capital of Forent is an unlimited number of Forent Shares of which 14,932,641 Forent Shares are presently validly issued and outstanding as fully paid and non-assessable shares in the capital of Forent;
- (i) except for the Forent Stock Options, no person, firm or corporation has any agreement or option or any right or privilege (whether by law, pre-emptive or contractual) capable of becoming an agreement or option, including convertible securities, warrants or convertible obligations of any nature, for the purchase of any unissued shares in the securities of Forent;
- (j) of the total number of Forent Stock Options (being 1,344,916 as of the date of this Agreement), no Forent Stock Options have an exercise price of less than \$0.40 per share;

- (k) the books and records of Forent fairly and correctly set out and disclose in all material respects, the financial position of Forent as at the dates thereof and all material financial transactions of Forent relating to Forent's Business have been accurately recorded in such books and records;
- (l) Forent's Financial Statements fairly present the financial position of Forent as at the date thereof and fairly present the results of operations for the periods ended on such dates, all in accordance with IFRS consistently applied throughout the period covered thereby, save and except as stated therein. Forent's books of account reflect items of income and expense and all assets and liabilities and accruals required to be reflected therein;
- (m) as of the date hereof, the board of directors of Forent, after considering this Agreement and the transactions contemplated herein, has determined unanimously that this Agreement and the transactions contemplated herein are fair to Forent security holders and are in the best interests of Forent;
- (n) Perisson has been provided on the date hereof with a list of all agreements, contracts, indentures and other documentation material to the business, affairs or operations of Forent and any swap contracts to which Forent is a party;
- (o) save and except for matters which are disclosed in Forent's Financial Statements or otherwise expressly set out in this Agreement, since March 31, 2016, Forent has not (nor has it agreed to):
 - (i) incurred any debts, obligations or liabilities (absolute, accrued, contingent or otherwise and whether due or to become due), except debts, obligations and liabilities incurred in the ordinary course of business;
 - (ii) discharged or satisfied any liens or paid any obligation or liability other than liabilities shown on Forent's Financial Statements, other than in the ordinary course of business;
 - (iii) declared or made any payment, distribution or dividend based on its shares or purchased, redeemed or otherwise acquired any of the shares in its capital or other securities or obligated itself to do so;
 - (iv) mortgaged, pledged or subjected to lien or other security interest any of its assets, tangible or intangible other than the usual security granted to secure a bank line of credit or other than in the ordinary course of business;
 - (v) except as previously disclosed in writing to Perisson, sold, assigned, leased, transferred or otherwise disposed of any of its assets (excluding inventory) having either a book value or fair market value in excess of \$50,000, whether or not in the ordinary course of business, except for transactions involving Forent's Assets or Forent's Business previously disclosed to Perisson;
 - (vi) increased the compensation payable or to become payable to any of its officers, directors or employees, or in any bonus payment to or arrangement made with any officer, director or employee, or made any material changes in its personnel policies or employee benefits, except as agreed to by Perisson;
 - (vii) cancelled, waived, released or compromised any debt, claim or right resulting in a material adverse effect on the business, prospects or financial condition of Forent;
 - (viii) significantly altered or revised any of its accounting principles, procedures, methods or practices except as required under IFRS or other regulatory guidelines;
 - (ix) suffered any material damage, destruction or loss (whether or not covered by insurance) materially and adversely affecting the properties, business or prospects of Forent;
 - (x) entered into any transaction, contract or commitment, other than in the ordinary course of business, except for the transactions set forth in this Agreement or the Information Circular;

- (xi) made or authorized capital expenditures in excess of \$50,000 in the aggregate except for commitments made in respect of Forent's Assets or Forent's Business previously disclosed to Perisson;
 - (xii) issued or sold any shares in its capital stock or other securities, or granted any options with respect thereto; or
 - (xiii) suffered or experienced any material adverse change in, or event or circumstance affecting, the condition (financial or otherwise) of its properties, assets, liabilities, earnings, business, operations or and Forent has no knowledge, information or belief of any fact, event or circumstances which might reasonably be expected to affect materially and adversely the condition (financial or otherwise) of its properties, assets, liabilities, earnings, business operations or prospects and it has not changed any shares of its capital stock, whether by way of reclassification, stock split or otherwise;
- (p) the corporate records and minute books of Forent as provided to Perisson or its legal counsel contain complete and accurate minutes of all meetings of and corporate actions or written consents by the directors and shareholders of Forent, including all by-laws and resolutions passed by the board of directors and shareholders of Forent since the incorporation of Forent and all such meetings were duly called and held. The shareholders' list maintained by Forent's registrar and transfer agent and provided to Perisson or its legal counsel is, to the best of Forent's knowledge, complete and accurate in all respects;
- (q) Forent does not operate or engage in any business activities, operations or management of any nature or kind whatsoever other than Forent's Business;
- (r) except as expressly referred to in Forent's Financial Statements or the Information Circular,
- (i) Forent does not have any outstanding bonds, debentures, mortgages, notes or other similar indebtedness or liabilities whatsoever and Forent is not bound under any agreement to create, issue or incur any bonds, debentures, mortgages, notes or other similar indebtedness or liabilities whatsoever; and
 - (ii) Forent is not a party to or bound by any agreement of guarantee, indemnification, assumption or endorsement or any other like commitment of the obligations, liabilities (contingent or otherwise) or indebtedness of any other person.
- (s) since incorporation, no payments have been made or authorized by Forent to its officers, directors, employees, shareholders or former directors, officers, employees or shareholders or to any person not dealing at Arm's Length with any of the foregoing, except those expressly disclosed herein, reflected in Forent's Financial Statements or the Information Circular or made in the ordinary course of business and at the regular rates payable to them of salary, pension, bonuses or other remuneration of any nature;
- (t) Forent has filed all tax returns required to be filed by it prior to the date hereof in all applicable jurisdictions and has paid, collected and remitted all taxes, customs duties, tax instalments, levies, assessments, reassessments, penalties, interest and fines due and payable, collectible or remittable by it at present. All such tax returns properly reflect, and do not in any respect understate the income, taxable income or the liability for taxes of Forent in the relevant period and the liability of Forent for the collection, payment and remittance of tax under applicable Tax Laws;
- (u) all filings by Forent pursuant to which Forent has received, or is entitled to receive, government incentives have been made in accordance with all applicable legislation and other requirements relating thereto and contained no misrepresentations of material fact or omitted to state a material fact which could cause any amount previously paid to Forent or previously accrued on the accounts thereof to be recovered or disallowed;
- (v) adequate provision has been made in Forent's Financial Statements for all taxes, governmental charges and assessments, including interest and penalties thereon, payable by Forent for all periods up to the date of the balance sheets comprising part of Forent's Financial Statements;

- (w) Forent has withheld and remitted all amounts required to be withheld and remitted by it in respect of any taxes, governmental charges or assessments in respect of any taxable year or portion thereof up to and including the date hereof;
- (x) there are no actions, suits or other proceedings, investigations or claims in progress or, to the best of Forent's belief and knowledge, pending and there are no actions, suits or other proceedings or investigations or claims threatened, against Forent in respect of any taxes, governmental charges or assessments. No waivers have been filed by Forent with any taxing authority;
- (y) other than the filing of articles of amalgamation and any required regulatory approvals, no consent, licence, approval, order or authorization of, or registration, filing or declaration with any governmental authority that has not been obtained or made by Forent and no consent of any Third Party is required to be obtained by Forent in connection with the execution, delivery and performance by Forent of this Agreement or the consummation of the transactions contemplated hereby;
- (z) Forent is conducting and has always conducted Forent's Business in substantial compliance with all applicable laws, rules and regulations of each jurisdiction in which Forent's Business is carried on, is not currently in breach of any such laws, rules or regulations and is duly licensed, registered or qualified, in each jurisdiction in which Forent owns or leases property or carries on Forent's Business, to enable Forent's Business to be carried on as now conducted and its property and assets to be owned, leased and operated, and all such licences, registrations and qualifications are valid and subsisting and in good standing and none of the same contains any burdensome term, provision, condition or limitation which has or may have an adverse effect on the operation of Forent's Business;
- (aa) Forent does not own any assets in any jurisdictions other than the Provinces of Alberta, Saskatchewan and Manitoba;
- (bb) no employee has made any claim or, to the best of Forent's knowledge, has any basis for any action or proceeding against Forent, arising out of any statute, ordinance or regulation relating to discrimination in employment or employment practices, harassment, occupational health and safety standards or worker's compensation;
- (cc) Forent has not made any agreements with any labour union or employee association nor made any commitments to or conducted any negotiations with any labour union or employee association with respect to any future agreements;
- (dd) no trade union, council of trade unions, employee bargaining agency or affiliated bargaining agent holds bargaining rights with respect to any of the employees of Forent by way of certification, interim certification, voluntary recognition, designation or successor rights;
- (ee) there is no action, lawsuit, claim, proceeding, or investigation pending or, to the best knowledge of Forent, threatened against, relating to or affecting Forent before any court, government agency, or any arbitrator of any kind. Forent is not aware of any existing ground on which any such proceeding might be commenced with any reasonable likelihood of success and there is not presently outstanding against Forent any judgment, decree, injunction, rule or order of any court, governmental agency, or arbitrator relating to or affecting Forent, Forent's Assets or Forent's Business;
- (ff) except as expressly set out in this Agreement, there is not now outstanding any arrangement (contractual or otherwise) between Forent and any Person which shall or may be, terminated or, to the best knowledge of Forent, prejudicially affected as a result of the Amalgamation contemplated herein;
- (gg) Forent is a reporting issuer in the provinces of British Columbia and Alberta and, to the knowledge of Forent, is not in material default of any requirement of the securities legislation of such provinces or the requirements of the TSXV. The issued and outstanding Forent Shares are currently listed and posted for trading on the TSXV;
- (hh) no cease trade order has been issued against Forent or the Forent Shares in any jurisdiction, and, to the knowledge of Forent, no cease trade order is pending or threatened;

- (ii) since the date Forent became a reporting issuer, Forent has been in material compliance with the filing of all required forms, reports and documents (collectively, the "**Forent Public Disclosure**") with the applicable regulatory authorities having jurisdiction. None of the Forent Public Disclosure filed by Forent with the applicable securities regulatory authorities having jurisdiction, at the time filed or as subsequently amended, contained any misrepresentation or any untrue statement of a Material Fact or omitted to state a Material Fact required to be stated therein or necessary in order to make the statements made therein, in light of the circumstances under which there were made, not misleading;
- (jj) Forent has not incurred any obligation or liability, contingent or otherwise, for broker's fees, commissions or finder's fees or other similar fees in respect of the transactions contemplated herein;
- (kk) except as previously disclosed in writing to Perisson, there are no outstanding written or oral employment contracts, sales, services, management or consulting agreements, employee benefit or profit-sharing plans, or any bonus arrangements with any employee of Forent, nor are there any outstanding oral contracts of employment which are not terminable on the giving of reasonable notice in accordance with applicable law. There are no pension or retirement plans established by or for Forent for the employees of Forent's Business;
- (ll) Forent shall incur a maximum of \$1,000,000 in severance and termination payments for its employees, directors, officers, consultants and any other applicable Persons in connection with the transactions contemplated herein;
- (mm) Forent's net debt, including off balance sheet items including working capital, shall not be more than \$7,000,000 at Closing;
- (nn) as at December 31, 2015, Forent's aggregate tax pools were not less than \$19,500,000 (the "**Tax Pools**"), and such net tax pool balances shall not be materially different at Closing;
- (oo) Forent maintains sufficient property, general liability and third party insurance and all of such insurance policies are in good standing and in the opinion of management of Forent are sufficient, in all material respects, to protect Forent against potential liabilities of Forent's Business;
- (pp) any and all operations of Forent, and, to the best of Forent's knowledge, any and all operations by third parties, on or in respect of the assets and properties of Forent, have been conducted in accordance with good oilfield practice;
- (qq) in respect of the assets and properties of Forent that are operated by it, Forent holds all valid licenses, permits and similar rights and privileges that are material and required and necessary under applicable law to operate the assets and properties of Forent as presently operated or as proposed to be operated except where the failure to so hold such licenses and permits would not have a material adverse effect on Forent;
- (rr) although it does not warrant title, Forent does not have reason to believe that it does not have good and marketable title to or the irrevocable right to produce and sell its petroleum, natural gas and related hydrocarbons (for the purposes of this clause, the foregoing are referred to as the "**Interests**") and does represent and warrant that the Interests are free and clear of all liens, charges, encumbrances, restrictions or adverse claims created by, through or under Forent, other than any liens or encumbrances that may be outstanding pursuant to credit agreements with Forent's bank, and those arising in the ordinary course of business, which are not material in the aggregate, and to the knowledge of Forent after due inquiry, Forent holds its Interests under valid and subsisting leases, licenses, permits, concessions, concession agreements, contracts, subleases, reservations or other agreements;
- (ss) Forent has made available to McDaniel Engineering Consultants Inc. ("**McDaniel**"), prior to the issuance of its independent reserve report prepared effective as of December 31, 2015 and dated February 29, 2016 (the "**McDaniel Report**") for the purposes of preparing such report, all information requested by McDaniel which information did not contain any material misrepresentation at the time such information was so provided. There are no changes in any reserves information provided to McDaniel since the date that such information was so provided which would result in any material adverse change to the quantity or pre-tax present worth value

of estimated future net revenue values of Forent as set out in the McDaniel Report. Forent believes that the McDaniel Report reasonably presents the quantity and pre-tax present worth value of estimated future net revenue values of oil and natural gas reserves of Forent as at the effective date thereof in respect of reserves information therein based upon information available in respect of such reserves at the time such report was prepared and the price assumptions contained therein;

- (tt) to the best of Forent's knowledge, there are no pending or threatened actions, suits, proceedings or inquiries which, in aggregate, could have a material adverse effect on: (i) the quantity and pre-tax present value of estimated future net revenue values of oil and natural gas reserves of Forent as shown in the McDaniel Report; (ii) the current or future production of Forent; or (iii) the current or future cash flow of Forent;
- (uu) to the best of Forent's knowledge, there are no defects, failures or impairments in the title of Forent to its oil and natural gas properties, whether or not an action, suit, proceeding or inquiry is pending or threatened or whether or not discovered by any third party which, in aggregate, could have a material adverse effect on: (i) the quantity and pre-tax present value of estimated future net revenue values of oil and natural gas reserves of Forent as shown in the McDaniel Report, (ii) the current or future production of Forent, or (iii) the current or future cash flow of Forent;
- (vv) any and all operations of Forent and to the best of Forent's knowledge, any and all operations by third parties, on or in respect of the assets and properties of Forent, have been conducted in accordance with good oil and gas industry practices and in material compliance with applicable laws, rules, regulations, orders and directions of government and other competent authorities;
- (ww) to the best of Forent's knowledge, except to the extent that any violation or other matter referred to in this subparagraph does not have a material adverse effect on Forent, in respect of Forent:
 - (i) it is not in violation of any applicable federal, provincial, state, municipal or local laws, regulations, orders, government decrees or ordinances with respect to environmental health or safety matters (collectively, the "**Environmental Laws**");
 - (ii) it has operated its business at all times and has received, handled, used, stored, treated, shipped and disposed of all contaminants without violation of the Environmental Laws;
 - (iii) there have been no spills, releases, deposits or discharges of hazardous or toxic substances, contaminants or wastes into the earth, air or into any body of water or any municipal or other sewer or drain water systems by Forent that have not been remedied;
 - (iv) no orders, directions or notices have been issued and remain outstanding pursuant to any Environmental Laws relating to the business and assets of Forent;
 - (v) it has not failed to report to the proper federal, provincial, state, municipal or other political subdivision, government, commission, board, bureau, agency or instrumentality, domestic or foreign, the occurrence of any event which is required to be so reported by any Environmental Laws; and
 - (vi) it holds all licenses, permits and approvals required under any Environmental Laws in connection with the operations of its business and the ownership and use of its assets, all such licenses, permits and approvals are in full force and effect, and Forent has not received any notification pursuant to any Environmental Laws that any work, repairs, construction, or capital expenditures are required to be made by it as a condition of continued compliance with any Environmental Laws, or any license, permit or approval issued pursuant thereto, or that any license, permit or approval referred to above is about to be reviewed, made subject to limitation or conditions, revoked, withdrawn or terminated;
- (xx) Forent is not a party to any unanimous shareholders' agreement, pooling agreement, voting trust or other similar type of arrangement in respect of the outstanding securities of Forent;

- (yy) Forent has complied with all environmental laws, rules and regulations at all facilities where oil and gas drilling or exploration has occurred, including the construction and operation of sealed or lined reserve pits consistent with applicable environmental laws, rules and regulations;
- (zz) there are no defaults related to payments required to keep a lease in good standing under any oil and gas lease held by Forent;
- (aaa) there are no unfunded Authorizations For Expenditure which have not been previously disclosed to Perisson;
- (bbb) no director, officer, insider or other non-arm's length party to Forent (or any associate or affiliate thereof) has any right, title or interest in (or the right to acquire any right, title or interest in) any royalty interest, carried interest, participation interest or any other interest whatsoever which are based on production from or in respect of any properties of Forent;
- (ccc) Forent does not have any loans or other indebtedness outstanding which have been made to or from any of its shareholders, officers, directors or employees or any other person not dealing at Arm's Length with Forent that are currently outstanding;
- (ddd) all amounts due or accrued for all salary, wages, bonuses, commissions, vacation with pay, and other employee benefits in respect of any employee, director, independent contractor, consultant and agent of Forent which are attributable to the period before the Effective Date shall be paid at or prior to the Effective Time in amounts as previously disclosed to Perisson and are or shall be accurately reflected in the books and records of Forent;
- (eee) except for indemnity agreements with its directors and officers as contemplated by the by-laws of Forent and any applicable laws, and other than standard indemnity agreements in underwriting and agency agreements and in the ordinary course provided to service providers, Forent is not a party to or bound by any agreement, guarantee, indemnification, or endorsement or like commitment of the obligations, liabilities (contingent or otherwise) or indebtedness of any person, firm or corporation;
- (fff) Forent is not a party to any shareholder rights plan or any other form of plan, agreement, contract or instrument that shall trigger any rights to acquire Forent Shares or other securities of Forent or rights, entitlements or privileges in favour of any person upon the entering into of this Agreement or the Amalgamation;
- (ggg) to the best of Forent's knowledge, all wells located on any lands in which Forent has an interest, or lands with which such lands have been pooled or unitized, which have been abandoned have been abandoned in material compliance with all applicable statutes and regulations regarding the abandonment of wells;
- (hhh) to the best of Forent's knowledge, all *ad valorem*, property, production, severance and similar taxes and assessments based on or measured by the ownership of property or the production of its hydrocarbon substances, or the receipt of proceeds therefrom, payable in respect of its oil and gas assets prior to the date hereof have been properly and fully paid and discharged, and there are no unpaid taxes or assessments which could result in a lien or charge on its oil and gas assets, except where the failure to do so would not individually or in the aggregate have a material adverse effect on Forent;
- (iii) Forent has received advice that the Amalco Shares to be received by Forent Shareholders is fair from a financial point of view and expects to obtain a "fairness opinion" confirming same;
- (jjj) other than with respect to the Perisson Information, Forent represents and warrants that all information in the Information Circular shall, as of the mailing date of the Information Circular and as of the Effective Date, be true and complete in all material respects and shall not contain any misrepresentation; and
- (kkk) no representation or warranty made by Forent in this Agreement and no statement made in any schedule, exhibit, certificate or other document furnished pursuant to this Agreement, contains, or shall contain, any untrue statement of a Material Fact or omits, or shall omit, to state any Material Fact necessary to make such representation or warranty or any such statement not misleading.

Forent does not know of any fact which, if known to the other parties hereto would deter them from consummating the transactions contemplated herein.

4.4 No investigations made by or on behalf of Perisson at any time shall have the effect of waiving, diminishing the scope of or otherwise affecting any representation, warranty or covenant made by Forent herein or pursuant hereto and no waiver by Perisson of any condition, in whole or in part, shall operate as a waiver of any other condition.

4.5 Privacy Issues.

- (a) For the purposes of this Section 4.5, the following definitions shall apply:
- (i) "**applicable law**" means, in relation to any Person, transaction or event, all applicable provisions of laws, statutes, rules, regulations, official directives and orders of and the terms of all judgments, orders and decrees issued by any authorized authority by which such Person is bound or having application to the transaction or event in question, including applicable privacy laws;
 - (ii) "**applicable privacy laws**" means any and all applicable laws relating to privacy and the collection, use and disclosure of Personal Information in all applicable jurisdictions, including but not limited to the *Personal Information Protection and Electronic Documents Act* (Canada) and/or any comparable provincial law including the *Personal Information Protection Act* (Alberta);
 - (iii) "**authorized authority**" means, in relation to any Person, transaction or event, any (a) federal, provincial, municipal or local governmental body (whether administrative, legislative, executive or otherwise), both domestic and foreign, (b) agency, authority, commission, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government, (c) court, arbitrator, commission or body exercising judicial, quasi-judicial, administrative or similar functions, and (d) other body or entity created under the authority of or otherwise subject to the jurisdiction of any of the foregoing, including any stock or other securities exchange, in each case having jurisdiction over such Person, transaction or event; and
 - (iv) "**Personal Information**" means information about an identifiable individual transferred to one party by another party in accordance with this Agreement and/or as a condition of the Amalgamation.
- (b) The parties acknowledge that they are responsible for compliance at all times with applicable privacy laws which govern the collection, use and disclosure of Personal Information acquired by or disclosed to either party pursuant to or in connection with this Agreement (the "**Disclosed Personal Information**").
- (c) Neither party shall use the Disclosed Personal Information for any purposes other than those related to the performance of this Agreement and the completion of the Amalgamation.
- (d) Each party acknowledges and confirms that the disclosure of Personal Information is necessary for the purposes of determining if the parties shall proceed with the Amalgamation, and that the disclosure of Personal Information relates solely to the carrying on of the business and the completion of the Amalgamation.
- (e) Each party acknowledges and confirms that it has and shall continue to employ appropriate technology and procedures in accordance with applicable law to prevent accidental loss or corruption of the Disclosed Personal Information, unauthorized input or access to the Disclosed Personal Information, or unauthorized or unlawful collection, storage, disclosure, recording, copying, alteration, removal, deletion, use or other processing of such Disclosed Personal Information.

- (f) Each party shall at all times keep strictly confidential all Disclosed Personal Information provided to it, and shall instruct those employees or advisors responsible for processing such Disclosed Personal Information to protect the confidentiality of such information in a manner consistent with the parties' obligations hereunder. Each party shall ensure that access to the Disclosed Personal Information shall be restricted to those employees or advisors of the respective party who have a bona fide need to access to such information in order to complete the Amalgamation.
- (g) Each party shall promptly notify the other party to this Agreement of all inquiries, complaints, requests for access, and claims of which the party is made aware in connection with the Disclosed Personal Information. The parties shall fully co-operate with one another, with the Persons to whom the Personal Information relates, and any authorized authority charged with enforcement of applicable privacy laws, in responding to such inquiries, complaints, requests for access, and claims.
- (h) Upon the expiry or termination of this Agreement, or otherwise upon the reasonable request of either party, the counterparty shall forthwith cease all use of the Personal Information acquired by the counterparty in connection with this Agreement and shall return to the party or, at the party's request, destroy in a secure manner, the Disclosed Personal Information (and any copies).

ARTICLE V COVENANTS

5.1 **General Covenants of Perisson.** Perisson covenants and agrees that, until Closing or the date on which this Agreement is terminated, and unless otherwise contemplated herein, it shall:

- (a) ensure that Perisson's business shall be conducted only in the usual and ordinary course of business consistent with past practice;
- (b) take all requisite action to:
 - (i) approve this Agreement; and
 - (ii) approve such actions as Perisson may determine to be necessary or desirable for the purposes hereof;
- (c) in consultation with Forent and its counsel, in a timely and expeditious manner, prepare the Information Circular, and assist with the preparation of any *pro forma* financial information, as applicable, required to be included in the Information Circular and obtaining the necessary consents from the auditors of Perisson, all in accordance with applicable laws;
- (d) use its reasonable commercial efforts to preserve intact as a going concern its business organization and goodwill, to keep available the services of its officers and employees as a group and to maintain its business relationships;
- (e) Perisson shall not adopt or amend or make any contribution to any bonus, employee benefit plan, profit sharing, deferred compensation, insurance, incentive compensation, other compensation or other similar plan, agreement, stock purchase plan, fund or arrangement for the benefit of employees, except as is necessary to comply with the law or with respect to existing provisions of any such plans, programs, arrangements or agreements;
- (f) Perisson shall not (i) grant any officer, director or employee an increase in compensation in any form; (ii) grant any general salary increase; (iii) take any action with respect to the amendment of any severance or termination pay policies or arrangements for any directors, officers or employees, except as contemplated herein; (iv) adopt or amend (other than to permit accelerated vesting of currently outstanding rights) any stock option plan or the terms of any outstanding rights thereunder; nor (v) advance any loan to any officer, director or any other party not at Arm's Length;
- (g) Perisson shall promptly notify Forent in writing of any material change (actual, anticipated, contemplated or, to the knowledge of Perisson threatened, financial or otherwise) in its business,

operations, affairs, assets, capitalization, financial condition, licenses, permits, rights, privileges or liabilities, whether contractual or otherwise, or of any change in any representation or warranty provided by Perisson in this Agreement which change is or may be of such a nature to render any representation or warranty misleading or untrue in any material respect and Perisson shall in good faith discuss with Forent any change in circumstances (actual, anticipated, contemplated, or to the knowledge of Perisson threatened) which is of such a nature that there may be a reasonable question as to whether notice need to be given to Forent pursuant to this provision;

- (h) Perisson shall not directly or indirectly do or permit to occur any of the following: (i) amend its constating documents; (ii) declare, set aside or pay any dividend or other distribution or payment (whether in cash, shares or property) in respect of its outstanding shares; (iii) redeem, purchase or otherwise acquire any of its outstanding shares or other securities; (iv) split, combine or reclassify any of its securities; (v) adopt a plan of liquidation or resolutions providing for the liquidation, dissolution or reorganization of Perisson; (vi) reduce the stated capital of Perisson or any of its outstanding shares; (vii) take any action, refrain from taking any action, permit any action to be taken or not taken, inconsistent with this Agreement, which might directly or indirectly interfere or affect the consummation of the Amalgamation; or (viii) enter into or modify any contract, agreement, commitment or arrangement with respect to any of the foregoing;
- (i) Perisson shall use its reasonable commercial efforts to cause its current insurance (or reinsurance) policies not to be cancelled or terminated or any of the coverage thereunder to lapse, unless simultaneously with such termination, cancellation or lapse, replacement policies underwritten by insurance or re-insurance companies of nationally recognized standing providing coverage equal to or greater than the coverage under the cancelled, terminated or lapsed policies for substantially similar premiums are in full force and effect and shall pay all premiums in respect of such insurance policies that become due prior to the Effective Date;
- (j) give its consent (and provide such other reasonable assurances as may be required) and use its best efforts to obtain (including the provision of such reasonable assurances as may be required), consents of all other Persons to the transactions contemplated by this Agreement, as may be required pursuant to any statute, law or ordinance or by any governmental or other regulatory authority having jurisdiction;
- (k) Perisson shall not take any action that would render, or may reasonably be expected to render, any representation or warranty made by it in this Agreement untrue in any material respect at any time prior to completion of the Amalgamation or termination of this Agreement, whichever first occurs, other than as consented to in writing by Forent, such consent not to be unreasonably withheld;
- (l) subject to completion of the Amalgamation, accept the resignations from Brad Nichol and David Foo as directors of Perisson, as applicable, and appoint Robyn Lore and Wayne Rousch to fill two of the vacancies created thereby, with John McLeod to be included on the slate of directors to be recommended by management of Perisson for election as directors of Perisson at the next meeting of Perisson shareholders to be held in 2016;
- (m) upon Perisson receiving notification or other information from any regulatory authority or body concerning the transactions contemplated hereunder, such information shall be promptly disclosed in writing to the solicitors for Forent;
- (n) in consultation with Forent and its counsel, forthwith use its best efforts to obtain all necessary regulatory approvals and assist in making all submissions, preparing all press releases and circulars and making all notifications required with respect to this transaction and the issuance of shares as contemplated hereunder;
- (o) use its best efforts to maintain its status as a reporting issuer in Alberta, Ontario, Quebec and British Columbia;
- (p) take all steps necessary to make proper disclosure within such time as required by any regulatory authority and any other applicable statutes and laws concerning this Agreement and the transactions contemplated herein;

- (q) use all reasonable commercial efforts to satisfy (or cause the satisfaction of) the conditions precedent to its obligations hereunder set forth in Article VI to the extent the same is within its control and take, or cause to be taken, all other action and to do, or cause to be done, all other things necessary, proper or advisable under all applicable laws to complete the Amalgamation, including using its reasonable commercial efforts to:
- (i) obtain all necessary waivers, consents and approvals required to be obtained by it from other parties to loan agreements, leases and other contracts;
 - (ii) obtain all necessary consents, approvals and authorizations as are required to be obtained by it under any applicable laws;
 - (iii) effect all necessary registrations and filings and submissions of information requested by governmental entities required to be effected by it in connection with the Amalgamation and participate and appear in any proceedings of either party before governmental entities in connection with the Amalgamation;
 - (iv) oppose, lift or rescind any injunction or restraining order or other order or action seeking to stop or otherwise adversely affect the ability of the parties to consummate the transactions contemplated hereby;
 - (v) fulfill all conditions and satisfy all provisions of this Agreement;
 - (vi) cooperate with Forent in connection with the performance by Perisson of its obligations hereunder; and
 - (vii) not take any action, refrain from taking any action or permit any action to be taken or not taken that is inconsistent with this Agreement or that would reasonably be expected to significantly impede the consummation of the Amalgamation;
- (r) not incur any material liabilities of any kind whatsoever, whether or not accrued and whether or not determined or determinable, in respect of which Perisson may become liable on or after the Closing Date, except as set out in Perisson's Financial Statements and except for those costs in the ordinary course of business and transactional costs incurred prior to Closing;
- (s) to file, duly and timely, all tax returns required to be filed by it and to pay promptly all taxes, assessments and governmental charges which are claimed by any governmental authority to be due and owing and not to enter into any agreement, waiver or other arrangement providing for an extension of time with respect to the filing of any tax return or the payment or assessment of any tax, governmental charge or deficiency;
- (t) Perisson shall indemnify and save harmless Forent and the directors, officers and agents of Forent from and against any and all liabilities, claims, demands, losses, costs, damages and expenses (excluding any loss of profits or consequential damages) to which Forent, or any director, officer or agent thereof may be subject or which Forent, or any director, officer or agent thereof may suffer, whether under the provisions of any statute or otherwise, in any way caused by, or arising, directly or indirectly, from or in consequence of:
- (i) any misrepresentation or alleged misrepresentation in the Information Circular relating to Perisson and Perisson's Business;
 - (ii) any order made or any inquiry, investigation or proceeding by any securities commission or other competent authority based upon any untrue statement or omission or alleged untrue statement or omission of a material fact or any misrepresentation or any alleged misrepresentation the Information Circular relating to Perisson and Perisson's Business; or
 - (iii) Perisson not complying with any requirement of applicable laws in connection with the transactions contemplated in this Agreement;

- (u) Perisson shall restrict capital expenditures to \$50,000 or less until Closing, unless otherwise consented to in writing by Forent;
- (v) not issue any press releases or other statements regarding this Agreement without prior consultation and concurrence from Forent;
- (w) neither declare nor pay any dividends or other distributions or returns of capital on Perisson Shares from the date of this Agreement until the Closing Date; and
- (x) subject to the Closing, cause Amalco to validly issue the Perisson Shares in accordance with Article III as fully paid and non-assessable common shares in the capital of Perisson, free and clear of all mortgages, liens, charges, security deposits, adverse claims, pledges, encumbrances, options, warrants, rights, privileges and demands whatsoever.

5.2 **General Covenants of Forent.** Forent covenants and agrees that, until Closing or the date on which this Agreement is terminated, and unless otherwise contemplated herein, it shall:

- (a) ensure that Forent's business shall be conducted only in the usual and ordinary course of business consistent with past practice;
- (b) take all requisite action to:
 - (i) approve this Agreement; and
 - (ii) approve such actions as Perisson may determine to be necessary or desirable for the purposes hereof;
- (c) convene the Forent Meeting for the purpose of approving the Amalgamation and to solicit proxies to be voted at the Forent Meeting in favour of the approval of all of such matters;
- (d) include in the Information Circular the recommendation of the board of directors of Forent that the Forent Shareholders vote in favour of the Amalgamation;
- (e) in consultation with Perisson and its counsel, in a timely and expeditious manner, prepare the Information Circular, and assist with the preparation of any *pro forma* financial information, as applicable, required to be included in the Information Circular and obtaining the necessary consents from the auditors of Forent, all in accordance with applicable laws;
- (f) file and distribute to the Forent Shareholders in a timely and expeditious manner, the Information Circular, and any amendments or supplements to the Information Circular, all as required by applicable law, in all jurisdictions where the same is required complying in all material respects with all applicable legal requirements on the date of issue thereof;
- (g) use its reasonable commercial efforts to preserve intact as a going concern its business organization and goodwill, to keep available the services of its officers and employees as a group and to maintain its business relationships;
- (h) Forent shall not adopt or amend or make any contribution to any bonus, employee benefit plan, profit sharing, deferred compensation, insurance, incentive compensation, other compensation or other similar plan, agreement, stock purchase plan, fund or arrangement for the benefit of employees, except as is necessary to comply with the law or with respect to existing provisions of any such plans, programs, arrangements or agreements;
- (i) Forent shall not (i) grant any officer, director or employee an increase in compensation in any form; (ii) grant any general salary increase; (iii) take any action with respect to the amendment of any severance or termination pay policies or arrangements for any directors, officers or employees, except as contemplated herein; (iv) adopt or amend (other than to permit accelerated vesting of currently outstanding rights) any stock option plan or the terms of any outstanding rights thereunder; nor (v) advance any loan to any officer, director or any other party not at Arm's Length;

- (j) Forent shall promptly notify Perisson in writing of any material change (actual, anticipated, contemplated or, to the knowledge of Forent threatened, financial or otherwise) in its business, operations, affairs, assets, capitalization, financial condition, licenses, permits, rights, privileges or liabilities, whether contractual or otherwise, or of any change in any representation or warranty provided by Forent in this Agreement which change is or may be of such a nature to render any representation or warranty misleading or untrue in any material respect and Forent shall in good faith discuss with Perisson any change in circumstances (actual, anticipated, contemplated, or to the knowledge of Forent threatened) which is of such a nature that there may be a reasonable question as to whether notice need to be given to Perisson pursuant to this provision;
- (k) Forent shall not directly or indirectly do or permit to occur any of the following: (i) amend its constating documents; (ii) declare, set aside or pay any dividend or other distribution or payment (whether in cash, shares or property) in respect of its outstanding shares; (iii) redeem, purchase or otherwise acquire any of its outstanding shares or other securities; (iv) split, combine or reclassify any of its securities; (v) adopt a plan of liquidation or resolutions providing for the liquidation, dissolution or reorganization of Forent; (vi) reduce the stated capital of Forent or any of its outstanding shares; (vii) take any action, refrain from taking any action, permit any action to be taken or not taken, inconsistent with this Agreement, which might directly or indirectly interfere or affect the consummation of the Amalgamation; or (viii) enter into or modify any contract, agreement, commitment or arrangement with respect to any of the foregoing;
- (l) Forent shall use its reasonable commercial efforts to cause its current insurance (or reinsurance) policies not to be cancelled or terminated or any of the coverage thereunder to lapse, unless simultaneously with such termination, cancellation or lapse, replacement policies underwritten by insurance or re-insurance companies of nationally recognized standing providing coverage equal to or greater than the coverage under the cancelled, terminated or lapsed policies for substantially similar premiums are in full force and effect and shall pay all premiums in respect of such insurance policies that become due prior to the Effective Date;
- (m) give its consent (and provide such other reasonable assurances as may be required) and use its best efforts to obtain (including the provision of such reasonable assurances as may be required), consents of all other Persons to the transactions contemplated by this Agreement, as may be required pursuant to any statute, law or ordinance or by any governmental or other regulatory authority having jurisdiction;
- (n) Forent shall not take any action that would render, or may reasonably be expected to render, any representation or warranty made by it in this Agreement untrue in any material respect at any time prior to completion of the Amalgamation or termination of this Agreement, whichever first occurs, other than as consented to in writing by Perisson, such consent not to be unreasonably withheld;
- (o) subject to approval of the Forent Amalgamation Resolution, accept the resignations from W. Brent Wilson, John Forgeron, Marty Hislop, Curtis Hartzler and Bill Walker as officers and/or directors of Forent, as applicable;
- (p) upon Forent receiving notification or other information from any regulatory authority or body concerning the transactions contemplated hereunder, such information shall be promptly disclosed in writing to the solicitors for Perisson;
- (q) in consultation with Perisson and its counsel, forthwith use its best efforts to obtain all necessary regulatory approvals and assist in making all submissions, preparing all press releases and circulars and making all notifications required with respect to this transaction and the issuance of shares as contemplated hereunder;
- (r) until completion of the Amalgamation, use its best efforts to maintain its status as a reporting issuer in Alberta and British Columbia;
- (s) take all steps necessary to make proper disclosure within such time as required by any regulatory authority and any other applicable statutes and laws concerning this Agreement and the transactions contemplated herein;

- (t) use all reasonable commercial efforts to satisfy (or cause the satisfaction of) the conditions precedent to its obligations hereunder set forth in Article VI to the extent the same is within its control and take, or cause to be taken, all other action and to do, or cause to be done, all other things necessary, proper or advisable under all applicable laws to complete the Amalgamation, including using its reasonable commercial efforts to:
 - (i) obtain all necessary waivers, consents and approvals required to be obtained by it from other parties to loan agreements, leases and other contracts;
 - (ii) obtain all necessary consents, approvals and authorizations as are required to be obtained by it under any applicable laws;
 - (iii) effect all necessary registrations and filings and submissions of information requested by governmental entities required to be effected by it in connection with the Amalgamation and participate and appear in any proceedings of either party before governmental entities in connection with the Amalgamation;
 - (iv) oppose, lift or rescind any injunction or restraining order or other order or action seeking to stop or otherwise adversely affect the ability of the parties to consummate the transactions contemplated hereby;
 - (v) fulfill all conditions and satisfy all provisions of this Agreement;
 - (vi) cooperate with Perisson in connection with the performance by Forent of its obligations hereunder; and
 - (vii) not take any action, refrain from taking any action or permit any action to be taken or not taken that is inconsistent with this Agreement or that would reasonably be expected to significantly impede the consummation of the Amalgamation;
- (u) not incur any material liabilities of any kind whatsoever, whether or not accrued and whether or not determined or determinable, in respect of which Forent may become liable on or after the Closing Date, except as set out in Forent's Financial Statements and except for those costs in the ordinary course of business and transactional costs incurred prior to Closing;
- (v) to file, duly and timely, all tax returns required to be filed by it and to pay promptly all taxes, assessments and governmental charges which are claimed by any governmental authority to be due and owing and not to enter into any agreement, waiver or other arrangement providing for an extension of time with respect to the filing of any tax return or the payment or assessment of any tax, governmental charge or deficiency;
- (w) Forent shall indemnify and save harmless Perisson and the directors, officers and agents of Perisson from and against any and all liabilities, claims, demands, losses, costs, damages and expenses (excluding any loss of profits or consequential damages) to which Perisson, or any director, officer or agent thereof may be subject or which Perisson, or any director, officer or agent thereof may suffer, whether under the provisions of any statute or otherwise, in any way caused by, or arising, directly or indirectly, from or in consequence of:
 - (i) any misrepresentation or alleged misrepresentation in the Information Circular relating to Forent and Forent's Business;
 - (ii) any order made or any inquiry, investigation or proceeding by any securities commission or other competent authority based upon any untrue statement or omission or alleged untrue statement or omission of a material fact or any misrepresentation or any alleged misrepresentation the Information Circular relating to Forent and Forent's Business; or
 - (iii) Forent not complying with any requirement of applicable laws in connection with the transactions contemplated in this Agreement;
- (x) Forent shall restrict capital expenditures to \$50,000 or less until Closing, unless otherwise consented to in writing by Perisson;

- (y) not issue any press releases or other statements regarding this Agreement without prior consultation and concurrence from Perisson; and
- (z) neither declare nor pay any dividends or other distributions or returns of capital on Forent Shares from the date of this Agreement until the Closing Date.

5.3 **Forent's Covenant Regarding Non-Solicitation.** Forent shall not, directly or indirectly, through any officer, director, employee, representative or agent, solicit, initiate, invite or knowingly encourage (including by way of furnishing confidential information or entering into any form of agreement, arrangement or understanding) the initiation of or participate in, any inquiries or proposals regarding a Merger Proposal, provided that nothing contained in this Section 5.3 or other provisions of this Agreement shall prevent the board of directors of Forent from considering, negotiating, approving or recommending to its shareholders an agreement in respect of an unsolicited bona fide written Merger Proposal (i) in respect of which the board of directors of Forent determines (having consulted outside counsel) that in the exercise of its fiduciary duty it would be necessary for such board of directors to take such action in order to avoid breaching its fiduciary duties, and (ii) in respect of which the board of directors of Forent determines in good faith, after consultation with financial advisors, if consummated in accordance with its terms, would result in a transaction more favourable to its shareholders than the transaction contemplated hereby (any such Merger Proposal that satisfies clauses (i) and (ii) above being referred to herein as a "**Superior Merger Proposal**").

Forent shall continue to refrain from participating in any discussions or negotiations with any parties (other than Perisson) with respect to any potential Merger Proposal.

Forent shall immediately notify Perisson (both orally and in writing) of any future Merger Proposal of which Forent's directors or senior officers become aware of or any amendments to the foregoing or any request for non-public information relating to Forent in connection with a Merger Proposal or for access to the properties, books or records or for a list of the shareholders by any person or entity that informs Forent that it is considering making a Merger Proposal. Such notice shall include a copy of all written communications and a description of the material terms and conditions of any proposal and provide such details of the proposal, inquiry or contact as Perisson may reasonably request, including without limitation, the identity of the person and controlling person, if any, making such proposal, inquiry or contact.

Forent shall not accept, approve, or recommend or enter into any agreement in respect of a Merger Proposal on the basis that it constitutes a Superior Merger Proposal unless (i) it has provided Perisson with a copy of the Merger Proposal document which has been determined to be a Superior Merger Proposal, with such deletions as are necessary to protect confidential portions of such Merger Proposal document, provided that the material terms, conditions and the identity of the person and controlling person, if any, making the Merger Proposal may not be deleted, and (ii) five (5) business days (the "**Notice Period**") shall have elapsed from the later of the date Perisson received notice of the determination to accept, approve or recommend an agreement in respect of such Merger Proposal and the date Perisson received a copy of the Merger Proposal document. During the Notice Period, Forent shall provide a reasonable opportunity to Perisson to consider, discuss and offer such adjustments to the terms and conditions of this Agreement as would enable the party receiving the Superior Merger Proposal to proceed with its recommendation to security holders with respect to the Merger Proposal; provided, however, that any such adjustment shall be at the discretion of the parties. The board of directors of Forent shall review in good faith any offer made by Perisson to amend the terms of this Agreement in order to determine, in the board's discretion, as part of exercising its fiduciary duties, whether the proposed amendments would, upon acceptance, result in such Superior Merger Proposal ceasing to be a Superior Merger Proposal. If the board of directors of Forent determines that the Superior Merger Proposal would cease to be a Superior Merger Proposal, it shall so advise Perisson and shall accept the offer by Perisson to amend the terms of this Agreement and the parties agree to take such actions and execute such documents as are necessary to give effect to the foregoing. Each successive material modification of any Merger Proposal or a Superior Merger Proposal shall constitute a new Merger Proposal for the purposes of this Section 5.3 and shall require a five (5) business day Notice Period from the date such amendment is communicated to the other party hereto, other than an amendment to improve upon a Superior Merger Proposal in respect of which the other party has been provided with an opportunity to amend the terms of this Agreement and such Superior Merger Proposal has not ceased to be a Superior Merger Proposal prior to the proposed amendment.

ARTICLE VI CONDITIONS TO CLOSING

6.1 **Mutual Conditions Precedent.** The respective obligations of the parties to complete the transactions contemplated hereunder are subject to the satisfaction, on or before the Closing Date, of the following conditions any of which may only be waived by the mutual consent of such parties without prejudice to their rights to rely on any other conditions contained herein:

- (a) the parties shall have received all necessary regulatory, court and third party consents, orders, approvals, waivers and authorizations as may be required in respect of the Amalgamation including, without limitation, all applicable approvals of the CSE and the TSXV (as applicable) and relevant securities commissions, with all such consents and approvals to be on terms and conditions acceptable to both Forent and Perisson, each acting reasonably;
- (b) there being no material actions, suits or proceedings outstanding, pending or threatened against Forent or Perisson at law or in equity before any federal, provincial, municipal court or other governmental department, commission, bureau, agency or instrumentality;
- (c) each of Forent and Perisson shall be satisfied that, from the date of this Agreement to the Effective Date, there has been no material change or change in a material fact or a new material fact or an undisclosed material fact or material change in respect of the other party which might reasonably be expected to have a material adverse effect on the condition (financial or otherwise), capital, property, assets, operations, business affairs, profitability or prospects of the other party, and both Forent and Perisson shall be satisfied that the other party shall not have taken any act, entered into or become a party to or subject to any agreement or transaction or incurred or become liable for any obligation except in the ordinary course of business;
- (d) the Amalgamation and this Agreement shall have been approved by the directors of Perisson and Forent;
- (e) upon Closing, all regulatory requirements shall have been or are capable of being satisfied, including any requirements of the TSXV and, if applicable, the CSE;
- (f) Perisson Shares shall be listed and posted for trading on the TSXV;
- (g) Perisson shall have closed the Perisson Financing;
- (h) the Amalgamation and this Agreement shall have been approved by the required majority of the votes of the Forent Shareholders who, being entitled to do so, vote in person or by proxy at the Forent Meeting in accordance with applicable laws and the Forent Meeting shall have been held, either (i) sixty (60) days after the date of this Agreement or (ii) by August 31, 2016, whichever date is later, or such later date agreed to by the parties hereto;
- (i) not more than 5% of the issued and outstanding Forent Shares shall have exercised rights of dissent in relation to the Amalgamation and not withdrawn such exercise prior to Closing;
- (j) there shall not be in force any order or decree restraining or enjoining the consummation of the transactions contemplated by this Agreement, including, without limitation, the Amalgamation;
- (k) the TSXV and the CSE, as applicable, shall have granted conditional approval in respect of the Amalgamation and related transactions; and
- (l) all other consents, orders and approvals, including, without limitation, regulatory approvals, required or desirable for the completion of the transactions contemplated herein shall have been obtained or received from the Persons, authorities or bodies having jurisdiction in the circumstances, all on terms satisfactory to each of the parties hereto, acting reasonably.

6.2 **Conditions Precedent to Obligations of Forent.** The obligations of Forent to complete the transactions contemplated hereunder shall be subject to the satisfaction of, or compliance with, at or before the Closing Date, each of the following conditions precedent (each of which is hereby acknowledged to be for the exclusive benefit of Forent and may be waived by Forent in whole or in part on or before the Closing Date, except as otherwise set forth herein):

- (a) all of the representations and warranties of Perisson made in or pursuant to this Agreement shall be true and correct in all material respects as at the Closing Date and with the same effect as if made at and as of the Closing Date (except as such representations and warranties may be affected by the occurrence of events or transactions expressly contemplated and permitted hereby that are not materially adverse and arise in the ordinary course of business) and Forent shall have received certificates dated as at the Closing Date in form satisfactory to Forent and its solicitors, acting reasonably, signed by a senior officer or director of Perisson on behalf of Perisson, certifying the truth and correctness in all material respects of the representations and warranties of Perisson set out in this Agreement;
- (b) Forent shall have obtained a "fairness opinion" in form and substance satisfactory to Forent, acting reasonably;
- (c) the Information Circular shall reflect the execution and delivery of Support Agreements in a form satisfactory to Forent, acting reasonably;
- (d) Perisson shall have furnished Forent with certified copies of the resolutions duly passed by the boards of directors of Perisson approving this Agreement and the consummation of the transactions contemplated by this Agreement;
- (e) Perisson shall have performed and complied with all terms, covenants and conditions required by this Agreement to be performed or complied with by it on or before the Closing Date;
- (f) at the Closing Date, there shall have been no material adverse change or change in a Material Fact or a new Material Fact or an undisclosed Material Fact which might reasonably be expected to have a material adverse effect in the condition (financial or otherwise), capital, properties, assets, liabilities, earnings, profitability, prospects or business operations or prospects of Perisson from the date of the LOI;
- (g) if requested by Forent, Perisson shall deliver to Forent at Closing a favourable opinion of their solicitors (it being understood that such counsel may rely, to the extent appropriate in the circumstances, on local counsel opinions in jurisdictions other than Alberta, and as to matters of fact on a certificate(s) of a senior officer of Perisson) in form satisfactory to the solicitors for Forent acting reasonably;
- (h) all consents, approvals, orders and authorizations of any Persons or governmental authorities in Canada or elsewhere (or registrations, declarations, filings or records with any such authorities), including, without limitation, all such registrations, recordings and filings with such securities regulatory and other public authorities as may be required to be obtained by Perisson in connection with the execution of this Agreement, the Closing or the performance of any of the terms and conditions hereof, shall have been obtained on or before the Closing Date;
- (i) no act, action, suit, proceeding, objection or opposition shall have been taken against or affecting Perisson before or by any domestic or foreign court, tribunal or governmental agency or other regulatory or administrative agency or commission by any elected or appointed public official or private person in Canada or elsewhere, whether or not having the force of law and no law, regulation, policy, judgment, decision, order, ruling or directive (whether or not having the force of law) shall have been enacted, promulgated, amended or applied, which in the sole judgment of Forent, acting reasonably, in either case has had or, if the Amalgamation was consummated, would result in a material adverse change respecting Perisson or would materially impede the ability of the parties to complete the Amalgamation;
- (j) Perisson shall deliver, or cause to be delivered to Forent on or before the Closing Date such other certificates, agreements or other documents as may reasonably be required by Forent or their solicitors, acting reasonably, to give full effect to this Agreement; and
- (k) Forent shall have provided releases in favour of the directors and officers of Forent, in a form acceptable to Forent.

6.3 **Conditions Precedent to Obligations of Perisson.** The obligation of Perisson to complete the transactions contemplated hereunder shall be subject to the satisfaction of or compliance with, at or before the

Closing Date, each of the following conditions precedent (each of which is hereby acknowledged to be for the exclusive benefit of Perisson and may be waived by Perisson in writing, in whole or in part, on or before the Closing Date, except as otherwise set forth herein):

- (a) the representations, warranties and covenants of Forent made in or pursuant to this Agreement shall be true and correct in all material respects as at the Closing Date and with the same effect as if made at and as of the Closing Date (except as such representations and warranties may be affected by the occurrence of events or transactions expressly contemplated and permitted hereby that are not materially adverse and arise in the ordinary course of business) and Perisson shall have received certificates of Forent dated as at the Closing Date in form satisfactory to Perisson and its solicitors, acting reasonably, signed by a senior officer or director of Forent on behalf of Forent, certifying the truth and correctness in all material respects of the representations, warranties and covenants of Forent set out in this Agreement;
- (b) the Information Circular shall reflect the execution and delivery of Support Agreements in a form satisfactory to Perisson, acting reasonably, and that all the directors, officers and certain shareholders of Forent executing such agreements have covenanted to vote in favour of the Forent Amalgamation Resolution at the Forent Meeting;
- (c) Support Agreements shall have been provided by all the directors, officers and certain shareholders of Forent including, but not limited to Robyn Lore, Curtis Hartzler and W. Brett Wilson and Kerry Forgeron;
- (d) Forent shall have furnished Perisson with certified copies of (i) the resolutions duly passed by the boards of directors of Forent approving this Agreement and the consummation of the transactions contemplated by this Agreement and (ii) the resolutions duly passed by the Forent Shareholders approving the Forent Amalgamation Resolution;
- (e) Forent shall have performed and complied with all terms, covenants and conditions required by this Agreement to be performed or complied with by it on or before the Closing Date;
- (f) at the Closing Date, there shall have been no material adverse change or change in a Material Fact or a new Material Fact or an undisclosed Material Fact which might reasonably be expected to have a material adverse effect in the condition (financial or otherwise), capital, properties, assets, liabilities, earnings, profitability, prospects or business operations or prospects of Forent from the date of the LOI;
- (g) if requested by Perisson, Forent shall deliver to Perisson at Closing a favourable opinion of its solicitors (it being understood that such counsel may rely, to the extent appropriate in the circumstances, as to matters of fact on a certificate(s) of a senior officer of Forent and on a certificate(s) of Computershare Trust Company, the registrar and transfer agent of Forent) in form satisfactory to the solicitors for Perisson acting reasonably;
- (h) all consents, approvals, orders and authorizations of any Persons or governmental authorities in Canada or elsewhere (or registrations, declarations, filings or records with any such authorities), including, without limitation, all such registrations, recordings and filings with such securities regulatory and other public authorities as may be required to be obtained by Forent in connection with the execution of this Agreement, the Closing or the performance of any of the terms and conditions hereof, shall have been obtained on or before the Closing Date;
- (i) no act, action, suit, proceeding, objection or opposition shall have been taken against or affecting Forent before or by any domestic or foreign court, tribunal or governmental agency or other regulatory or administrative agency or commission by any elected or appointed public official or private person in Canada or elsewhere, whether or not having the force of law and no law, regulation, policy, judgment, decision, order, ruling or directive (whether or not having the force of law) shall have been enacted, promulgated, amended or applied, which in the sole judgment of Perisson, acting reasonably, in either case has had or, if the Amalgamation was consummated, would result in a material adverse change respecting Forent or would materially impede the ability of the parties to complete the Amalgamation;

- (j) all of the directors, officers, employees and consultants of Forent shall have resigned or been terminated on or before the Closing Date and no more than \$200,000 (which amount shall include any insurance payments to be paid) shall have been paid to such directors, officers, employees and consultants of Forent who are resigning or being terminated in connection with the Amalgamation;
- (k) the Tax Pool balances of Forent shall not be materially different at Closing from that represented hereunder;
- (l) the net debt of Forent, including off balance sheet items (which include, but are not limited to, abandonment costs, tax amounts, change of control payments and deal fees) including working capital, shall not be more than \$7,000,000 at Closing;
- (m) Forent shall not have declared nor paid any dividends or other distributions or returns of capital on Forent Shares from the date of this Agreement until the Closing Date;
- (n) Forent is a reporting issuer not in material default of any of the requirements of the securities legislation of the provinces of British Columbia and Alberta as at the Closing Date; and
- (o) Forent shall deliver, or cause to be delivered to Perisson on or before the Closing Date such other certificates, agreements or other documents as may reasonably be required by Perisson or its solicitors, acting reasonably, to give full effect to this Agreement.

6.4 Notice and Effect of Failure to Comply with Conditions.

- (a) Each of Perisson and Forent shall give prompt notice to the other of the occurrence, or failure to occur, at any time from the date hereof to the Effective Date of any event or state of facts which occurrence or failure would, or would be likely to, (i) cause any of the representations or warranties of such party contained herein to be untrue or inaccurate in any material respect, or (ii) result in the failure to comply with or satisfy any covenant, condition or agreement to be complied with or satisfied by any party hereunder; provided, however, that no such notification shall affect the representations or warranties of the parties or the conditions to the obligations of the parties hereunder.
- (b) If any of the conditions precedents set forth in Sections 6.1, 6.2 or 6.3 shall not be complied with or waived by the party or parties for whose benefit such conditions are provided on or before the date required for the performance thereof, then a party for whose benefit the condition precedent is provided may, in addition to any other remedies they may have at law or equity, rescind and terminate this Agreement as provided for in Section 7.1 hereof provided that prior to the filing of the Articles of Amalgamation, the party intending to rely thereon has delivered a written notice to the other party, specifying in reasonable detail all breaches of covenants, representations and warranties or other matters which the Party delivering such notice is asserting as the basis for the non-fulfillment of the applicable conditions precedent and shall provide in such notice that the other party shall be entitled to cure any breach of a covenant or representation and warranty or other matters within five (5) Business Days after receipt of such notice (except that no cure period shall be provided for a breach which by its nature cannot be cured and, in no event, shall any cure period extend beyond June 30, 2016. More than one such notice maybe delivered by a party.

ARTICLE VII TERMINATION OF AGREEMENT

7.1 **Rights of Termination.** If any of the conditions contained in Article 6 shall not be fulfilled or performed by either (i) May 31, 2016; or (ii) sixty (60) days after the date of this Agreement, whichever date is later, or such later date agreed to by the parties hereto (the "**Termination Date**") and such condition is contained in:

- (a) Section 6.1, either of the parties may terminate this Agreement by written notice to the other party;
- (b) Section 6.2, Forent may terminate this Agreement by written notice to Perisson; and
- (c) Section 6.3, Perisson may terminate this Agreement by written notice to Forent.

If Forent receives a Superior Merger Proposal, it may terminate this Agreement by written notice to Perisson.

If this Agreement is terminated as aforesaid, the party terminating this Agreement shall be released from all obligations under this Agreement, all rights of specific performance against such party shall terminate and, unless such party can show that the condition or conditions the non-performance of which has caused such party to terminate this Agreement were reasonably capable of being performed by the other party, then the other party shall also be released from all obligations hereunder; and further provided that any such conditions may be waived in full or in part by either of the parties without prejudice to its rights of termination in the event of the non-fulfillment or non-performance of any other condition.

7.2 Break Fee.

- (a) Forent agrees to pay Perisson (in cash upon the occurrence of such event) the amount of \$500,000 if prior to Closing, Forent completes a Merger Proposal or if, after the conditions in Section 6.1 and 6.2 have been met, Forent fails to complete the Amalgamation in accordance with the terms hereof.
- (b) Perisson agrees to pay Forent (in cash upon the occurrence of such event) the amount of \$500,000 if after the conditions in Section 6.1 and 6.3 have been met, Perisson fails to complete the Amalgamation in accordance with the terms hereof.

7.3 Notice of Unfulfilled Condition. If either of Forent or Perisson shall determine at any time prior to the Effective Date that it intends to refuse to consummate the Amalgamation or any of the other transactions contemplated hereby because of any unfulfilled or unperformed condition contained in this Agreement on the part of the other of them to be fulfilled or performed, Forent or Perisson, as the case may be, shall so notify the other of them forthwith upon making such determination in order that such other of them shall have the right and opportunity to take such steps, at its own expense, as may be necessary for the purpose of fulfilling or performing such condition within a reasonable period of time, but in no event later than the Termination Date.

7.4 Mutual Termination. This Agreement may, at any time before or after the holding of the Forent Meeting, but no later than the last Business Day immediately preceding the Effective Date, be terminated by mutual agreement of the directors of Forent and Perisson without further action on the part of the Forent Shareholders or the Perisson Shareholders, and, if the Amalgamation does not become effective on or before the Termination Date, either Forent or Perisson may unilaterally terminate this Agreement, which termination shall be effective upon a resolution to that effect being passed by its directors and notice thereof being given to the other of them.

**ARTICLE VIII
AMENDMENT**

8.1 Amendment. This Agreement may, at any time and from time to time before or after the passing of the Forent Amalgamation Resolution, be amended by written agreement of the parties without, subject to applicable laws, further notice to or authorization on the part of the Forent Shareholders and any such amendment may, without limitation:

- (a) change the time for performance of any of the obligations or acts of the parties;
- (b) waive any inaccuracies or modify any representation or warranty contained herein or in any document delivered pursuant hereto;
- (c) waive compliance with or modify any of the covenants herein contained and waive or modify performance of any of the obligations of the parties; or
- (d) waive compliance with or modify any other conditions precedent contained herein;

provided that no such amendment reduces or materially adversely affects the consideration to be received by a Forent Shareholder without approval by the Forent Shareholders, given in the same manner as required for the approval of the Amalgamation.

**ARTICLE IX
GENERAL**

9.1 **Confidentiality & Public Notices.** Except where compliance with this Section 9.1 would result in a breach of applicable law, notices, releases, statements and communications to Third Parties, including employees of the parties and the press, relating to transactions contemplated by this Agreement, shall be made only in such manner as shall be authorized and approved by the parties. Perisson and Forent shall maintain the confidentiality of any information received from each other in connection with the transactions contemplated by this Agreement. In the event that the issuance of the Amalco Shares provided for in this Agreement is not consummated, each party shall return any confidential schedules, documents or other written information to the party who provided same in connection with this Agreement. Forent agrees that it shall not, directly or indirectly, make reciprocal use for its own purposes of any information or confidential data relating to Perisson or Perisson's Business discovered or acquired by it, its representatives or accountants as a result of Perisson making available to it, its representatives and accountants, any information, books, accounts, records or other data and information relating to Perisson or Perisson's Business and Forent agrees that it shall not disclose, divulge or communicate orally, in writing or otherwise (directly or indirectly), any such information or confidential data so discovered or acquired by any other Person, except as otherwise set forth in the LOI. Perisson agrees that it shall not, directly or indirectly, make reciprocal use for its own purposes of any information or confidential data relating to Forent discovered or acquired by it, its representatives or accountants as a result of Forent making available to it, its representatives and accountants, any information, books, accounts, records or other data and information relating to Forent or Forent's Business and Perisson agrees that it shall not disclose, divulge or communicate orally, in writing or otherwise (directly or indirectly), any such information or confidential data so discovered or acquired to any other Person, except as otherwise set forth in the LOI.

9.2 **Notices.** All notices or other communications required to be given in connection with this Agreement shall be given in writing and shall be given by personal delivery, by registered mail or by transmittal by facsimile or other form of recorded communication addressed to the recipient as follows:

To Perisson:

200, 340 – 12 Avenue SW Calgary, AB T2R 1L5

Attention: Wayne Rousch
Facsimile No.: (403) 262-4351
Email: wrousch@perisson.com

with a copy to:

TingleMerrett LLP
1250, 639 5th Avenue S.W.
Calgary, Alberta T2P 0M9

Attention: Scott Reeves
Facsimile No.: (403) 571-8008
Email: sreeves@tinglemerrett.com

To Forent:

200, 340 – 12 Avenue SW
Calgary, AB T2R 1L5

Attention: Robyn Lore
Facsimile No.: (403) 262-4351
Email: rlore@forentenergy.com

with a copy to:

McLeod Law LLP
2110, 250 – 5th Street S.W.

Calgary, Alberta T2P 0R4

Attention: Bill Walker

Facsimile No.: (403) 271-1769

Email: wmwalker@mcleod-law.com

or to such other address, facsimile number or individual as may be designated by notice given by either party to the other. Any such communication given by personal delivery shall be conclusively deemed to have been given on the day of actual delivery thereof and, if given by registered mail, on the fifth (5th) Business Day following the deposit thereof in the mail and, if given by facsimile or other form of recorded or electronic communication, shall be deemed given and received on the date of such transmission if received during the normal business hours of the recipient and on the next Business Day if it is received after the end of such normal business hours on the date of its transmission. If the party giving any such communication knows or ought reasonably to know of any difficulties with the postal system which might affect the delivery of mail, any such communication shall not be mailed but shall be given by personal delivery or by facsimile or electronic transmittal.

9.3 **Expenses.** Except as otherwise provided herein, all costs and expenses (including, without limitation, the fees and disbursements of legal counsel) incurred in connection with this Agreement and the transactions contemplated hereby shall be paid by the party incurring such expenses.

9.4 **Time of the Essence.** Time shall be of the essence hereof.

9.5 **Further Assurances.** The parties hereto shall with reasonable diligence do all such things and provide all such reasonable assurances as may be required to consummate the transactions contemplated hereby, and each party shall execute and deliver such further documents, instruments, papers and information as may be reasonably requested by another party hereto in order to carry out the purpose and intent of this Agreement.

9.6 **Law and Jurisdiction.** This Agreement shall be governed by and construed in accordance with the laws of the Province of Alberta and the laws of Canada applicable therein. The parties hereby attorn to the non-exclusive jurisdiction of the Courts of Alberta in any dispute that may arise hereunder.

9.7 **Counterparts.** For the convenience of the parties, this Agreement may be executed in several counterparts, each of which when so executed shall be, and be deemed to be, an original instrument and such counterparts together shall constitute one and the same instrument (and notwithstanding their date of execution shall be deemed to bear date as of the date of this Agreement). A signed facsimile or electronically transmitted copy of this Agreement shall be effective and valid proof of execution and delivery.

9.8 **Entire Agreement.** This Agreement, including the Schedules attached hereto, together with the agreements and other documents to be delivered pursuant hereto, constitute the entire agreement between the parties pertaining to the subject matter hereof and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, of the parties (including, but not limited to, the LOI) and there are no warranties, representations or other agreements between the parties in connection with the subject matter hereof except as specifically set forth herein and therein. This Agreement may not be amended or modified in any respect except by written instrument signed by all parties.

9.9 **Severability.** The invalidity or unenforceability of any provision of this Agreement or any covenant herein contained shall not affect the validity or enforceability of any other provision or covenant hereof or herein contained, and this Agreement shall be construed as if such invalid or unenforceable provision or covenant were omitted.

9.10 **Enurement.** This Agreement shall be binding upon and shall inure to the benefit of and be enforceable by the successors and permitted assigns of the parties hereto.

9.11 **Waivers.** The parties hereto may, by written agreement:

- (a) extend the time for the performance of any of the obligations or other acts of the parties hereto;

- (b) waive any inaccuracies in the warranties, representations, covenants or other undertakings contained in this Agreement or in any document or certificate delivered pursuant to this Agreement; or
- (c) waive compliance with or modify any of the warranties, representations, covenants or other undertakings or obligations contained in this Agreement and waive or modify performance by any of the parties thereto.

9.12 **Form of Documents.** All documents to be executed and delivered by Perisson to Forent on the Closing Date shall be in form and substance satisfactory to Forent, acting reasonably. All documents to be executed and delivered by Forent to Perisson on the Closing Date shall be in a form and substance satisfactory to Perisson, acting reasonably.

9.13 **Construction Clause.** This Agreement has been negotiated and approved by counsel on behalf of all parties hereto and, notwithstanding any rule or maxim of construction to the contrary, any ambiguity or uncertainty shall not be construed against any party hereto by reason of the authorship of any of the provisions hereof.

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the date first written above.

PERISSON PETROLEUM CORPORATION

(signed) "Wayne Rousch"

Name: Wayne Rousch
Title: President

FORENT ENERGY LTD.

(signed) "Robyn H. Lore"

Name: Robyn H. Lore
Title: Chief Executive Officer

SCHEDULE "A"

RIGHTS, PRIVILEGES AND RESTRICTIONS OF AMALCO SHARE CAPITAL

SHARE STRUCTURE SCHEDULE

SCHEDULE OF SHARE CAPITAL

The Corporation is hereby authorized to issue an unlimited number of Class A Common Shares, an unlimited number of Class B Common Shares, and an unlimited number of Preferred Shares, having attached thereto the following rights, privileges, restrictions and conditions:

1. CLASS A COMMON SHARES

(a) Voting

The holders of Class A Common Shares shall be entitled to receive notice of, attend at and vote at all meetings of Shareholders on the basis of one (1) vote for each Class A Common Share held.

(b) Dividends

Subject to the rights of the holders of any class of shares ranking senior to the Class A Common Shares, the holders of the Class A Common Shares shall be entitled to receive and participate rateably in any dividends declared by the Board of Directors of the Corporation except in respect of such dividends as may be declared in favour of the holders of Class B Common Shares, Preferred Shares, or any other class of shares issued by the Corporation to the exclusion of the holders of Class A Common Shares. Holders of Class A Common Shares shall be entitled to receive dividends on the Class A Common Shares exclusive of any other shares of the Corporation. No dividend shall be declared or paid on Class A Common Shares in respect of entitlement to share in the remaining property of the Corporation in the event of the liquidation, dissolution or winding up of the Corporation or other distribution of assets or property for the purpose of winding up the affairs of the Corporation, if such declaration or payment would cause the realizable value of the assets of the Corporation to be less than the aggregate of:

- (i) its liabilities;
- (ii) the stated capital of all issued and outstanding shares of the Corporation; and
- (iii) the amount the Corporation would be required to pay on a complete redemption or purchase of any issued and outstanding redeemable preferred shares in the capital of the Corporation.

(c) Liquidation, Dissolution or Winding-up

Subject to the rights of the holders of any class of shares ranking senior to the Class A Common Shares, in the event of the liquidation, dissolution or

directors of Forent determines in good faith, after consultation with financial advisors, if consummated in accordance with its terms, would result in a transaction more favourable to its shareholders than the transaction contemplated hereby.

5. The undersigned acknowledges receipt of a copy of the LOI and the Amalgamation Agreement.
6. This Agreement shall be governed in all respects, including validity, interpretation and effect, by the laws of the Province of Alberta and the federal laws of Canada applicable therein, without giving effect to the principles of conflicts of laws thereof and the undersigned hereby irrevocably attorns to the jurisdiction of the Courts of the Province of Alberta in respect of any matter arising hereunder or in connection herewith.
7. The undersigned agrees not to make any public disclosure or announcement of or pertaining to this Agreement, the LOI or the Amalgamation Agreement, nor to disclose that any discussions or negotiations are taking place in connection therewith without the prior written consent of Perisson, except as required by law.
8. Time shall be of the essence of this Agreement.
9. This Agreement shall be binding upon, enure to the benefit of and be enforceable by the undersigned, Perisson and their respective successors and permitted assigns.
10. All references to Undersigned's Shares herein shall include any shares into which the Undersigned's Shares may be reclassified, subdivided, redivided, consolidated or convened by amendment to the articles of Forent.
11. This Agreement may be executed in counterparts and the parties shall be entitled to rely on delivery of a facsimile copy hereof which shall be legally effective to create a valid and binding agreement of the parties in accordance with the terms hereof.

Yours very truly,

PERISSON PETROLEUM CORPORATION

Per: _____

In consideration of your entering into this Agreement and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Shareholder hereby irrevocably accepts the foregoing as of _____, 2016.

Witness

Signature of Shareholder

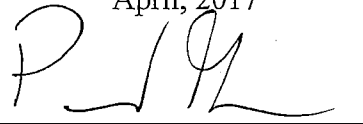
Name of Shareholder - please print

Number of Forent Shares
beneficially held or controlled

This is **Exhibit "K"** referred to in
the Affidavit of

Trina Holland

Sworn before me this 27th day of
April, 2017

A handwritten signature in black ink, appearing to read 'P. A. Grenon', written over a horizontal line.

Paul Anthony Grenon
Student-at-Law

A Commissioner for Oaths in and for Alberta

TRUST AGREEMENT

This Agreement made as of September 28, 2016.

BETWEEN:

FORENT ENERGY LTD.

("Forent")

and

PERISSON PETROLEUM CORPORATION

("Perisson")

WHEREAS:

By a Letter of Intent dated June 22, 2016 between Freemont Resources Ltd. ("Freemont"), as Vendor, and, Forent and 1957216 Alberta Ltd. ("1957216") (collectively the "Purchasers"), Freemont agreed to sell its entire right, title, estate and interest in and to the Ribstone, Alberta, and the Success, Saskatchewan, properties to the Purchasers on the terms set forth in the said Letter of Intent and in the following percentages:

Forent	10% undivided interest
1957216	90% undivided interest

By an Assignment dated July 15, 2016, Forent assigned, transferred, set over, conveyed and quitclaimed to Perisson all of its right, title, estate and interest of every nature and kind whatsoever that it ever had, now has or hereafter may have under and by virtue of the Letter of Intent dated June 22, 2016;

Loma Oil & Gas Ltd. ("Loma") is a co-owner with Freemont of certain interests in the said Ribstone, Alberta, and the Success, Saskatchewan, properties (the interests of Freemont and Loma in the said properties are hereinafter collectively referred to as the "Assets");

On July 27, 2016, the Purchasers and Freemont entered into a Purchase and Sale Agreement with respect to Freemont's interest in the Assets, and, on July 27, 2016, the Purchasers and Loma entered into a separate Purchase and Sale Agreement with respect to Loma's interest in the Assets (the said agreements are hereinafter collectively referred to as the "PSA's");

On March 7, 2016, Forent and Perisson entered into a definitive agreement pursuant to which they agreed to amalgamate under the *Business Corporations Act* (Alberta);

In pursuance of the said amalgamation agreement, Perisson has financed the acquisition of the Assets by Forent and has paid Forent's share of the Purchase Funds required by the PSA's to the Escrow Agent and Forent has agreed to hold the Assets in trust for Perisson;

On the Closing of the PSA's, Forent will become the registered owner of the Well Licences for all of the wells included in the Assets and will therefore incur extensive liabilities with respect to

the Deposits and other obligations that are necessary to meet the requirements of the Regulations of the Provinces of Alberta and Saskatchewan (specifically including the LLR directives) to approve transfers of the said Well Licences to Forent;

Based on the information that has been provided by the Alberta Energy Regulator and the Saskatchewan Oil and Gas Orphan Fund, the Parties agree that the total liabilities to be incurred by Forent as the result of it becoming the registered owner of the said Well Licences is in the sum of \$800,000.00;

The Parties acknowledge and agree that Perisson is solely and exclusively liable to Forent for the said \$800,000.00 liability that Forent will incur as the result of the Closing of the PSA's;

The Closing of the PSA's was originally set for September 22, 2016, but, by a Letter Agreement dated September 22, 2016, the Vendor and the Purchaser agreed that, in consideration of the payment by Perisson to the Vendors of the sum of \$20,000.00, the Closing Date was extended to September 29, 2016;

Perisson has directed Forent to Close the PSA's and, in return for Forent Closing the said transactions, Perisson has agreed to be liable to Forent for any and all claims whatsoever that Forent may incur as the result of the Closing by it of the said PSA's;

The Parties wish to acknowledge and reduce to writing the terms and conditions on which Perisson will be liable to Forent, and, on which Forent will hold the Assets to be acquired under the PSA's in trust for Perisson;

WITNESSETH THAT in consideration of the premises and mutual covenants contained herein and other good and valuable consideration, the Parties hereby agree as follows:

1. LIABILITY OF PERISSON

1.1 Without any limitation of and in addition to any other rights that Forent may have under this Agreement or otherwise howsoever, Perisson hereby:

- (a) accepts complete liability for any and all losses, costs, damages and expenses whatsoever, howsoever or whenever that Forent, its officers, directors, employees, insurers, successors and assigns, may suffer, sustain, pay or incur;
- (b) and, in addition, indemnifies and saves harmless Forent, its officers, directors, employees, insurers, successors and assigns, from and against any and all claims, actions and proceedings whatsoever, howsoever or whenever brought against them;

as a direct or indirect result of any matter or thing of every nature and kind whatsoever arising out of, resulting from, attributable to, or in connection with: (i) the Closing of the

above described PSA's by Forent at the request and direction of Perisson, or, (ii) the holding by Forent of the interest of Perisson in trust pursuant to Article 2 hereof. For further certainty, Perisson shall be liable for all costs, disbursements and expenses incurred by Forent and all legal fees on a solicitor and his own client (full indemnity) basis.

- 1.2 It is hereby specifically and expressly agreed that the liability of Perisson pursuant to this Article 1 shall survive the termination of the trust pursuant to Article 3.

2. TRUST BY FORENT

- 2.1 Forent hereby acknowledges and agrees that, upon the Closing of the PSA's, Forent shall hold legal title to Forent's share of the Assets as a bare Trustee for Perisson until such time as the amalgamation of Forent and Perisson is final, or, until such time as Perisson has complied with its obligations pursuant to Article 3 hereof.
- 2.2 Perisson shall, forthwith upon receipt of a request for payment of the funds required by Forent for its share of the operations to be conducted with respect to the Assets, pay the said funds to Forent. If Perisson does not pay the said funds in advance, Forent shall not be required to conduct any operations with respect to the Assets.
- 2.3 Perisson shall be entitled to the net proceeds accruing or arising from its interest in the Assets; provided however that Forent shall not be required to pay any monies to Perisson unless and until Perisson has complied with its obligations pursuant to Article 3 hereof and the Parties hereby specifically agree that Forent shall have the right to set-off the said net proceeds against the sum of \$800,000.00 payable by Perisson to Forent.

3. TERMINATION OF TRUST

- 3.1 If the amalgamation of Forent and Perisson has not been completed by December 30, 2016, Forent shall forthwith assign, transfer and convey its entire right, title, estate and interest in and to the Assets to Perisson.
- 3.2 If, for any reason whatsoever due to the conduct of Perisson, specifically including a failure by Perisson to meet the requirements of the Regulations, Perisson has not become the registered owner of the Well Licences for all of the wells included in the Assets on or before January 20, 2017, Perisson shall immediately and unconditionally pay the entire sum of \$800,000.00 to Forent.
- 3.3 As security for the payment of the said sum of \$800,000.00 to Forent, Perisson does hereby mortgage, charge and pledge to Forent all of its property of every nature and kind and wheresoever situate, specifically including its beneficial interest in the Assets, and, any property acquired after the date hereof, on the terms *mutatis mutandis* of the Perisson Petroleum Corporation Secured Convertible Debenture, Due Date: May 12, 2017

("Debenture"), with respect to the assets purchased from the Receiver of Bumper Development Corporation Limited and held in trust by Forent for Perisson pursuant to the April 19, 2016 Trust Agreement and a copy of the said Debenture is incorporated herein by reference.

4. ADDITIONAL PROVISIONS

- 4.1 All notices hereunder shall be in writing and shall be delivered personally or by courier to the following addresses for service of notices:

FORENT ENERGY LTD.
200, 340 – 12th Avenue S.W.
CALGARY, Alberta T2R 1L5

PERISSON PETROLEUM CORPORATION
200, 340 – 12th Avenue S.W.
CALGARY, Alberta T2R 1L5

- 4.2 This Agreement shall be governed by, subject to, construed and enforced in accordance with the laws of the Province of Alberta and the Parties hereby unconditionally submit and attorn to the jurisdiction of the courts of the Province of Alberta.
- 4.3 The recitals shall form an integral part of this Agreement.
- 4.4 The Parties shall do all further acts and execute and deliver all further documents that are reasonably required to give full force and effect to this Agreement.
- 4.5 This Agreement may be executed in counterpart and all executed pages taken together shall constitute one agreement. Communication of execution by fax transmission or by e-mailed PDF shall constitute good and valid execution.

In witness whereof the Parties hereto have signed, sealed and delivered this Agreement effective as of the date and year first above written.

FORENT ENERGY LTD.

Per:


Robyn Lore, President

PERISSON PETROLEUM CORPORATION

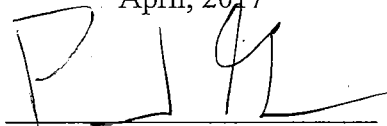
Per:


Wayne Rousch, President

This is **Exhibit "L"** referred to in
the Affidavit of

Trina Holland

Sworn before me this 27th day of
April, 2017

A handwritten signature in black ink, appearing to read 'PAG', written over a horizontal line.

Paul Anthony Grenon
Student-at-Law

A Commissioner for Oaths in and for Alberta

Alberta Energy Regulator
Liability Management Programs Results Report
Liability Run ID: 38032
Liability Run Date: April 01, 2017

Disclaimer:

Please note that the information posted on this Web site is provided solely for the convenience of licensees. The Liability Management Rating (LMR) provided for licensees reflects the results of a comparison of their deemed assets to their deemed liabilities for all Liability Management programs. This ratio is based on information reported to the AER and the calculation of deemed assets and deemed liabilities as specified in AER Directive: *006 Licensee Liability Rating (LLR) Program and Licence Transfer Process, Directive 024: Large Facility Liability Management Program (LFP) and Directive 075: Oilfield Waste Liability (OWL) Program.*

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Liability Management Rating (LMR)

Industry LMR Threshold:	1.00
Industry Average LMR:	4.47
Number of Licensees at or over Industry Threshold:	415
Number of Licensees below Industry Threshold:	341
Total Number of Licensees Evaluated:	756
Total Number of Licences/Approvals Evaluated:	345,873
Total Deemed Assets:	\$134,755,447,823.06
Total Deemed Liabilities:	\$30,153,252,594.78
Total Estimated Liabilities:	\$30,622,892,970.78
Total LMR Security Held:	\$239,640,361.95

Liability Management (LMR) Rating Summary

LMR Range	Number of Licensees	Number of Licences/ Approvals	Total Deemed Assets	Total Deemed Liabilities	LMR Value
0.00	231	1,785	\$181,315.64	\$154,098,144.77	0.00
0.01 - 0.49	43	2,782	\$61,667,508.68	\$219,672,800.36	0.28
0.50 - 0.99	67	4,843	\$321,672,808.65	\$432,698,957.19	0.74
1.00 - 1.49	123	26,416	\$2,538,864,282.74	\$2,107,018,515.52	1.20
1.50 - 1.99	59	69,460	\$8,698,988,064.31	\$4,792,658,951.27	1.82
2.00 - 2.99	84	77,023	\$14,460,237,388.41	\$6,164,449,014.63	2.35
3.00 - 3.99	44	112,614	\$33,207,621,146.44	\$10,183,184,061.36	3.26
4.00 - 4.99	24	9,306	\$4,674,388,145.94	\$1,103,401,280.58	4.24
5.00 - 5.99	14	3,535	\$2,576,911,892.17	\$475,870,196.39	5.42
6.00 - 6.99	10	1,543	\$929,898,052.15	\$144,530,790.10	6.43
7.00 - 7.99	11	7,277	\$7,566,998,076.72	\$983,703,852.11	7.69
8.00 - 8.99	8	493	\$301,233,933.56	\$36,836,720.00	8.18
9.00 - 9.99	6	7,559	\$8,734,288,499.35	\$923,080,799.23	9.46
10.00 or >	32	21,237	\$50,682,496,708.30	\$2,432,048,511.27	20.84

Liability Management Rating (LMR) Results

Licensee Name	Security On Hand	Security Adjusted LMR
1170778 Alberta Ltd. (A1ET)	*	0.59
1195714 Alberta Ltd. (A1R7)		17.60
1288131 Alberta Ltd. (A57K)		3.62
1316751 Alberta Ltd. (A2Y3)		0.00
1343358 Alberta Ltd. (A2TB)		1.00
1354465 Alberta Ltd. (A5G7)	*	0.94
1367290 Alberta Ltd. (A5F8)		1.00
1506928 Alberta Ltd. (A5WK)		3.73
1509178 Alberta Ltd. (A5XP)	*	1.14
155725 Canada Ltd. (0LD3)		2.60
1822916 Alberta Ltd. (A6X3)		2.01
1852797 Alberta ULC (A73D)		1.00
1885712 Alberta Ltd. (A76B)	*	1.00
1977715 Alberta Ltd. (A7EF)	*	1.00
258912 Alberta Ltd. (0DG1)	*	1.32
391138 Alberta Ltd. (0PE6)		2.74
410577 Alberta Limited (0NB3)	*	1.89
439 Oil Corp. (A098)	*	1.00
538080 Alberta Corporation (A07P)	*	1.51
545279 Alberta Limited (0PT6)	*	1.00
611890 Alberta Inc. (A5EF)		8.44
840586 Alberta Ltd. (0D6B)		1.38
935821 Alberta Ltd. (A2YM)	*	1.11
97837 Resources Ltd. (0W01)	*	1.04
979968 Alberta Ltd. (A6N9)	*	2.40
Accurate Energy Solutions Ltd. (A6NC)	*	0.65
Adanac Oil & Gas Limited (0FC1)	*	1.26
ADM Agri-Industries Company (A06P)	*	1.00
Advance Drilling Ltd. (0XG3)		1.00
Advantage Oil & Gas Ltd. (0TD9)		25.37
Aeneid Exploration Inc. (A79H)		5.63
Aeraden Energy Corp. (A79A)		1.08
Alberta Petroleum Energy Limited (0WZ4)		1.78
Alexander Oilfield Services Ltd. (0MK6)	*	1.00
Allstar Energy Limited (0B1F)	*	1.00
Altgas Holdings Inc. (A0WA)		3.40
AltaGas Ltd. (A0TK)		3.81
AltaGas Utilities Inc. (0190)	*	1.09
Altima Resources Ltd. (A669)		2.10
Altura Energy Inc. (A54P)		6.73
Amethyst Petroleums Ltd. (0HF7)	*	1.32
Andora Energy Corporation (A14L)	*	0.42
Andrich Resources Ltd. (0P92)		2.79
Anegada Oil Corp. (A789)	*	2.00
Anhydride Oil Corporation (0PY5)	*	0.53

Licensee Name	Security On Hand	Security Adjusted LMR
Annex Petroleum Inc. (A1EJ)		0.00
Anterra Energy Inc. (A2LN)	*	0.59
Anvil Geospatial Corporation (A5P5)		0.54
AOC (ELE) Corp. (A5PJ)		1.00
Apache Canada Ltd. (0JL8)		1.99
APL Oil & Gas (1998) Ltd. (0XN6)		1.57
Aqua Terra Water Management Inc. (0M7P)	*	0.99
ARC Resources Ltd. (0G30)		2.08
Area 2 Energy Ltd. (A79G)		0.98
Arrandale Resources Ltd. (0JC7)	*	1.00
Arrow Point Oil & Gas Ltd. (A5BL)		0.68
Artis Exploration Ltd. (A77W)		13.49
Artisan Energy Corporation (A6F2)	*	0.00
Ascensun Oil And Gas Ltd. (A6MY)	*	1.05
Ashanti Gold Corp. (A0WE)	*	0.80
Aspenleaf Energy Limited (A74X)		6.09
ATCO Energy Solutions Ltd. (0Z2W)	*	0.62
ATCO Gas And Pipelines Ltd. (0144)	*	1.76
Athabasca Oil Corporation (A28L)		15.52
Avalon Energy Ltd. (0KX6)		1.54
Axiom Oil and Gas Inc. (A71K)		1.57
Baccalieu Energy Inc. (A73C)		7.13
Baker Hughes Canada Company (A5MN)	*	1.00
Band Energy Resources Ltd. (A07M)		3.24
Barcomp Petroleum Ltd. (0LM7)		2.02
Barnwell of Canada, Limited (0J66)		1.35
Bashaw Oil Corp. (A6Y8)		0.95
Bay Trail Resources Ltd. (A5NZ)		1.79
Baytex Energy Ltd. (0RL9)		3.21
BDJ Energy Inc. (A611)		22.76
Bear Hills Industries Ltd. (0MM5)		1.39
Bearspaw Petroleum Ltd. (0NL1)		1.65
Beatton Energy Inc. (A4XG)	*	1.00
Beaver Lake Resources Corporation (0RW4)	*	1.02
Bek Holdings Ltd. (A52W)		1.00
Bellatrix Exploration Ltd. (A5E0)		10.33
Benjaka Exploration Inc. (A1C3)	*	0.98
Bering Exploration Company, ULC (A2XA)		5.90
Bernum Petroleum Ltd. (A5D6)		1.83
Berry Creek Resources Inc. (0PH1)	*	1.01
Big Lake Energy Ltd. (A67Z)	*	0.70
Birchcliff Energy Ltd. (A12R)		11.29
Birchill Canada Corp. (A6WF)		4.10
Birchwood Resources Inc. (A5YL)	*	1.00
Black Bear Management Corp. (0LJ6)		1.00
Black Diamond Energy Corporation (A0NE)	*	1.00
Black Seal Resources Corp. (A31H)		1.00

Licensee Name	Security On Hand	Security Adjusted LMR
Blackbird Energy Inc. (A698)	*	1.30
Blackhawk Resource Operating Corp. (A5CT)	*	1.20
Blackpearl Resources Inc. (A5GE)		3.64
Blackshale Resources Inc. (A6FP)	*	1.24
Blacksbur Oil Corp. (A6F7)		3.24
Blaze Energy Ltd. (0TX1)	*	1.02
Blendforce Energy Services Inc. (A2KX)	*	1.07
Blue Springs Energy Ltd. (0NT2)		1.68
Blue Star Energy Inc. (A774)	*	5.56
Bluestone Resources Inc. (0WC3)		0.00
BLZ Energy Ltd. (A30X)		2.76
Bonavista Energy Corporation (A5RX)		4.03
Bonterra Energy Corp. (0XZ4)		2.00
Border Petroleum Limited (A562)	*	0.64
Boulder Energy Ltd. (A73X)		3.77
Bounty Developments Ltd. (0HP8)	*	1.25
Bow River Energy Ltd. (A6N8)		1.24
BP Canada Energy Group ULC (A62D)	*	2.00
Brahma Resources Ltd. (A31A)		1.02
Brand S Resources Ltd. (0PM4)	*	1.00
Bridgeoil Corporation (A6AW)	*	0.56
Brion Energy Corporation (A5LH)	*	0.98
Broadview Energy Ltd. (A5TA)		8.40
Bruce Developments Limited (0EM5)		0.00
Bruderheim Energy Terminal Ltd. (A76J)	*	1.00
BRW Petroleum Corp. (A6E9)	*	2.75
Butte Energy Inc. (A61Z)		1.30
C Group Energy Inc. (A6YN)		2.36
Caiterra International Energy Corporation (A6AX)	*	0.94
Cal-Ranch Resources Inc. (0XG6)	*	1.00
Caledonian Royalty Corporation (A684)		1.45
Calgary Crude Oil Limited (0J61)	*	4.83
Calmark Resources Ltd. (0NR4)	*	0.89
Caltex Resources Ltd. (A60R)		3.53
Canada Northwest Energy Limited (0L99)	*	1.00
Canadian Coastal Resources Ltd. (0PD1)		1.00
Canadian Energy Services & Technology Corp. (A7C1)		5.75
Canadian Imperial Venture Corp. (A73J)	*	1.00
Canadian International Oil Operating Corp. (A5T7)		42.07
Canadian Natural Resources Limited (0HE9)		3.10
Canadian Oil & Gas International Inc. (A6L2)		0.58
Canadian-Montana Pipe Line Corporation (0958)	*	1.00
Canamax Energy Ltd. (A6LB)		2.90
Cancen Oil Processors Inc. (A214)	*	1.64
Canden Resources Ltd. (0MH8)	*	1.00
Cangild Resources Ltd. (0P42)	*	1.00
Cansearch Resources Ltd. (0PW8)		2.80

Licensee Name	Security On Hand	Security Adjusted LMR
Edson Anchors Ltd. (A2NH)	*	0.39
Elcano Exploration Inc. (A78J)	*	1.02
Elkhorn Petroleum Ltd. (A72N)	*	1.00
Elmdale Resources Ltd. (0LN1)	*	0.61
Ember Resources Inc. (A1H9)		2.08
Emerald Lake Energy Ltd. (A5YB)		9.95
Encana Corporation (0026)		3.63
Ener T Corporation (0HR9)		2.68
Energypita Energy Ltd. (A73W)		1.82
Energetic Logistics Services Inc. (A73E)	*	1.45
Enerplus Corporation (A5RD)		2.94
Eng-Land Energy Ltd. (0A1H)	*	1.07
Enhance Energy Inc. (A216)		1.40
Eni Canada Holding Ltd. (A5FG)	*	1.00
Entrada Resources Inc. (A7DT)		1.87
Envolve Energy Services Corp. (A6P8)	*	1.00
Essex Oil Corporation (A74K)		1.96
Executive Adventures 2008 Inc. (A6PA)		1.90
Exshaw Oil Corp. (A2DM)		11.30
ExxonMobil Canada Energy (0JT1)	*	1.00
ExxonMobil Canada Ltd. (0057)		1.36
ExxonMobil Canada Resources Company (A0NG)		2.75
Far West Energy Corp. (A6D0)	*	0.72
Fenway Exploration Ltd. (A70R)		0.00
Ferrybank Resources Ltd. (0HH4)	*	1.08
Ferus Inc. (A1Y8)		4.96
Ferus Natural Gas Fuels Inc. (A73H)	*	1.00
Firefly Resources Ltd. (0NB7)	*	1.03
Firenze Energy Ltd. (A1EZ)		1.86
Five O Oil & Gas Ltd. (A598)	*	0.44
Flow-Back Oil & Gas Ltd. (0F9Y)		1.35
Forent Energy Ltd. (0YE6)		1.27
Forge Oil & Gas Limited (A76A)		6.44
Formula Powell Trucking 2006 Ltd. (A73F)	*	1.12
Fort Calgary Resources Ltd. (A1JY)		1.32
Fortaleza Energy Inc. (A2JL)	*	1.00
Fortune Energy Inc. (0DM6)	*	1.23
Foxwood Resources Ltd. (A7BC)		1.03
Frank O'Sullivan Petroleum Western Ltd. (0EA3)		0.00
Free Rein Resources Ltd. (0KA2)	*	1.28
Freehold Royalties Ltd. (A68A)		1.83
G. Herman Group Inc. (A6DY)		1.06
G.N.E. Exploration Ltd. (0JA3)		0.00
Gamet Resources Ltd. (A309)		1.45
Gear Energy Ltd. (A2JR)		2.07
Genra One Resources Inc. (0EG2)	*	2.00
Geo. B. Ross Holdings Ltd. (A05H)	*	1.00

Licensee Name	Security On Hand	Security Adjusted LMR
Georox Resources Inc. (A5BH)		3.73
GEX Resources Ltd. (0BE8)	*	1.47
GFL Environmental Inc. (A78P)	*	1.00
Gibson Energy ULC (0195)	*	1.40
GL Petroleum Corporation (A70K)	*	1.00
Glen Isle Exploration Ltd. (0AA1)	*	1.00
Glencoe Resources Ltd. (0NM3)		1.13
Glenogle Energy Inc. (A52E)		3.74
Golden Spike Energy Inc. (A0M1)		1.06
Goldenkey Oil Inc. (A2K7)		3.32
Goodland Energy Ltd. (A1LY)		0.00
Grand Rapids Petroleum Ltd. (0XJ5)	*	1.58
Grandview Exploration Inc. (A2CC)		7.11
Granite Oil Corp. (A2PJ)		7.88
Graybeard Energy Ltd. (A1W3)	*	1.00
Greenview 16, M.D. Of (A6CE)	*	1.00
Grizzly Discoveries Inc. (A4XF)	*	1.00
Grizzly Holdings Inc. (0NJ3)	*	0.69
Grizzly Oil Sands ULC (A29X)		0.00
Grizzly Resources Ltd. (A0TX)		7.29
Gryphon Petroleum Corp. (A1BB)		2.28
Gulf Canada Limited (0002)		1.00
Gunnarr Resources Inc. (A5FY)	*	2.47
Halliburton Partners Canada ULC (A77Y)	*	1.02
Halo Exploration Ltd. (A6GH)	*	1.00
Hanna Oil & Gas Company - Canada ULC (A2BX)		1.09
Hard Rock Resources Ltd. (0ZK3)	*	1.51
Hardisty Cavems Ltd. (A04H)	*	1.12
Harlech Exploration Ltd. (0AR5)	*	1.00
Harvard International Resources Ltd. (0AF4)		1.92
Harvest Operations Corp. (0Z0H)		2.05
HBC Energy Ltd. (A77B)		1.85
Hell's Half-Acre Petroleum Corporation (A5ER)		3.29
Hemisphere Energy Corporation (A5E4)		4.59
HESC Energy Corporation (A6R6)		3.92
Hewitt Oil (Alberta) Ltd. (0E30)	*	1.00
High Ground Energy Inc. (A76H)		2.02
Highvale Operating Corp. (A69T)		1.36
Hillcrest Investments Ltd. (0A0Z)	*	0.52
Hillsdale Drilling Ltd. (0KF1)	*	1.43
Hitic Energy Ltd. (A697)		8.86
Horseshoe Bay Resources Limited (A1FR)		1.30
Houston Oil & Gas Ltd. (A74H)	*	1.01
Hua Wei Oil & Gas Ltd. (A5H8)	*	1.00
Huntington Exploration Inc. (A1HW)	*	1.07
Huron Resources Corp. (A6YG)		8.87
Husky Oil Operations Limited (0R46)	*	3.37

Licensee Name	Security On Hand	Security Adjusted LMR
Hutton Energy Ltd. (A6H2)	*	0.62
Iberdrola Canada Energy Services Ltd. (0C6G)		9.17
Ikkuma Resources Corp. (A5C4)		4.77
Imaginea Energy Corp. (A6Y2)		1.75
Imperial Oil Resources Limited (0007)		9.50
Inception Exploration Ltd. (A600)		1.61
Incipient Exploration Ltd. (A6MB)		1.24
Indra Oil & Gas Ltd. (0LJ4)		0.88
Innes Oilfield Services Ltd. (A725)	*	1.77
InPlay Oil Corp. (A6JK)		2.22
Insch Commodity Ltd. (A771)		1.25
Insignia Energy Ltd. (A1FX)		2.88
Inter Pipeline Ltd. (A6LA)		145.53
International Frontier Resources Corporation (A0P6)		1.40
Ironhorse Oil & Gas Inc. (A0B8)	*	1.00
Ish Energy Ltd. (0LN5)		1.08
Japan Canada Oil Sands Limited (0NY5)		2.34
Jast Energy Ltd. (A6LD)		1.59
Jaya Petroleum Ltd. (0KR5)	*	1.00
Jaycor Resources Inc. (0HC4)	*	3.22
Jayhawk Resources Ltd. (A276)		2.54
JBS Food Canada ULC (A6PZ)		1.00
Jixin Energy Inc. (A73G)		0.16
John Lake Disposal Ltd. (A2YA)	*	1.00
Joli Fou Petroleums Ltd (0AY2)	*	1.08
Jordan Energy Inc. (A1WH)	*	0.80
Joslyn Energy Development Incorporated (A29C)		1.00
Journey Energy Inc. (A2PH)		2.30
JRJ Energy Ltd. (A5RH)		1.17
Jupiter Resources Inc. (A6X1)		11.69
Just Freehold Energy Corp. (A2N1)		1.31
K+S Windsor Salt Ltd./K+S Sel Windsor Ltee (A6TK)	*	1.05
Kainai Energy Corp. (A6D6)		4.83
Kairos Resources (2011) Ltd. (A5TJ)		1.80
Kaisen Energy Corp. (A7H0)		3.16
Kaiser Exploration Ltd. (A1RN)	*	1.11
Kam's Sand Coating Ltd. (0LC7)	*	1.00
Kanata Energy Group Ltd. (A730)		1.28
Karve Energy Inc. (A7BT)	*	1.16
Kasten Energy Inc. (A5GJ)		1.02
Keek Inc. (A1RM)	*	1.41
Keles Production Company Ltd. (0R36)	*	1.00
Kelt Exploration Ltd. (A6D7)		4.40
Kerr-Mcgee Of Canada Northwest Ltd. (A1HX)	*	1.64
Keyera Energy Ltd. (A0C0)		3.80
KinMerc Oil & Gas Inc. (A2PZ)	*	1.00
Knol Resources Corp. (A13Z)	*	1.00

Licensee Name	Security On Hand	Security Adjusted LMR
Knowledge Energy Inc. (A2FG)		5.99
Koch Oil Sands Operating ULC (A2N2)	*	1.00
Kor Energy Inc. (A0CB)	*	0.27
Lance Exploration Corp. (A78R)		1.00
Land Petroleum International Inc. (0MM6)	*	1.00
Laricina Energy Ltd. (A1TY)	*	1.00
Leddy Exploration Limited (0359)	*	1.97
Leucrotta Exploration Inc. (A6XJ)	*	1.00
Lexin Resources Ltd. (0CW8)		0.28
LGX Oil + Gas Inc. (A6D5)	*	0.38
Little Rock Resources Ltd. (A7C6)		1.15
Lochfayne Resources Ltd. (0BM3)	*	1.00
Lockhart Energy Ltd. (A2J8)	*	1.00
Lockwood Resources Ltd. (0R64)		0.07
Logic Energy Ltd. (A67B)		1.27
Long Lake Energy Ltd. (A5MR)		0.77
Long Run Exploration Ltd. (A517)		1.51
Long Term Asset Management Inc. (A6JF)		1.88
Longshore Resources Ltd. (A76W)		2.03
Luxur Resources Inc. (A0NH)	*	0.97
Madalena Energy Inc. (A2K6)		1.00
Maguire Resources Ltd. (0EK3)	*	1.00
Malak Energy Inc. (A5EA)	*	1.94
Mancal Energy Inc. (0YT7)		6.15
Manitok Energy Inc. (A5M4)		3.00
Marathon Oil Canada Corporation (A6EN)		1.00
Marksmen Energy Inc. (A1RT)	*	0.24
Marlboro Energy Ltd. (A7BZ)		1.07
Marquee Energy Ltd. (A5EB)	*	1.35
Mato Inc. (0ZR6)		1.72
Maverick Resources Ltd. (A0BY)	*	1.48
Maverick Strategic Growth Fund (India) Ltd. (A6CX)	*	1.00
McLand Resources Ltd. (A6TW)		6.84
Medicine River Oil Recyclers Ltd. (0GZ6)	*	1.35
MEG Energy Corp. (0Z9C)		25.66
Meritage Midstream ULC (A78K)	*	1.00
Methanex Corporation (0L62)	*	1.00
Mika Resources Ltd (0M82)	*	0.91
Mistahiya Resources Ltd. (0JY1)		0.44
MMCI Energy ULC (A2R0)		1.00
Modern Resources Inc. (A6M8)		14.26
Montana Exploration Corp. (0A8C)		6.25
Mooncor Energy Inc. (A2BW)	*	1.00
Morumbi Capital Inc. (A5C3)	*	1.00
Mount Bastion Oil & Gas Corp. (A79R)		2.57
Mount Dakota Energy Corp. (A1D0)	*	0.39
Muddy Petroleum Company Ltd. (0Z1K)	*	1.49

Licensee Name	Security On Hand	Security Adjusted LMR
Murphy Oil Company Ltd. (0063)		8.02
Mutiny Oil & Gas Ltd. (0D64)		0.53
N-Solv Corporation (A78Y)		1.00
N7 Energy Ltd. (A73N)		1.06
Nakoda Oil and Gas Inc. (A6TX)		0.51
NAL Resources Limited (0TM9)		1.84
NEP Canada ULC (A637)		4.96
New North Resources Ltd. (0CZ4)		1.34
New Star Energy Ltd. (A68R)		3.45
Newalta Corporation (0DP2)	*	2.36
Newpark Canada Inc. (A71Y)		4.41
Nexen Energy ULC (A6LC)		4.22
Nextraction Energy Corp. (A5W8)		0.00
Niska Gas Storage Ltd. (A26Z)		11.91
Nomad Exploration Ltd. (A6F3)	*	1.03
Nor-Alta Energy Corporation (0BD9)	*	1.00
Nordegg Resources Inc. (A538)		4.38
North West Redwater Holdings Corp. (A6KE)	*	1.00
Northern Alberta Oil Ltd. (A176)	*	1.00
Northern Blizzard Resources Inc. (A5K1)	*	1.00
Northern Hunter Energy Inc. (A2CY)	*	0.37
Northern Utilities (sask.) Ltd. (0182)		1.74
Northpine Energy Ltd. (A1HL)	*	0.19
Northpoint Resources Ltd. (A6E4)	*	1.00
Norwegian Petroleum Inc. (A56D)		0.76
Notline Holdings Inc. (A778)		1.92
Nottingham Midstream Limited (A6RN)	*	1.00
Novagas Canada Ltd. (0TA4)	*	1.00
Novus Energy Inc. (A1RY)		1.36
NuVista Energy Ltd. (A0A7)		4.64
NVP Exploration Inc. (A6NT)		3.43
Nyrstar Myra Falls Ltd. (A6EH)	*	1.00
Nytis Exploration Company Inc. (A0NN)	*	1.05
Oak Point Energy Ltd. (A5X6)		1.00
Oculus Transport Ltd. (A77M)	*	1.00
Odin Capital Inc. (0X0X)	*	1.00
Ohana Resources Inc. (A6N5)	*	1.11
Oil Reserve Inc. (A625)	*	1.00
Omers Energy Inc. (A08E)		2.89
Omimex Canada, Ltd. (0P83)	*	0.99
Optimal Resources Inc. (A5Y7)	*	2.33
Optimus Energy Limited (0D84)		2.10
ORLEN Upstream Canada Ltd. (A2DE)		6.94
OSUM Oil Sands Corp. (A2FJ)	*	1.09
Osum Production Corp. (A6WN)		32.07
Ouro Preto Resources Inc. (A5HR)	*	1.03
Outlier Resources Ltd. (A72X)		2.32

Licensee Name	Security On Hand	Security Adjusted LMR
Owl River Resources Ltd. (0HM5)		1.93
Painted Pony Petroleum Ltd. (A53T)	*	2.16
Palmer Ranch (1984) Ltd. (0EW6)	*	1.00
Pamoco Resources Ltd. (A5WC)	*	1.00
Panam Energy Services Ltd. (A6CM)		3.14
Paramount Resources Ltd. (0AW4)		3.64
Pavilion Energy Corp. (A22M)	*	1.37
Pearson Resources Ltd. (0AN4)	*	1.00
Pele Energy Inc. (A71L)	*	1.14
Pembina Gas Services Ltd. (A5A3)		1.21
Pembina Marketing Ltd. (A59Y)	*	1.05
Pembina NGL Corporation (A68Y)		5.78
Pengrowth Energy Corporation (A5R5)		2.92
Penn West Petroleum Ltd. (0BP8)		1.61
Pennine Petroleum Corporation (A06M)	*	1.01
Perpetual Energy Inc. (A5KH)		2.47
Perpetual Operating Corp. (A1WD)		3.80
Persta Resources Inc. (A2D9)		53.99
Petebrook Investments Ltd. (0AZ6)	*	1.00
Petenco Resources Ltd. (0DH9)	*	1.05
Petro Buyers Inc. (A04D)		1.41
Petrocapita GP I Ltd. (A5K8)	*	1.03
PetroFrontier Corp. (A7D1)		1.00
Petroleo Resources Inc. (A62R)	*	1.05
Petromin Resources Ltd. (0YZ6)		0.23
Petrus Resources Corp. (A632)		3.49
Peyto Exploration & Development Corp. (0YA2)		13.00
Pine Cliff Energy Ltd. (A1GR)		1.45
Pipestone Oil Corp. (A7H5)		1.07
Pismo Energy Ltd. (A7BP)		1.95
Plains Midstream Canada ULC (A31G)		9.34
Pocahontas Petroleum Ltd. (0NK3)	*	1.00
Pocamc Enterprises Ltd. (0BN7)		0.00
Point Bar Resources Inc. (A7D0)		1.97
Point Loma Resources Ltd. (A662)		0.90
Polar Star Canadian Oil And Gas, Inc. (A59R)	*	1.10
Postnikoff Oilfield Services Inc. (A54J)	*	1.00
Potts Petroleum Inc. (0C9J)		2.26
Prairie Provident Resources Canada Ltd. (0T82)		1.81
Prairie Storm Energy Corp. (A7DF)		2.22
Precision Drilling Corporation (0Y52)	*	1.04
Precision Energy Services ULC (A18N)		1.00
Predator Oil Ltd. (A6CG)		2.03
Premier Petroleum Corp. (A60F)	*	0.82
Primrose Drilling Ventures Ltd. (0FL9)	*	1.05
Pritam Oil & Gas Ltd. (A1FN)	*	1.09
Pro-Pipe Service & Sales Ltd. (A709)	*	4.98

Licensee Name	Security On Hand	Security Adjusted LMR
Procyon Energy Corp. (A1NL)	*	0.73
Progress Energy Canada Ltd. (A0YZ)		4.07
Prospect Oil & Gas Management Ltd. (0MM8)		1.03
Prosper Petroleum Ltd. (A2R4)	*	1.33
PTTEP Canada Limited (A6H8)	*	1.10
Pure Oil & Gas Co Ltd (0T23)	*	1.03
Pursuit Energy Inc. (A0G7)	*	1.82
Q'Max Solutions Inc. (A728)	*	1.00
Quattro Exploration and Production Ltd. (A5CF)		0.77
Questerre Energy Corporation (0L3Z)		8.70
Questfire Energy Corp. (A5TC)		1.26
Raging River Exploration Inc. (A6TJ)		7.25
Raimount Oil and Gas Inc. (A7EX)		1.53
Rally Canada Resources Ltd. (A6EF)		1.18
Ramier Resources Ltd. (0W91)		3.37
Rampart Oil Inc. (A5MC)		17.63
Ranchwest Energy Ltd. (A0WL)	*	0.95
Range 3 Inc. (A6E3)		0.82
Razor Energy Corp. (A7DE)		1.00
Reber Exploration Ltd. (0ME3)	*	1.06
Reconn Resources Ltd. (0ZG8)	*	1.00
Recover Energy Services Inc. (A78G)	*	1.00
Redwater Energy Corp. (A5BF)		0.09
Regco Petroleums Ltd. (0FE8)	*	0.85
Regent Resources Ltd. (0NC3)		1.52
Relentless Resources Ltd. (A21Z)		2.27
Remedx Remediation Services Inc. (0XW8)	*	1.09
Renergy Petroleum (Canada) Co., Ltd. (A6MG)	*	1.00
Repsol Oil & Gas Canada Inc. (0039)		3.28
Reserve Royalty GP #2 Ltd. (A6Y0)		1.42
Resourceful Petroleum Canada Limited (A6GN)		1.86
Response Energy Corporation (0PG9)		2.79
Revel Resources Inc. (A6RL)	*	1.00
Revive Energy Corp (0A7H)		1.36
Ribbon Creek Resources Inc. (0Z3G)		1.93
Richards Oil & Gas Limited (A1B5)		0.13
Ridal Resource Ltd. (0TP8)	*	1.18
Ridgeback Resources Inc. (A7G2)		3.57
Ridgeway Petroleum Corp. (0PK4)	*	0.80
Rife Resources Ltd. (0DZ7)		2.76
Rifle Shot Oil Corp. (A71X)		2.67
Rimfire Energy Inc. (A5NW)		8.28
Rising Star Resources Ltd. (A7CZ)		1.54
Rivera Resources Ltd. (A5J6)	*	1.02
RJ Oil Inc. (A723)	*	1.00
RKSmith Energy Corp. (A6TE)		1.16
RMP Energy Inc. (A1CL)		5.44

Licensee Name	Security On Hand	Security Adjusted LMR
Rock Star Resources Ltd. (ORN8)	*	1.00
Rockbridge Energy Alberta Inc. (A544)	*	0.80
Rockeast Energy Corp. (A6M1)		9.21
Rockwood Resources Ltd. (0HN5)	*	0.03
Rocky Layman Energy Inc. (0YE4)	*	1.00
Rocky River Petroleum Ltd. (A213)	*	1.21
Rolling Hills Energy Ltd. (A6W2)		3.29
RON Resources Ltd. (A5AD)	*	1.15
Roswell Petroleum Corporation (A61W)	*	1.94
Rustum Petroleums (1993) Limited (0PW3)	*	1.00
Rustum Petroleums Limited (0EK5)		6.43
Sabre Energy Ltd. (0HZ8)		6.66
Saddlebrook Industrial Park Ltd. (0GG3)	*	1.00
Sage Oil & Gas Inc. (0K3F)	*	1.00
Sahara Energy Ltd. (A1R3)	*	1.54
Samoth Oilfield Inc. (A56R)	*	1.00
Sandpoint Resources Inc. (0C4R)		2.77
Sanford Petroleum Ltd. (0NA9)		5.43
SanLing Energy Ltd. (A7AZ)	*	1.15
Scavenger Energy Gp Inc. (A1R8)	*	0.43
SCCC Petroleum Corporation (A70J)	*	1.00
Schlumberger Canada Limited (0M07)	*	1.02
Scollard Energy Ltd. (A78E)		1.32
Scotia Oils Limited (0DK9)	*	1.00
Second Wave Petroleum Inc. (A20X)	*	0.69
Secure Energy Services Inc. (A267)	*	4.95
Seller's Oilfield Service Ltd. (0M62)	*	1.09
SemCAMS ULC (A1YD)		1.02
Sequoia Operating Corp. (A7H2)		2.44
Sequoia Resources Corp. (0Z5F)		1.09
Serafin Resources Inc. (0RG3)		2.23
Seven Generations Energy Ltd. (A54C)		42.38
Shackleton Exploration Ltd. (0A8E)		4.73
Shale Petroleum Ltd. (A75H)		2.97
Shalex Corporation (A61J)	*	0.95
Shaman Energy Corporation (0GY4)		2.01
Shanghai Energy Corporation (A770)		3.71
Shanpet Resources Ltd. (0PP7)	*	0.93
Sharata Resources Limited (0KL6)	*	1.00
Shell Canada Limited (0T03)		7.61
Shield Energy Ltd. (A6YC)		5.55
Shiningstar Energy Ltd. (A62Y)		2.51
Sifton Petroleum Inc. (A727)		2.28
Signa Oilfield Canada Inc. (A750)	*	0.97
Signalta Resources Limited (0R89)		1.69
Siksika Energy Resources Corporation (0M4H)	*	1.53
Silver Bay Resources Ltd. (0KC1)	*	1.47

Licensee Name	Security On Hand	Security Adjusted LMR
Silver Blaze Energy Ltd. (0KB2)	*	0.66
Silver Peak Industries Ltd. (A18E)	*	1.98
Sino-Western Petroleum, Inc. (A61F)	*	0.25
Sinopec Daylight Energy Ltd. (A6GD)		2.46
Sintana Energy Inc. (A6WR)		0.00
Sitka Exploration Ltd. (A63R)		3.65
Softrock Minerals Ltd. (0RY8)	*	1.00
Sogar Resources Ltd. (0NX1)		1.99
Sojourn Energy Inc. (A5GZ)	*	1.00
Sonoma Resources Ltd. (A21P)		1.03
South Ridge Management Ltd. (0HL7)		1.62
Southern Pacific Resource Corp. (A2DG)		0.00
Spartan Energy Corp. (0RA7)	*	1.57
Spectra Energy Midstream Corporation (A1KN)		1.43
Sphere Energy Corp. (0WP5)		1.39
Sprocket Energy Corporation (A7HD)		3.19
Spry2 Energy Inc. (A6DG)		3.26
Spur Petroleum Ltd. (A7GR)		2.96
Standard Exploration Ltd. (A5Y5)		2.97
Starchild Energy Systems Ltd. (0DH6)	*	1.00
Statoil Canada Ltd. (A327)	*	1.00
Steel Reef Infrastructure Corp. (A6KL)		1.00
Steen Resources Ltd. (0M72)	*	1.00
Steppe Petroleum Inc. (A6NF)		1.01
Sterling Resources Ltd. (0RM2)		1.00
Stewart & Stevenson Canada Inc. (A2RR)	*	1.03
Stockwork Properties Ltd. (0EN3)	*	2.06
Stonewater Resources Inc. (0TF8)		3.20
Storm Resources Ltd. (A5MM)	*	1.07
Stormhold Energy Ltd. (A5RG)	*	0.39
Strata Oil & Gas Inc. (A22T)	*	1.00
Strategic Oil & Gas Ltd. (A524)		1.59
Strath Resources Ltd. (A7GW)		5.07
Strong Energy Resources Ltd. (A22X)		2.33
Success Energy Ltd. (A6PL)	*	0.03
Success Resources Ltd. (A50K)		1.12
Summerland Energy Inc. (A5MT)		1.98
Sun Century Petroleum Corporation (0RZ4)		2.03
Sun Star Energy Inc. (A61N)		0.36
Suncor Energy Inc. (0054)	*	43.19
Sunshine Oilsands Ltd. (A2TF)		2.81
Superman Resources Inc. (0CP8)		2.15
Surat Energy Inc. (0ND1)		1.37
Surge Energy Inc. (0YK4)		2.23
Surmont Energy Ltd. (A6CA)		1.00
Sutton Energy Ltd. (0M9E)	*	0.92
Swan Hills Synfuels Ltd. (A31K)	*	1.00

Licensee Name	Security On Hand	Security Adjusted LMR
Sydco Energy Inc. (A543)		1.03
T & E Oils Ltd. (0TW6)	*	0.74
Taber Water Disposal Inc. (0YH8)	*	0.46
Taku Gas Limited (0NG8)		1.12
Tall Pine Drilling Ltd. (0A7C)		1.00
Tallahassee Resources Inc. (A63N)	*	1.79
Tamarack Acquisition Corp. (A5TT)		2.65
Tanager Energy Inc. (A6HG)	*	2.50
Tandem Energy Corporation (A148)	*	1.00
Tangle Creek Energy Ltd. (A5WA)		7.66
TAQA North Ltd. (A2TG)		2.20
Teck Resources Limited (A64M)	*	0.02
Teine Energy Ltd. (A5L8)	*	1.10
Tenax Energy Inc. (A49K)	*	1.00
Tenth Avenue Petroleum Corp. (A26C)	*	4.81
Teric Power Ltd. (A6P0)	*	0.69
Tero Oilfield Services Ltd. (0WM3)	*	1.01
Tervita Corporation (0NZ1)	*	5.99
Tetreau & Associates Ltd. (0DL2)		2.91
TexAlta Industries Ltd. (A695)	*	1.00
The Locke Stock & Barrel Company Ltd. (0Z3H)	*	1.12
The Paddon Hughes Development Co. Ltd. (0D74)	*	1.11
Thoroughbred Energy Ltd. (A306)		2.63
Tiamat Resources Inc. (0C8Z)	*	1.00
Tians Oil Ltd. (0L3C)	*	1.08
Tidewater Midstream and Infrastructure Ltd. (A74Y)	*	2.57
TimberRock Energy Corp. (A16J)		3.90
Top Oil Production Ltd. (A5N0)		2.22
Topanga Resources Ltd. (A772)		0.53
Topeka Energy Inc. (0FN7)		0.00
TORC Oil & Gas Ltd. (A5RJ)		7.67
Tori Resources Inc. (A628)		2.91
Toro Oil & Gas Ltd. (A00J)		1.60
Total E&P Canada Ltd. (0N3A)	*	1.27
Tourmaline Oil Corp. (A573)	*	12.78
Tower Ridge Enterprises Corp. (A64Y)		1.07
Town Of Smoky Lake (0217)	*	1.00
Town Of Valleyview (0287)	*	1.00
Transaction Oil & Gas Ventures Inc. (A0DT)	*	1.01
TransCanada Energy Ltd. (0NPM)		10.26
Transglobe Energy Corporation (0YH6)		3.53
Traverse Energy Ltd. (0F9L)		4.39
Tri-Ment Corporation Ltd. (0WY2)	*	1.01
TRI-PEC Resources Ltd. (A6KA)	*	1.00
Triaxon Oil Operations Ltd. (A5K5)		1.06
Trident Exploration (Alberta) Corp. (A663)		2.01
Trident Exploration (wx) Corp. (A6RF)		1.76

Licensee Name	Security On Hand	Security Adjusted LMR
Trilogý Resources Ltd. (A1C9)		4.01
Triple Five Intercontinental Group Ltd. (A6WA)		20.48
Trooper Oil & Gas Limited (0NA7)	*	4.89
Twin Butte Energy Ltd. (A23L)		1.84
Tykewest Limited (A1M4)		1.76
Unit 18 Corp. (0HE4)		1.45
Valparaiso Energy Inc. (0XG1)	*	1.00
Value Creation Inc. (A11W)	*	1.13
Velvet Energy Ltd. (A5YK)		7.21
Venturion Oil Limited (A6BY)		8.07
Veresen Midstream General Partner Inc. (A734)		13.32
Vermillion Energy Inc. (A6FW)		3.92
Vesta Energy Ltd. (A0L1)		3.26
View Mont Estates Ltd. (0KM6)	*	1.60
Village Of Boyle (0385)	*	1.00
Virginia Hills Oil Corp. (A72J)		3.12
Viridian Inc. (0487)	*	1.00
Vista Resources Inc. (0B2C)	*	1.00
Vital Energy Inc. (A6YL)	*	2.19
Vulture Energy Ltd. (A56X)		2.94
W W Becker Oil and Gas Ltd. (0R48)	*	1.00
Wabash Mfg. Inc. (0FN6)		0.00
Warwick Gas Storage Ltd. (A68H)	*	0.83
Weil Group Canada, Ltd. (A6RZ)	*	1.00
Welleco Ventures Ltd. (A50D)		0.00
Wescan Energy Corp. (A590)		1.73
West Isle Energy Inc. (0RZ8)		0.15
West Star Oil & Gas Co. Ltd. (0TW5)	*	3.00
Westbrick Energy Ltd. (A5WB)		21.50
Westdrum Energy Ltd. (0EE3)		1.48
Westhill Resources Limited (0T49)		0.72
White Owl Energy Services Inc. (A70G)	*	1.00
White Swan Environmental Ltd. (A6T6)	*	1.00
Whitecap Resources Inc. (A5BE)		5.07
Whitehall Energy Ltd. (0A5Y)		4.07
Whitemud Creek Resources Ltd. (A2KE)		4.28
Wilcox Energy Corp. (A5YX)		1.09
Wild Rose Energy Ltd. (A5TP)		1.48
Wildcat Rentals Ltd. (A5EN)	*	0.96
Windtalker Energy Corp. (A5YY)		2.89
Winslow Resources Inc. (A172)		1.80
Winstar Resources Ltd. (0TR9)	*	1.00
WLA Investment Ltd. (A65J)		5.13
Wolf Coulee Resources Inc. (A16L)		1.30
Writers Oil & Gas Limited (0TR5)		4.94
XS Energy Ltd. (A707)	*	1.00
XTO Energy Canada ULC (A6GB)		5.35

Licensee Name	Security On Hand	Security Adjusted LMR
Yangarra Resources Corp. (0LN7)		5.38
Yoho Resources Inc. (A1B6)		2.38
Zargon Oil & Gas Ltd. (OMP9)		1.32
Zeal Energy Inc. (A612)		1.42
ZNX Energy Ltd. (A5B0)		13.27
Zoneda Energy Ltd. (A62G)	*	1.00

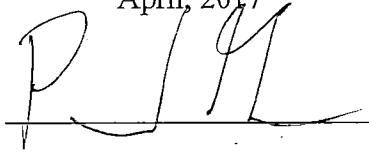
* indicates security held under a Liability Management Program

End of Report

This is **Exhibit "M"** referred to in
the Affidavit of

Trina Holland

Sworn before me this 27th day of
April, 2017

A handwritten signature in black ink, appearing to read 'P. A. Grenon', written over a horizontal line.

Paul Anthony Grenon
Student-at-Law

A Commissioner for Oaths in and for Alberta



Forent Energy Ltd. Announces Termination of Amalgamation

NOT FOR DISTRIBUTION TO UNITED STATES NEWSWIRE SERVICES OR FOR DISSEMINATION IN THE UNITED STATES

CALGARY, ALBERTA (March 17, 2017) – Forent Energy Ltd. ("**Forent**" or the "**Corporation**") (TSXV: FEN) announced today that it has received notice from Perisson Petroleum Corporation ("POG") that it will not be proceeding with the previously announced amalgamation with Forent. The amalgamation was first announced on March 7, 2016 and was intended to close by year-end 2016 at the latest. A key condition of the amalgamation was that POG was to raise \$40 million in new equity. As they have failed to raise that amount, Perisson considers the Amalgamation Agreement to have expired.

Forent reserves all available legal remedies to compensate for POG's failure to honour the terms of the Amalgamation Agreement. The board of directors of Forent has established an independent committee to investigate strategic alternatives for the Company. Forent also announced that Brad Perry, Forent's CFO has tendered his resignation and that Greg Florence CPA, CMA has been hired as contract CFO, effective immediately.

FOR FURTHER INFORMATION, PLEASE CONTACT:

FORENT ENERGY LTD.

Curtis Hartzler, President and CEO
Email: chartzler@forentenergy.com
Phone: (403) 262-9444 Ext 204

Web: www.forentenergy.com

ADVISORY: This release includes certain statements that may be deemed "forward-looking statements". All statements in this release, other than statements of historical facts, that address future production, reserve potential, exploration drilling, exploitation activities and events or developments that the Company expects are forward-looking statements. Although the Company believes the expectations expressed in such forward looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. Factors that could cause actual results to differ materially from those in forward looking statements include market prices, exploitation and exploration successes, continued availability of capital and financing, and general economic, market or business conditions. Investors are cautioned that any such statements are not guarantees of future performance and those actual results or developments may differ materially from those projected in the forward-looking statements. The forward-looking statements

contained in this news release are made as at the date of this news release and the Corporation does not undertake any obligation to update publicly or to revise any of the included forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by applicable securities laws. For more information on the Company, Investors should review the Company's registered filings which are available at www.sedar.com.

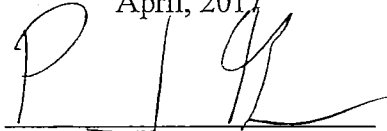
This news release shall not constitute an offer to sell or the solicitation of any offer to buy, nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful. The securities offered have not been and will not be registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or applicable exemption from the registration requirements of the U.S. Securities Act and applicable state securities laws.

NEITHER THE TSX VENTURE EXCHANGE NOR ITS REGULATION SERVICES PROVIDER (AS THAT TERM IS DEFINED IN THE POLICIES OF THE TSX VENTURE EXCHANGE) ACCEPTS RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THIS RELEASE.

This is **Exhibit "N"** referred to in
the Affidavit of

Trina Holland

Sworn before me this 27th day of
April, 2017

A handwritten signature in black ink, appearing to read 'P. A. Grenon', written over a horizontal line.

Paul Anthony Grenon
Student-at-Law

A Commissioner for Oaths in and for Alberta



Blake, Cassels & Graydon LLP
Barristers & Solicitors
Patent & Trade-mark Agents
855 - 2nd Street S.W.
Suite 3500, Bankers Hall East Tower
Calgary AB T2P 4J8 Canada
Tel: 403-260-9600 Fax: 403-260-9700

Ryan Zahara
Dir: 403-260-9628
ryan.zahara@blakes.com

April 13, 2017

Reference: 81518/131

VIA HAND DELIVERY

Forent Energy Ltd.
Suite 200, 340 – 12th Avenue SW
Calgary, AB T2R 1L5

Attention: Brad Perry, Chief Financial Officer

Dear Sir:

Re: Demand for Payment

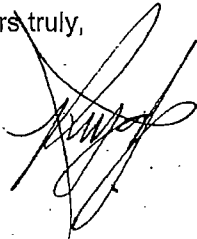
As counsel to Alberta Treasury Branches (the "Lender"), we hereby advise Forent Energy Ltd. (the "Borrower") as follows:

1. Capitalized terms used herein have the meanings given to them in the Commitment Letter (defined below) unless otherwise noted.
2. Reference is made to the following:
 - (a) a commitment letter dated July 31, 2015 and accepted on August 14, 2015 between the Lender and Borrower, as amended by a letter dated May 20, 2016, a letter dated August 16, 2016, a first amending agreement dated January 6, 2017 and a second amending agreement dated February 27, 2017 (as amended, restated, supplemented or otherwise modified to the date hereof, the "Commitment Letter"); and
 - (b) a general security agreement dated October 3, 2013 granted by the Borrower in favour of the Lender, as amended by an amending agreement between the Borrower and Lender dated December 15, 2016 (the "Security").
3. Pursuant to section 3 of the Commitment Letter, the Borrower agreed to repay any amounts owing thereunder to the Lender upon demand.

Blakes

4. Accordingly, the Lender hereby immediately demands payment from the Borrower of the total amount owing under the Commitment Letter, which as of April 13, 2017 is \$6,806,697.98 (the "**Outstanding Indebtedness**"), plus, without limitation, all interest accruing thereon at the rates determined in accordance with the Commitment Letter, all accrued interest and all legal and professional fees, costs, charges, disbursements and expenses incurred by the Lender, and any other amounts whatsoever, which may be claimed by the Lender under the Commitment Letter, the Security and any other document relating thereto, including without limitation all legal costs incurred on a solicitor-client basis in respect of enforcing the Lender's rights under the Commitment Letter and the Security.
5. If the Borrower fails to make payment of the Outstanding Indebtedness by way of certified cheque, bank draft or other immediately payable funds by no later than 5:00 p.m. Calgary time on April 23, 2017, the Lender will take such lawful steps to recover the Outstanding Indebtedness owing to it as it considers appropriate including, but not limited to, pursuing all of the Lender's rights and remedies against the Borrower under the Commitment Letter and the Security.
6. We enclose a Notice of Intention to Enforce Security delivered pursuant to section 244 of the *Bankruptcy and Insolvency Act* (Canada) together with a form to facilitate the Borrower's waiver of the notice period referred to therein if it chooses to permit the same.

Yours truly,



Ryan Zahara
CHNG

c: Client

Blakes

Form 86

NOTICE OF INTENTION TO ENFORCE SECURITY
(Section 244 of the Bankruptcy and Insolvency Act)

TO: Forent Energy Ltd., an insolvent person (the "Debtor")

Take notice that:

Alberta Treasury Branches (the "Lender"), pursuant to a:

- (i) commitment letter dated July 31, 2015 and accepted on August 14, 2015 between the Lender and Debtor, as amended by a letter dated May 20, 2016, a letter dated August 16, 2016, a first amending agreement dated January 6, 2017 and a second amending agreement dated February 27, 2017 (as amended, restated, supplemented or otherwise modified to the date hereof, the "Commitment Letter"); and
- (ii) general security agreement dated October 3, 2013 granted by the Debtor in favour of the Lender (the "Security");

intends to enforce its Security over all of the Collateral (as defined in the Security).

As at April 13, 2017, the total amount of indebtedness under the Commitment Letter secured by the Security is \$6,806,697.98, plus all accrued interest and all legal and professional fees, costs, charges, disbursements and expenses incurred by the Lender, and any other amounts whatsoever, which may be claimed by the Lender under the Commitment Letter, the Security and any other document relating thereto, including without limitation all legal costs incurred on a solicitor-client basis in respect of enforcing the Lender's rights under the Commitment Letter and the Security.

The Lender will not have the right to enforce the Security until after the expiry of the 10-day period after this notice is sent unless the Debtor consents to an earlier enforcement.

DATED at Calgary, Alberta, this 13th day of April, 2017.

BLAKE, CASSELS & GRAYDON LLP, Agents and Solicitors for the Lender

per: 

Name: Ryan Zahara

Title: Barrister and Solicitor



WAIVER

Forent Energy Ltd. hereby waives the notice period provided for under Section 244(2) of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, as amended, and consents to the immediate enforcement by the Lender of the Security described above.

DATED at Calgary, Alberta this ___ day of _____, 2017.

By: _____
Name:
Title:



Blake, Cassels & Graydon LLP
Barristers & Solicitors
Patent & Trade-mark Agents
855 - 2nd Street S.W.
Suite 3500, Bankers Hall East Tower
Calgary AB T2P 4J8 Canada
Tel: 403-260-9600 Fax: 403-260-9700

April 13, 2017

Ryan Zahara
Dir: 403-260-9628
ryan.zahara@blakes.com

VIA HAND DELIVERY

Reference: 81518/131

1883222 Alberta Ltd.
Suite 200, 340 - 12th Avenue SW
Calgary, AB T2R 1L5

Attention: Brad Perry, Chief Financial Officer

Dear Sir:

Re: Demand for Payment

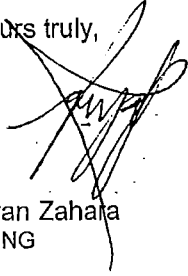
As counsel to Alberta Treasury Branches (the "Lender"), we hereby advise 1883222 Alberta Ltd. (the "Guarantor") as follows:

1. Capitalized terms used herein have the meanings given to them in the Commitment Letter (defined below) unless otherwise noted.
2. Reference is made to the following:
 - (a) a commitment letter dated July 31, 2015 and accepted on August 14, 2015 between the Lender and Forent Energy Ltd. (the "Borrower"), as amended by a letter dated May 20, 2016, a letter dated August 16, 2016, a first amending agreement dated January 6, 2017 and a second amending agreement dated February 27, 2017 (as amended, restated, supplemented or otherwise modified to the date hereof, the "Commitment Letter");
 - (b) an unlimited continuing guarantee (including postponement and assignment of claims) dated January 20, 2017 granted by the Guarantor in favour of the Lender in respect of the Borrower's indebtedness under the Commitment Letter (the "Guarantee"); and
 - (c) a general security agreement dated February 28, 2017 granted by the Guarantor in favour of the Lender (the "Security").
3. Pursuant to the terms of the Guarantee, the Guarantor agreed to guarantee any amounts owing by the Borrower to the Lender under the Commitment Letter. Moreover, under section 11 of the Guarantee, the Guarantor agreed to pay such amounts to the Lender upon demand.

Blakes

4. Accordingly, the Lender hereby immediately demands payment from the Guarantor under the Guarantee of the total amount owing by the Borrower under the Commitment Letter, which as of April 13, 2017 is \$6,806,697.98 (the "**Outstanding Indebtedness**"), plus, without limitation, all interest accruing thereon at the rates determined in accordance with the Commitment Letter, all accrued interest and all legal and professional fees, costs, charges, disbursements and expenses incurred by the Lender, and any other amounts whatsoever, which may be claimed by the Lender under the Commitment Letter, the Guarantee, the Security and any other document relating thereto, including without limitation all legal costs incurred on a solicitor-client basis in respect of enforcing the Lender's rights under the Commitment Letter, the Guarantee and the Security.
5. If the Borrower fails to make payment of the Outstanding Indebtedness by way of certified cheque, bank draft or other immediately payable funds by no later than 5:00 p.m. Calgary time on April 23, 2017, the Lender will take such lawful steps to recover the Outstanding Indebtedness owing to it as it considers appropriate including, but not limited to, pursuing all of the Lender's rights and remedies against the Guarantor under the Guarantee and the Security.
6. We enclose a Notice of Intention to Enforce Security delivered pursuant to section 244 of the *Bankruptcy and Insolvency Act* (Canada) together with a form to facilitate the Borrower's waiver of the notice period referred to therein if it chooses to permit the same.

Yours truly,



Ryan Zahara
CHNG

c: Client



WAIVER

1883222 Alberta Ltd. hereby waives the notice period provided for under Section 244(2) of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, as amended, and consents to the immediate enforcement by the Lender of the Security described above.

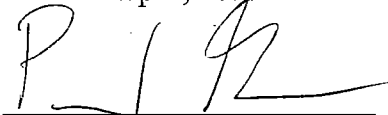
DATED at Calgary, Alberta this ___ day of _____, 2017.

By: _____
Name:
Title:

This is **Exhibit "O"** referred to in
the Affidavit of

Trina Holland

Sworn before me this 27th day of
April, 2017

A handwritten signature in black ink, appearing to read 'P. A. Grenon', written over a horizontal line.

Paul Anthony Grenon
Student-at-Law

A Commissioner for Oaths in and for Alberta

**Continuing Guarantee
(Including Postponement and Assignment of Claims)**

TO: ALBERTA TREASURY BRANCHES

IN CARE OF:

Calgary Stephen Avenue Center, 102 - 8th Avenue SW, Calgary, Alberta, T2P 1B3

IN CONSIDERATION of Alberta Treasury Branches (hereafter sometimes called "ATB " or "you") extending credit to or otherwise dealing or continuing to deal with

Forent Energy Ltd. (hereafter called "the Customer"),
the undersigned (jointly and severally if more than one) hereby guarantees unconditionally and promises to pay to ATB or order all existing and future debts and liabilities of the Customer to ATB, whether such debts and liabilities are direct or indirect or by way of guarantee or otherwise, whether incurred alone or with another or others, whether heretofore or hereafter incurred, whether voluntarily or involuntarily incurred, whether due or not due, and whether absolute, inchoate, contingent, liquidated or unliquidated, and including, without limitation, interest accrued or to accrue on all such debts and liabilities at the same rate or rates payable by the Customer, both before and after default, maturity, and judgment, whether such judgment be obtained against the Customer and the undersigned or any of them.

The undersigned (jointly and severally if more than one) further covenants and agrees with ATB as follows:

1. Without further authorization from or notice to the undersigned you may grant credit to or otherwise deal or continue to deal with the Customer from time to time, either before or after revocation hereof, in such manner, upon such terms and for such time as you may deem best, and with or without notice to the undersigned you may alter, compromise, accelerate, extend or change the time or manner for the payment by the Customer or by any person or persons liable to you of any of the debts and liabilities hereby guaranteed, increase or reduce the interest rate thereon, release or add one or more guarantors or endorsers, accept additional or substituted security or release or subordinate any security. No exercise or non-exercise by you of any right hereby given you, no dealing by you with the Customer or any guarantor or endorser, no change, impairment or suspension of any right or remedy you may have against any person or persons shall in any way affect any of the undersigned's obligations hereunder or any security furnished by the undersigned or give the undersigned any recourse against you. No loss of or in respect of any securities received by you from the Customer or any other person, whether occasioned by your fault or otherwise, shall in any way limit or lessen the liability of the undersigned under this guarantee.
2. This shall be a continuing guarantee and shall cover and secure any ultimate balance owing to you by the Customer, but you shall not be obliged to take any action or exhaust your recourse against the Customer, any other guarantor hereunder or under any other guarantee agreement, or against any other person, firm or corporation, or under any securities you may hold at any time, nor to value such securities, before requiring or being entitled to payment from the undersigned of all debts and liabilities hereby guaranteed; PROVIDED always that the undersigned (or any of them, if more than one hereunder) may determine his further liability under this continuing guarantee by thirty (30) days' notice in writing to you, and the liability hereunder of such undersigned shall continue until the expiration of thirty (30) days after the giving of such notice, and after the expiration of such notice such undersigned shall remain liable under this guarantee in respect of any sum or sums of money owing to you as aforesaid on the date such notice expired, together with interest thereafter at the rate or rates payable by the Customer on such sum or sums; if there is more than one undersigned hereunder, a notice by one undersigned under this clause shall not affect the liability of any other undersigned under this guarantee.

ATB Financial[™]

3. If the undersigned is a corporation registered, incorporated, or continued under the *Business Corporations Act* (Alberta) the corporation will comply with all notice requirements at the times and in the manner as required under Section 45 (previously section 42) of the *Business Corporations Act* (Alberta).
4. When this guarantee is delivered to a lending officer of ATB, it shall be deemed to be finally executed and delivered by the person or persons signing the same and shall not be subject to or affected by any promise or condition affecting or limiting the (or any of the) undersigned's liability except as set forth herein, and no statement, representation, agreement or promise on the part of any officer, employee or agent of ATB, unless contained herein, forms any part of this guarantee or has induced the making thereof or shall be deemed in any way to affect the liability of the undersigned or any of the undersigned hereunder.
5. No alteration or waiver of this guarantee or of any of its terms, provisions or conditions shall be binding on ATB unless made in writing over the signature of the President and CEO, Chief Operating Officer or Chief Credit Officer of ATB.
6. Until all indebtedness of the Customer to you has been paid in full, the undersigned shall not have any right of subrogation or to securities held by ATB, unless expressly given to the undersigned in writing by the President and CEO, Chief Operating Officer or Chief Credit Officer of ATB.
7. You shall be at liberty (without in any way prejudicing or affecting your rights hereunder) to appropriate any payment made or monies received hereunder to any portion of the debts and liabilities hereby guaranteed whether then due or to become due, and from time to time to revoke or alter any such appropriation, all as you shall from time to time in your uncontrolled discretion see fit.
8. No change in the name, objects, share capital, business, membership, directors' powers, organization or management of the Customer shall in any way affect the obligations of the undersigned either with respect to transactions occurring before or after any such change, it being understood that where the Customer is a partnership or corporation, this guarantee is to extend to the person or persons or corporation for the time being and from time to time carrying on the business now carried on by the Customer, notwithstanding any change or changes in the name or membership of the Customer's firm or in the name of a corporate Customer, and notwithstanding any reorganization of a corporate Customer, or its amalgamation with another or others or the sale or disposal of its business in whole or in part to another or others.
9. Where the Customer is a corporation or partnership or any entity, you shall not be concerned to see or inquire into the powers of the Customer or its directors, partners or agents acting or purporting to act on its behalf, and credit in fact obtained from you in the professed exercise of such powers shall be deemed to form part of the debts and liabilities hereby guaranteed even though the borrowing or obtaining of such credit was irregularly, fraudulently, defectively or informally affected, or in excess of the powers of the Customer or of the directors, partners or agents thereof.
10. The statement in writing from time to time by a lending officer or account manager of ATB where any of the Customer's accounts are kept, or of a Vice-President of ATB, as to the debts and liabilities of the Customer to you and covered by this guarantee shall be received as prima facie evidence as against the undersigned that such amount is at such time so due and payable to you and is covered hereby.
11. The undersigned shall have a continuing current liability to ATB under this guarantee to the extent of the debts and liabilities of the Customer to ATB from time to time, provided however that for the purpose of the Limitations Act of Alberta or any similar legislation, the undersigned shall not be in breach of this guarantee and no cause of action against the undersigned shall arise hereunder unless and until ATB has served written demand upon the undersigned to pay or otherwise observe or perform his obligations under this guarantee and the undersigned has failed to do so promptly following service of such demand.
12. Upon the bankruptcy or winding up or other distribution of assets of the Customer or of any surety or guarantor for any indebtedness of the Customer to you, your rights shall not be affected or impaired by your omission to prove your claim or to prove your full claim and you may prove such claim as you see fit and may refrain from proving any claim, and in your discretion you may value as you see fit or refrain from valuing any security or securities held by you without in any way releasing, reducing or otherwise affecting any undersigned's liability to you, and until all indebtedness of the Customer to you has been fully paid to you, you shall have the right to include in your claim the amount of all sums paid by the undersigned to you under this guarantee and to prove and rank for such sums paid by the undersigned and to receive the full amount of all dividends in respect thereto, all of the same being hereby assigned and transferred to you. The undersigned shall not be released from liability if recovery from the Customer,

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any other guarantor (including any other guarantor under this guarantee) or any other person becomes barred by any Statute of Limitations or is otherwise prevented.

13. The undersigned will file all claims against the Customer in any bankruptcy or other proceeding in which the filing of claims is required by law upon any indebtedness of the Customer to the undersigned and will assign to you all of the undersigned's rights thereunder. If the undersigned does not file any such claim, you, as attorney in fact of the undersigned, are hereby authorized to do so in the name of the undersigned or in your discretion to assign the claim to you or your nominee and cause proof of claim to be filed in your name or the name of your nominee. In all such cases, whether in administration, bankruptcy or otherwise, the person or persons authorized to pay such claim shall pay to you or your nominee the full amount payable on the claim in the proceeding before making any payment to the undersigned, and to the full extent necessary for that purpose the undersigned hereby assigns to you all the undersigned's rights to any payments or distributions to which the undersigned otherwise would be entitled. If the amount so paid is greater than the indebtedness of the Customer to you then outstanding, you are authorized to pay the amount of the excess to the person entitled thereto.
14. All your rights, powers and remedies hereunder and under any other agreement now or at any time hereafter in force between you and the undersigned shall be cumulative and not alternative and shall be in addition to all rights, powers and remedies given to you by law. If you hold one or more other guarantees executed by the undersigned in respect of the Customer, the amount of the undersigned's liability under such other guarantee or guarantees shall be in addition to the undersigned's liability under this guarantee.
15. In case of default you may maintain an action upon this guarantee against the undersigned (or any one or more of the undersigned) whether or not the Customer is joined therein or separate action is brought against the Customer or judgment obtained against him. Your rights are cumulative and shall not be exhausted by the exercise of any of your rights hereunder or otherwise against the undersigned (or any one undersigned if more than one hereunder) or by any number of successive actions until and unless all debts and liabilities hereby guaranteed have been paid and each of the undersigned's obligations hereunder has been fully performed.
16. The undersigned shall pay to you on demand (in addition to all debts and liabilities of the Customer hereby guaranteed) all costs, charges and expenses (including, without limitation, lawyers' fees as between solicitor and his own client on a full indemnity basis) incurred by you for the preparation, execution, perfection and enforcement of this guarantee and of any securities collateral thereto, together with interest calculated from the date of payment by you of each of such costs, charges and expenses until payment by the undersigned hereunder at a floating rate per annum equal to 3% above the prime lending rate established by you from time to time.
17. Should any one or more provisions of this guarantee be determined to be illegal or unenforceable, all other provisions nevertheless shall remain effective.
18. Any notice or demand which you may wish to give may be served on the undersigned either personally on him, or his legal personal representative or in the case of a corporation on any officer or director of the corporation, or by sending the same by registered mail in an envelope addressed to the last known place of address of the person to be served as it appears on your records, and the notice so sent shall be deemed to be served on the second business day following that on which it is mailed. Any notice which the undersigned may wish to give you shall be served personally on the Manager or acting Manager of the Alberta Treasury Branch at the address specified on the first page of this guarantee.
19. This guarantee shall be construed in accordance with the laws of the Province of Alberta and in any action thereon the undersigned shall be estopped from denying the same; any judgment recovered in the Courts of such Province against any undersigned or his executors, administrators, legal personal representatives, successors and/or assigns shall be binding on him and them. The undersigned accepts and submits to the jurisdiction of the courts of the Province of Alberta in respect of this guarantee.
20. Any word herein contained importing the singular number shall include the plural and vice versa, and any word importing gender shall include the masculine, feminine and neuter gender, and any word importing a person shall include a corporation and a partnership and any entity, in each case as the context requires or permits.
21. This guarantee and agreement on the part of the undersigned shall extend to and enure to your benefit and the benefit of your successors and assigns and shall be binding on the undersigned (jointly and severally if more than one hereunder) and on his (or on each of their) executors, administrators, legal personal representatives, successors and assigns.

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22. POSTPONEMENT AND ASSIGNMENT OF CLAIMS: All indebtedness, present and future, of the Customer to the undersigned (and each of the undersigned if more than one) together with each and every security therefor is hereby assigned to you and postponed to the present and future debts and liabilities of the Customer to you, and all monies received from the Customer or for its account by the undersigned shall be by him received in trust for you, and forthwith upon receipt paid over to you until the Customer's debts and other liabilities to you are fully paid and satisfied, all without prejudice to and without in any way limiting or lessening the liability of the undersigned (or any of them if more than one) to you under this guarantee.

IN WITNESS WHEREOF the undersigned has executed this guarantee under seal, this 20 day of January, 2017

1883222 Alberta Inc.

Per: 

Per: 

Robyn Lowe

ATB Financial™

Guarantees Acknowledgment Act Certificate

I HEREBY CERTIFY THAT:

1. _____, of _____, in the Province of Alberta, the guarantor (or one of the guarantors) in the guarantee dated the _____ day of _____, made between _____ and ALBERTA TREASURY BRANCHES which this certificate is attached to or noted upon, appeared in person before me and acknowledged that he _____ had executed the guarantee.

2. I satisfied myself by examination of him _____ that he is _____ aware of the contents of the guarantee and understands it.

CERTIFIED by _____, (print name), Lawyer, at the _____ of _____, in the Province of Alberta, this _____ day of _____, 20 _____.

SIGNATURE

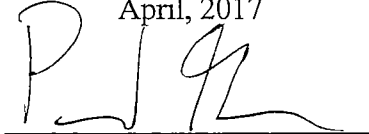
Statement of Guarantor

I am the person named in this certificate.

This is **Exhibit "P"** referred to in
the Affidavit of

Trina Holland

Sworn before me this 27th day of
April, 2017

A handwritten signature in black ink, appearing to read 'P. A. Grenon', written over a horizontal line.

Paul Anthony Grenon
Student-at-Law

A Commissioner for Oaths in and for Alberta

GENERAL SECURITY AGREEMENT
Commercial

TO: Alberta Treasury Branches
("ATB")

BRANCH: 600, 444-7th Avenue SW, Calgary, Alberta T2P 0X8

FROM: FORENT ENERGY LTD. (the "Debtor")

1. DEFINITIONS

All capitalized terms used in this Agreement and in any schedules attached hereto shall, except where defined herein, be interpreted pursuant to their respective meanings when used in the *Personal Property Security Act* (the "PPSA") of the province or territory referred to in the "Governing Law" section of this Agreement (the "Province") and any regulations issued thereunder.

2. SECURITY INTEREST AND CHARGE

- (a) As general and continuing collateral security for the payment and performance of all debts, liabilities and obligations of the Debtor to ATB howsoever arising, both present and future, absolute and contingent, direct and indirect, matured or not, and whether the Debtor be bound alone or jointly or severally with others (the "Indebtedness"), the Debtor hereby assigns and grants a mortgage, pledge, charge and security interest (which, in the case of any real property and any other Collateral not subject to the PPSA, shall be a mortgage as and by way of a floating charge) to and in favour of ATB in all property, assets and undertaking of the Debtor referred to in Schedule "A" (including all such property, assets and undertaking owned or leased by or licensed to the Debtor and in which the Debtor at any time has an interest or to which the Debtor is or at any time may become entitled) and in all Proceeds and renewals thereof, accessions thereto and substitutions therefor (herein collectively called the "Collateral").
- (b) The assignments, mortgages, pledges, charges, security interests and floating charges (if applicable) granted hereunder are hereinafter collectively called the "Security Interests". The Debtor warrants and acknowledges to and in favour of ATB that:
- (i) the Debtor has rights in all existing Collateral and the parties intend the Security Interest hereby created in any of the Debtor's existing property which is subject to the PPSA to attach upon execution and delivery hereof;
 - (ii) the parties intend the Security Interest created in any of the Debtor's after-acquired property which is subject to the PPSA to attach at the same time as it acquires rights in the after-acquired property; and
 - (iii) value has been given.
- (c) For greater certainty, where the Collateral includes all of the Debtor's present and after-acquired personal property, and any of such Collateral is or becomes located on lands or premises leased or subleased by the Debtor, the Collateral includes the Debtor's interest as tenant or lessee under any and all of such leases and subleases of the lands or premises.
- (d) The last day of any term reserved by any lease or agreement to lease is excepted out of the Security Interest and does not form part of the Collateral, but the Debtor shall stand possessed of such last day in trust to assign the same to any person acquiring such term.

- (e) If the grant of the Security Interest in respect of any contract, lease, agreement to lease, license, permit, approval or intellectual property right would result in the termination or breach of such contract, lease, agreement to lease, license, permit, approval or intellectual property right, then the applicable contract, lease, agreement to lease, license, permit, approval or intellectual property right will not be subject to the Security Interest but will be held in trust by the Debtor for the benefit of ATB and, on exercise by ATB of any of its rights under this Agreement following Default, assigned by the Debtor as directed by ATB.

3. CONTINUOUS INTEREST

The Security Interest hereby created is a continuing charge, and shall secure all Indebtedness notwithstanding that the Indebtedness may be fluctuating and even may from time to time and at any time be reduced to a nil balance, and notwithstanding that monies advanced may be repaid and future advances may be made to or to the order of the Debtor or in respect of which the Debtor is liable. The Security Interest maintains priority for all Indebtedness secured hereby whether incurred or arising before or after the creation or registration of any Encumbrance (as hereinafter defined) and notwithstanding that at any time there may not be any Indebtedness then outstanding.

4. AUTHORIZED DEALING WITH COLLATERAL

Until Default, or until ATB provides written notice to the contrary to the Debtor, the Debtor may deal with the Collateral in the ordinary course of the Debtor's business in any manner not inconsistent with the provisions of this Agreement, provided that the Debtor shall not, without the prior written consent of ATB:

- (a) sell, exchange, lease, transfer or otherwise dispose of any of the Collateral other than inventory being sold, leased or disposed of for fair market value in the ordinary course of the Debtor's business as it is presently conducted and for the purpose of carrying on that business, or
- (b) create, incur or permit to exist any security interest, mortgage, lien, claim, charge or other encumbrance (herein collectively called the "Encumbrances" and individually, an "Encumbrance") upon any of the Collateral whether it would rank or purport to rank in priority to, equally with or behind the Security Interest granted under this Agreement, except operating leases incurred in the ordinary course of the Debtor's business.

Nothing in this Agreement or otherwise creates a postponement or subordination of any priority of ATB in any of the Collateral in favour of any present or future holder of an Encumbrance (including without limitation, a holder of a lease) in any of the Collateral.

If the Collateral comprises any Investment Property, Chattel Paper, Instrument, Money or Document of Title, the Debtor will, forthwith upon request, deliver the same to ATB and will allow ATB to retain possession of the same. If the Collateral comprises any Investment Property that is a Certificated Security, the Debtor will, upon request, deliver to ATB all Security Certificates relating to such Certificated Security endorsed in blank. If the Collateral comprises any Investment Property that is an Uncertificated Security or a Security Entitlement, the Debtor, on request by ATB, will, or will cause the issuer of such Investment Property to, or will cause the Securities Intermediary that holds such Investment Property to, take all steps as are necessary to give exclusive control (as that term is used in the PPSA) over such Investment Property to ATB on terms and conditions satisfactory to ATB.

5. REPRESENTATIONS AND WARRANTIES OF THE DEBTOR

The Debtor hereby represents and warrants to ATB that:

- (a) the Collateral is owned by the Debtor free of all Encumbrances, save for those Encumbrances agreed to in writing between ATB and the Debtor and those shown on Schedule "B" hereto;
- (b) each Account, Chattel Paper and Instrument constituting Collateral is enforceable in accordance with its terms against the party obligated to pay the same (the "Account Debtor") and the amount represented by the Debtor to ATB from time to time as owing by each Account Debtor will be the correct amount actually and unconditionally owing from such Account Debtor, except for normal cash discounts where applicable;

- (c) as at the date hereof, the description of the Collateral in Schedule "A" hereto is complete and accurate, and, if so requested by ATB, all serial numbers and vehicle identification numbers affixed to or ascribed to any of the Collateral have been provided to ATB;
- (d) the Debtor has full power and authority to conduct its business and own its properties in all jurisdictions in which the Debtor carries on business, except to the extent any failure to do so would not reasonably be expected to have a material adverse effect on its business, operations or financial condition or impair its ability to perform its obligations hereunder, and has full power and authority to grant to ATB the Security Interest created under this Agreement and to execute, deliver and perform all of its obligations under this Agreement;
- (e) this Agreement has been duly executed and delivered by the Debtor and constitutes a legal, valid and binding obligation of the Debtor, subject only that such enforcement may be limited by bankruptcy, insolvency and any other similar laws of general application affecting creditors' rights generally and by rules of equity limiting enforceability by specific performance;
- (f) there is no provision in any agreement to which the Debtor is a party, nor is there any statute, rule or regulation, or to the knowledge of the Debtor any judgment, decree or order of any court, binding on the Debtor which would be contravened by the execution and delivery of this Agreement;
- (g) there is no litigation, proceeding or dispute pending, or to the knowledge of the Debtor threatened, against or affecting the Debtor or the Collateral, the adverse determination of which might materially and adversely affect the Debtor's business, financial condition or operations or impair the Debtor's ability to perform its obligations hereunder or affect the priority of the Security Interest created hereunder or affect the rights and remedies of ATB hereunder;
- (h) the name of the Debtor is accurately and fully set out below, and the Debtor is not nor has it been known by any other name other than as set out below;
- (i) as at the date hereof, the Collateral is located in the Province and such other jurisdictions indicated on Schedule "A" hereto. With respect to Goods (including Inventory) constituting Collateral, the locations specified in Schedule "A" are accurate and complete save for Goods in transit to such locations and Inventory on lease or consignment; and all buildings, fixtures or Goods about to become fixtures and all crops and all oil, gas or other minerals to be extracted and all timber to be cut which forms part of the Collateral will be situate at one of such locations. For certainty, the Security Interests attach to all Collateral, wherever located, whether or not in jurisdictions indicated on Schedule "A" hereto;
- (j) the Collateral does not consist of Consumer Goods;
- (k) the Collateral, except as previously communicated to ATB in writing, does not consist of Goods that are of a kind that are normally used in more than one jurisdiction; and
- (l) the Debtor's place of business, or if more than one place of business, the Debtor's chief executive office, is located in the Province (unless otherwise advised to ATB in writing).

6. COVENANTS OF THE DEBTOR

The Debtor hereby covenants with ATB that:

- (a) the Debtor owns and will maintain the Collateral free of Encumbrances, except those agreed to in writing between ATB and the Debtor and those described in Schedule "B" hereto, or hereafter approved in writing by ATB prior to their creation or assumption, and will defend its title to the Collateral for the benefit of ATB against the claims and demands of all persons;
- (b) the Debtor will maintain the Collateral in good condition and repair and will not allow the value of the Collateral to be materially impaired and will permit ATB or such person as ATB may from time to time appoint to enter into any premises during business hours and on reasonable prior notice (or at such other time as may be reasonably requested by ATB or such person) where the Collateral may be kept to view its condition;

- (c) the Debtor will conduct its business in a proper and business-like manner and will keep proper books of account and records of its business, and upon request will furnish access to its books and records at all reasonable times, and will give to ATB any information which it may reasonably require relating to the Debtor's business;
- (d) the Debtor will punctually pay all rents, taxes, rates and assessments lawfully assessed or imposed upon any property or income of the Debtor and will punctually pay all debts and obligations to labourers, workers, employees, contractors, subcontractors, suppliers of materials and other creditors which, when unpaid, might under applicable federal, provincial, state or other laws have priority over the Security Interest granted by this Agreement;
- (e) the Debtor will punctually make all payments and perform all of its obligations under any contracts under which any material Collateral is held or to which it is subject;
- (f) the Debtor will immediately give notice to ATB of:
 - (i) any change in the location of the Collateral from that specified in Section 5(i) hereof;
 - (ii) the details of any material acquisition or disposition of Collateral (whether authorized by ATB or not), including any additions to or deletions from the listing of serial numbers and vehicle identification numbers specified in Schedule "A" hereto;
 - (iii) any material loss of or damage to Collateral;
 - (iv) the details of any claims or litigation that could adversely affect the Debtor or the Collateral in any material way;
 - (v) any change of its name or of any trade or business name used by it;
 - (vi) any change of its place of business, or if it has more than one place of business, of its chief executive office; and
 - (vii) any merger or amalgamation of the Debtor with any person;

and the Debtor agrees not to effect or permit any of the changes referred to in clauses (i), (ii), (v), (vi) or (vii) above unless all filings have been made and all other actions have been taken that are required or desirable (as determined by ATB) in order for ATB to continue to have a valid and perfected Security Interest in respect of the Collateral at all times following such change;

- (g) the Debtor will insure and keep insured the Collateral (or, in the case of any real property, the buildings located on and constituting part of the Collateral) against loss or damage by fire, lightning, explosion, smoke, impact by aircraft or land vehicle, riot, windstorm, hail and other insurable hazards to the extent of its full insurable value, and will maintain all such other insurance as ATB may reasonably require. The loss under the policies of insurance will be made payable to ATB as its interest may appear and will be written by an insurance company approved by ATB on terms reasonably satisfactory to ATB, and the Debtor will provide ATB with copies of the same. The Debtor will pay all premiums and other sums of money necessary for such purposes as they become due and will deliver to ATB proof of said payment, and will not allow anything to be done by which the policies may become vitiated. Upon the happening of any loss or damage the Debtor will furnish at its expense all necessary proofs and will do all necessary acts to enable ATB to obtain payment of the insurance monies;
- (h) the Debtor will observe the requirements of any regulatory or governmental authority with respect to the Collateral, except to the extent any failure to do so would not reasonably be expected to have a material adverse effect on its business, operations or financial condition or affect the priority of the Security Interest created hereunder or affect the rights and remedies of ATB hereunder;
- (i) the Debtor will not remove any of the Collateral from any location specified in Section 5(i) hereof without the prior written consent of ATB;
- (j) ATB may pay or satisfy any Encumbrance created in respect of any Collateral, or any sum necessary to be paid to clear title to such Collateral, and the Debtor agrees to repay the same on demand, plus interest thereon at a rate equal to the highest rate of interest payable by the Debtor on any portion of the Indebtedness;

- (k) ATB and the Debtor may from time to time agree in writing as to affirmative and negative covenants and restrictions to be performed and observed by the Debtor in respect of provision of financial information, payment of dividends, capital expenditures, incurring of additional obligations, reduction of capital, distribution of assets, amalgamation, repayment of loans, lending of money, sale and other disposition of assets and/or such other matters as ATB and the Debtor may think fit, and the Debtor agrees to perform and observe such affirmative and negative covenants and restrictions to the same extent and effect as if the same were fully set forth in this Agreement; and
- (l) the Debtor will not permit the Collateral constituting personal property to become affixed to real or other personal property (unless the Debtor owns such real or other personal property, and ATB has a Security Interest therein having the same priority as in respect of the Collateral becoming so affixed) without the prior consent of ATB in writing, and will obtain and deliver to ATB such waivers regarding the Collateral as ATB may reasonably request from any owner, landlord or mortgagee of the premises where the Collateral is or may be located.

7. DEFAULT

The happening of any of the following shall constitute default (a "Default") under this Agreement:

- (a) the Debtor fails to pay, when due, the Indebtedness or any part thereof;
- (b) the Debtor fails, when due, to perform any obligation (other than payment of the Indebtedness or any part thereof) to ATB, and such failure, if capable of being cured, is not cured within 5 days of the date the Debtor first knew or should have known of such failure;
- (c) the Debtor fails when due to perform any obligation to any other person, and such failure, if capable of being cured, is not cured within 7 days of the date the Debtor first knew or should have known of such failure;
- (d) any representation or warranty made in this Agreement or any other document or report furnished to ATB in respect of the Debtor or the Collateral is false or misleading in any material respect;
- (e) the Debtor ceases or demonstrates an intention to cease to carry on business or disposes or purports to dispose of all or a substantial part of its assets;
- (f) any of the licenses, permits or approvals granted by any government or any government authority and material to the business of the Debtor is withdrawn, cancelled or significantly altered;
- (g) an order is made or a resolution is passed for winding up the Debtor, or a petition is filed for the winding up, dissolution, liquidation or amalgamation of the Debtor or any arrangement or composition of its debts;
- (h) the Debtor becomes insolvent or makes an assignment or proposal or files a notice of intention to make a proposal for the benefit of its creditors, or a bankruptcy petition or receiving order is filed or made against the Debtor, or a Receiver (as hereinafter defined), trustee, custodian or other similar official of the Debtor or any part of its property is appointed, or the Debtor commits or demonstrates an intention to commit any act of bankruptcy, or the Debtor otherwise becomes subject to the provisions of the *Bankruptcy and Insolvency Act* (Canada), the *Companies' Creditors Arrangements Act* (Canada) or any other act for the benefit of its creditors;
- (i) any execution, sequestration, extent or distress or any other like process is levied or enforced against any property of the Debtor, or a secured party takes possession of any of the Debtor's property;
- (j) any material adverse change occurs in the financial position of the Debtor; or
- (k) ATB considers that it is insecure, or that the prospect of payment or performance by the Debtor of the Indebtedness is or is about to be impaired, or that the Collateral is or is about to be placed in jeopardy.

8. REMEDIES

On Default:

- (a) ATB may seize or otherwise take possession of the Collateral or any part thereof and sell the same by public or private sale at such price and upon such terms as ATB in its sole discretion may determine, and the proceeds of such sale less all costs and expenses of ATB (including costs as between a solicitor and its own client on a full indemnity basis) shall be applied on the Indebtedness and the surplus, if any, shall be disposed of according to law;
- (b) ATB may apply to a court of competent jurisdiction for the sale or foreclosure of any or all of the Collateral;
- (c) ATB may enforce this Agreement by any method provided for in this Agreement, under the PPSA or under any other applicable statute or otherwise as permitted by law, and may dispose of the Collateral by any method permitted by law, including disposal by lease or deferred payment;
- (d) ATB may apply to a court for the appointment of a Receiver, or may appoint by instrument any person or persons, to be a Receiver of any Collateral, and may remove any person so appointed and appoint another in his stead. The term "Receiver" as used in this Agreement includes a Receiver, a Manager and a Receiver-Manager;
- (e) any Receiver will have the power:
 - (i) to take possession of any or all of the Collateral and for that purpose to take any proceedings, in the name of the Debtor or otherwise;
 - (ii) to carry on or concur in carrying on the business of the Debtor and enter on, occupy and use (without charge by the Debtor) any of the premises, buildings, plant and undertaking of, or occupied or used by, the Debtor;
 - (iii) to sell or lease any Collateral;
 - (iv) to make any arrangement or compromise which he may think expedient in the interest of ATB;
 - (v) to pay all liabilities and expenses connected with the Collateral, including the cost of insurance and payment of taxes or other charges incurred in obtaining, maintaining possession of and preserving the Collateral, and the same shall be added to the Indebtedness and secured by the Collateral;
 - (vi) to hold as additional security any increase or profits resulting from the Collateral;
 - (vii) to exercise all rights that ATB has under this Agreement or otherwise at law;
 - (viii) with the consent of ATB in writing, to borrow money for the purpose of carrying on the business of the Debtor or for the maintenance of the Collateral or any part thereof or for other purposes approved by ATB, and any amount so borrowed together with interest thereon shall form a charge upon the Collateral in priority to the Security Interest created by this Agreement;
 - (ix) to enter into and to occupy any premises in which the Debtor has any interest; and
 - (x) to exercise any of the powers and rights of an Entitlement Holder in respect of any Security Entitlement of the Debtor;
- (f) the Debtor hereby appoints each Receiver appointed by ATB to be its attorney to effect the sale or lease of any Collateral and any deed, lease, agreement or other document signed by a Receiver under his seal pursuant hereto will have the same effect as if it were under the seal of the Debtor;
- (g) any Receiver will be deemed (for purposes relating to responsibility for the Receiver's acts or omissions) to be the agent of the Debtor and not of ATB, and the Debtor will be solely responsible for his acts or defaults and for his remuneration and expenses, and ATB will not be in any way responsible for any misconduct or negligence on the part of any Receiver;

- (h) neither ATB nor any civil enforcement agent, sheriff, Receiver or person having similar responsibilities will be required to take any steps to preserve any rights against other parties pursuant to any Collateral, including without limitation, any Investment Property, Chattel Paper or Instrument constituting the Collateral or any part of it. Furthermore, ATB shall have no obligation to take any steps to preserve prior encumbrances on any Collateral whether or not in ATB's possession and shall not be liable or accountable for failure to do so;
- (i) neither ATB nor any civil enforcement agent, sheriff, Receiver or person having similar responsibilities is required to keep Collateral identifiable; and
- (j) ATB may use the Collateral in any manner as it in its sole discretion deems advisable.

ATB may exercise any or all of the foregoing rights and remedies (or any other rights and remedies available to ATB) without demand of performance or other demand, presentment, protest, advertisement or notice of any kind (except as required by applicable law) to or on the Debtor or any other person, and the Debtor by this Agreement waives each such demand, presentment, protest, advertisement and notice to the extent permitted by applicable law. None of the rights and remedies contained herein or otherwise available to ATB will be exclusive of or dependent on or merge in any other right or remedy, and one or more of such rights and remedies may be exercised independently or in combination from time to time.

9. COLLECTION OF DEBTS

After Default, ATB may notify all or any Account Debtors of the Security Interest and may also direct such Account Debtors to make all payments on any Collateral to ATB. The Debtor acknowledges that any payments on or other proceeds of Collateral received by the Debtor from Account Debtors after Default under this Agreement and whether before or after notification of this Security Interest to Account Debtors shall be received and held by the Debtor in trust for ATB and shall be turned over to ATB on request. The Debtor shall furnish ATB with all information which may assist in the collection of all Accounts and any other monies or debts due to the Debtor.

10. INVESTMENT PROPERTY

If the Collateral at any time includes Investment Property, the Debtor irrevocably authorizes and appoints ATB as its attorney and agent to transfer the same or any part thereof into its own name or that of its nominee(s) after Default, so that ATB or its nominee(s) may appear on record as the sole owner thereof after Default. After Default, the Debtor waives all rights to receive any notices or communications received by ATB or its nominee(s) as such registered owner and agrees that no proxy issued by ATB to the Debtor or to its order as aforesaid shall thereafter be effective. These powers are coupled with an interest and are irrevocable until this Agreement is terminated and the Security Interests created by this Agreement are released.

11. COLLATERAL IN POSSESSION OF ATB

The Debtor agrees with ATB that, with respect to any Collateral held in the possession of ATB pursuant to this Agreement ("Retained Collateral"):

- (a) ATB's responsibility with regard to the Retained Collateral shall be limited to exercising the same degree of care which it gives to similar property held by ATB at the branch where the Retained Collateral is held. ATB shall not in any event be obligated to protect the Retained Collateral from depreciating or becoming worthless, or to present, protest, collect, enforce or realize on any of the Retained Collateral;
- (b) ATB shall not be obliged to collect or see to the payment of revenue, income, interest or dividends upon any of the Retained Collateral, but all such revenue, income, interest or dividends, if any, when received by the Debtor, shall immediately be paid to ATB. ATB, in its sole discretion, may hold such monies as Collateral or appropriate it to any portion of the Indebtedness;
- (c) the Debtor irrevocably appoints ATB as its attorney and agent, with full powers of substitution, to sell, transfer, surrender, redeem, endorse or otherwise deal with any of the Retained Collateral as ATB, in its sole discretion, may see fit. These powers are coupled with an interest and are irrevocable until this Agreement is terminated and the Security Interests created by this Agreement are released; and

**SCHEDULE B
PERMITTED ENCUMBRANCES**

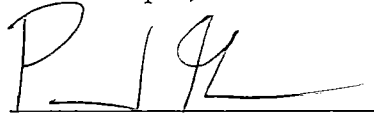
"Permitted Encumbrances" as defined and utilized in the Commitment Letter, including the following Alberta Personal Property ("APPR") registrations effected against the Debtor prior to the date hereof:

1. APPR registration no. 08030414212, registered against the Debtor in favour of Coastal Compression Ltd. on March 4, 2008 and expiring on March 4, 2018;
2. APPR registration no. 10032623167, registered against the Debtor in favour of AltaGas Operating Partnership on March 26, 2010 and expiring on March 26, 2020;
3. APPR registration no. 11020805174, registered against the Debtor in favour of Compass Compression Services Ltd. on February 8, 2011 and expiring on February 8, 2014;
4. APPR registration no. 11020806118, registered against the Debtor in favour of Compass Compression Services Ltd. on February 8, 2011 and expiring on February 8, 2014;
5. APPR registration no. 11020806142, registered against the Debtor in favour of Compass Compression Services Ltd. on February 8, 2011 and expiring on February 8, 2014; and
6. APPR registration no. 11020806246, registered against the Debtor in favour of Compass Compression Services Ltd. on February 8, 2011 and expiring on February 8, 2014.

This is **Exhibit "Q"** referred to in
the Affidavit of

Trina Holland

Sworn before me this 27th day of
April, 2017

A handwritten signature in black ink, appearing to read 'PAG', written over a horizontal line.

Paul Anthony Grenon
Student-at-Law

A Commissioner for Oaths in and for Alberta

AMENDING AGREEMENT (GENERAL SECURITY AGREEMENT)

WHEREAS FORENT ENERGY LTD. (the "Debtor") is indebted to Alberta Treasury Branches ("ATB" or the "Lender") and as security therefor ATB holds, *inter alia*, a general security agreement from the Debtor dated the 3rd day of October, 2013 (the "General Security Agreement");

AND WHEREAS, pursuant to the General Security Agreement, the Debtor agreed to provide fixed charge security over the petroleum and natural gas properties of the Debtor following receipt by the Debtor of a request by the Lender to provide such fixed charge security over the Debtor's petroleum and natural gas properties;

AND WHEREAS the Debtor has agreed to amend and supplement the General Security Agreement by granting fixed, specific mortgages and charges over the Debtor's petroleum and natural gas properties pursuant to the General Security Agreement in and to the Additional Collateral (as defined herein);

IN CONSIDERATION of the sum of ONE (\$1.00) DOLLAR and other good and valuable consideration, the receipt of which is hereby acknowledged by the Debtor:

1. Terms and expressions defined in the General Security Agreement, when used herein, have the same meanings as ascribed to them therein, except as defined herein.
2. The Debtor does, subject to the terms and conditions of the General Security Agreement and as additional security for the payment of the monies thereby secured, grant, assign, mortgage, pledge and charge, as and by way of a fixed specific mortgage, pledge and charge, and does grant a Security Interest to and in favour of ATB in the real and immovable property (including, by way of sublease, leasehold lands; and which "real and immovable property" shall include any interest in or right with respect to real and immovable property) and all of its present and after acquired petroleum and natural gas properties, buildings, erections, improvements, fixtures and plant (whether the same form part of the realty or not) and all appurtenances to any of the foregoing, including the petroleum and natural gas properties described in Schedule "A1" hereto and in (i) all its present and after acquired equipment, including all fixtures, plant, machinery, tools and furniture now or hereafter owned or acquired, (ii) all its present and after acquired petroleum and natural gas properties and inventory, including all raw materials, goods in process, finished goods and packaging material and goods acquired or held for sale or furnished or to be furnished under contracts of rental or service, and (iii) all Proceeds and renewals thereof, accessions thereto and substitutions therefor (collectively, the "Additional Collateral").
3. The Debtor acknowledges and agrees that the Additional Collateral is mortgaged, pledged and charged as collateral security for any and all obligations of the Debtor to ATB up to the principal amount of \$10,000,000.00.
4. The Debtor covenants and agrees that Schedule "A" of the General Security Agreement shall be amended by adding thereto the description of the Additional Collateral.
5. The Debtor agrees, represents and warrants to and with the Lender that:
 - (a) the Debtor has good and valid title to its petroleum and natural gas properties referred to in Schedule "A1" attached hereto, subject only to Permitted Encumbrances;
 - (b) the list of petroleum and natural gas properties and other specific property referred to in Schedule "A1" attached hereto is a complete list of all material petroleum and natural gas properties of the Debtor;


- (c) the Debtor is not aware of any right or option (except for rights and options arising in the ordinary course of business in the oil and gas industry) of any person relating to any of the petroleum and natural gas properties of the Debtor which would, if exercised, have the effect of divesting the Debtor of title to the affected properties;
 - (d) the Debtor has not received from any person any notice claiming an entitlement to, exercising or purporting to exercise any right of first refusal, right of first purchase or similar right or option relating to any material part of the Debtor's petroleum and natural gas properties which would, if exercised, have the effect of divesting the Debtor of title to the affected properties; and
 - (e) without limiting anything contained in this amending agreement, neither the provisions of this amending agreement nor the actual or constructive notice on the part of the Lender of the actual or alleged existence of any right of any person to claim any right of first refusal or right of first purchase shall affect or derogate from the right of the Lender to rely upon this Section 5.
6. The Lender may at any time and from time to time register or cause to be registered this amending agreement (or a caveat or other notice in respect thereof) against title to any or all of the petroleum and natural gas properties of the Debtor. Upon the request of the Lender, the Debtor will provide to the Lender a list of its petroleum and natural gas properties containing a sufficient description thereof to permit the Lender to register this amending agreement (or a caveat or notice thereof) against title to such petroleum and natural gas properties. The Debtor shall ensure and will assist the Lender to ensure that this amending agreement and all such supplementary and corrective instruments and all additional mortgage and security documents and all documents, caveats, cautions, memorials, security notices and financing statements in respect thereof, are promptly filed and refiled, registered and re-registered and deposited and re-deposited, in such manner, in such offices and places, and at such times and as often as may be required by applicable law or as may be necessary or desirable to perfect and preserve the charge granted by the Debtor in favour of the Lender pursuant to this amending agreement as a first priority mortgage, charge and security interest and the rights conferred or intended to be conferred upon the Lender by such charge and will cause to be furnished promptly to the Lender evidence satisfactory to the Lender of such filing, registering and depositing. The Debtor shall, forthwith on demand being made by the Lender, pay all reasonable fees, costs and expenses incurred by the Lender or its agents in connection with the filing, re-filing, registering, re-registering, depositing and re-depositing of this amending agreement and all such supplementary and corrective instruments and all additional mortgage and security documents. The fees, costs and expenses incurred by the Lender or its agents hereunder shall be secured hereby and shall become part of the indebtedness, liabilities and obligations of the Debtor to the Lender.
7. To the full extent that it may lawfully do so, the Debtor hereby:
- (a) agrees that the *Land Contracts (Actions) Act* (Saskatchewan) shall have no application to any action (as defined in such Act) taken with respect to any security interest or mortgaged property herein; and
 - (b) agrees that the *Limitation of Civil Rights Act* (Saskatchewan) shall have no application to:
 - (i) this amending agreement, as amended, or any instrument or agreement in implementation hereof,
 - (ii) any security interest or security for the payment of money made, given or created pursuant to any of the foregoing instruments,

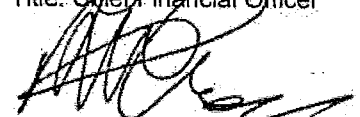
- (iii) any instrument or agreement entered into at any time hereafter by the Debtor renewing or extending or collateral to this amending agreement, as amended, or to any of the foregoing instruments, or
- (iv) the rights, powers or remedies of the Lender or any Receiver under any of the foregoing instruments.

8. The Debtor further covenants and agrees that this amending agreement shall be read and construed with the General Security Agreement and the schedules attached thereto and shall be treated as a part thereof and for such purpose and so far as may be necessary to give effect to this amending agreement, the General Security Agreement and the schedules attached thereto and any other collateral securities delivered by the undersigned to ATB shall be regarded as being hereby amended and the General Security Agreement and the schedules attached thereto and the other collateral securities so amended together with all the covenants and conditions thereof shall remain in full force and effect.
9. This amending agreement will be interpreted in accordance with the laws of the Province of Alberta, and the Debtor irrevocably agrees that any suit or proceeding with respect to any matters arising out of or in connection with this amending agreement may be brought in the courts of such Province or in any court of competent jurisdiction, as ATB may elect, and the Debtor agrees to attend to the same.

15 IN WITNESS WHEREOF the undersigned has executed this amending agreement as of the day of December, 2016.

FORENT ENERGY LTD.

Per: 
Name: Brad R. Perry
Title: Chief Financial Officer

Per: 
Name: Robyn Lore
Title: President

SCHEDULE "A1"

(See attached)

Forent Energy Ltd. - PDP

Engineering Reports: McDaniel (Effective: December 31, 2015)

Borrowing Base: Effective: 2016-01

Data Format: email

Prepared by: SR
Completed & Reviewed by: RP
November 15, 2016

PROJECT	W/L	SPON	SUBS	OPERS	100% DCF	100% FACTOR	100% DEBT	100% IRR	COMMENTS	%
PROVED, DEVELOPED, PRODUCING										
Bruce										
100/15-21-046-13W4/0	100.000%		FH	Forent	(\$43.9)	55%	(\$24.1)	(\$13.9)	Gas, VIK, Performance Analysis, No production, Abandonment cost only	-1%
Crossfield										
100/05-13-029-02W5/0	6.250%		FH	TAQA	\$84.3	55%	\$46.4	\$26.7	Gas, ELK, Performance Analysis, Pn prod: 1997, RL yrs - 31	1%
Ferrybanks										
100/08-32-044-27W4/0	100.000%		AB CR, GOR	Forent	\$169.7	55%	\$93.3	\$53.8	Gas, GLAUC, Performance Analysis, On Prod: 2007-05, RL yrs - 13-41	3%
100/15-02-045-26W4/0	50.000%		AB CR, GOR	Quicksilver	(\$28.3)	55%	(\$15.6)	(\$9.0)	Gas, HSC, Performance Analysis, No production, Abandonment cost only	0%
Ghost Pine										
100/01-32-033-22W4/0	100.000%		AB CR, GOR	Forent	\$19.1	40%	\$7.6	\$4.4	Gas, HSC BR, Performance Analysis, On Prod: 2006-11, RL yrs - 5	0%
100/03-32-033-22W4/0	50.000%		AB CR, GOR	Wilcox	(\$23.6)	55%	(\$13.0)	(\$7.5)	Gas, HSC BR, Performance Analysis, No production, Abandonment cost only	0%
100/09-32-033-22W4/2	100.000%		AB CR, GOR	Forent	(\$14.6)	55%	(\$8.0)	(\$4.6)	Gas, HSC BR, Performance Analysis, On Prod: 2007-10, RL yrs - 4-83	0%
100/11-32-033-22W4/2	50.000%		AB CR, GOR	Wilcox	(\$23.6)	55%	(\$13.0)	(\$7.5)	Gas, HSC BR, Performance Analysis, No production, Abandonment cost only	0%
Heathdale										
100/12-28-026-08W4/0	4.375%	RI-1.673%	AB CR, GOR	Novista	\$10.7	55%	\$5.9	\$3.4	Gas, GLAUC, Performance Analysis, On Prod: 1988-11, RL yrs - 19-83	0%
Huxley										
Huxley Shallow Wellgroup	WI-11% Facility Int-100%	RI-0.5%	AB CR, GOR	Forent	\$464.5	40%	\$185.8	\$107.0	Gas wells: 20, Gas, Pool, Performance Analysis, On Prod: 1984-12, RL yrs - 6-92	6%

Forent Energy Ltd. - PDP

Engineering Report: McDaniel (Effusive - December 31, 2015)

Borrowing Base Effective: 2015-11

Date: Format: email

Prepared by: SP
 Completed & Reviewed by: RP
 Month: 15-2015

PROPERTY	WELL		10% DEE	LOAN FACTOR	30% DEE	10% APT	COMMENTS	%	
	WELL	WELL							
Provost [RI wells]	100/03-19-034-07W4/2	AB CR, GOR		55%		(\$1.2)	LLOYD, Performance Analysis, No production, Abandonment cost on	0%	
	102/03-20-034-07W4/0	AB CR	RI - 3.6%	30%	\$0.5	\$0.3	Gas, LLOYD, Performance Analysis, On Prod., RL yrs - 4.17	0%	
	100/04-29-034-07W4/0	AB CR		55%	\$63.7	\$36.7	Oil, VIK, Performance Analysis, On Prod., RL yrs - 15.08	2%	
	100/12-30-034-07W4/2	AB CR, GOR		55%	(\$13.9)	(\$4.4)	LLOYD, Performance Analysis, No production, Abandonment cost of	0%	
	100/07-27-034-11W4/2	AB CR		55%	(\$3.6)	(\$1.1)	Oil, VIK, Performance Analysis, On Prod., RL yrs - 4.17	0%	
	100/05-10-040-02W4/0	AB CR		40%	\$163.5	\$65.4	Oil, DINA, Performance Analysis, On Prod., RL yrs - 6	2%	
	102/12-10-040-02W4/2	AB CR		10%	\$71.7	\$4.1	Oil, DINA, Performance Analysis, On Prod., RL yrs - 1.83	0%	
	100/12-10-040-02W4/2	AB CR		50%	\$170.1	\$85.1	Oil, DINA, Performance Analysis, On Prod., RL yrs - 9.25	3%	
	100/15-10-040-02W4/0	AB CR		55%	(\$19.7)	(\$6.2)	Oil, DINA, Performance Analysis, On Prod., RL yrs - 4.08	0%	
	102/16-10-040-02W4/0	AB CR		40%	\$108.0	\$24.9	Oil, DINA, Performance Analysis, On Prod., RL yrs - 6.41	1%	
	103/16-10-040-02W4/0	AB CR		55%	(\$37.1)	(\$11.8)	DINA, Performance Analysis, No production, Abandonment cost only	-1%	
	Provost 34-10W4, 34-11W4 [RI wells]	AB CR	RI - 12.5%		40%	\$48.5	\$27.9	Gas, HSC, Performance Analysis, RL yrs - 5	2%
	Richdale								
	102/16-20-031-12W4/0	AB CR		55%	(\$37.1)	(\$20.4)	(\$11.8)	Gas, U MIN, Performance Analysis, No production, Abandonment cost only	-1%
Rumsey									
100/08-32-034-20W4/0	AB CR			\$41.6	\$22.9	\$13.2	Gas, HSC, Performance Analysis, On Prod: 2008-11, RL yrs - 13.75	1%	
100/10-32-034-20W4/2	AB CR		55%	(\$2.4)	(\$1.3)	(\$0.8)	Gas, HSC, Performance Analysis, On Prod: 1985-12, RL yrs - 3.92	0%	
100/14-32-034-20W4/0	AB CR		50%	\$4.0	\$2.0	\$1.2	Gas, HSC, Performance Analysis, On Prod: 2008-11, RL yrs - 9.75	0%	
100/12-22-034-21W4/0	AB CR		50%	\$13.6	\$6.8	\$3.9	Gas, HSC, Performance Analysis, On Prod: 2008-11, RL yrs - 8.33	0%	
100/16-22-034-21W4/0	AB CR		50%	\$13.4	\$6.7	\$3.9	Gas, HSC, Performance Analysis, On Prod: 2006-12, RL yrs - 8.50	0%	
Twining									
102/02-08-032-24W4/0	FH		55%	(\$54.3)	(\$29.9)	(\$17.2)	PK, Performance Analysis, No production, Abandonment cost only	-1%	
100/08-08-032-24W4/0	FH		55%	(\$0.2)	(\$0.1)	(\$0.1)	Oil, PK, Performance Analysis, On Prod: 1985-08, RL yrs - 5.41	0%	

Forent Energy Ltd. - PDP

Engineering Reports MCD Panel (Effective: December 31, 2015)
 Beginning Base Effective: 2016-11
 Data Format: email

Approved by: SR
 Completed & Reviewed by: RP
 November 15, 2016

WELL	WELL ID	WELL TYPE	WELL STATUS	WELL OPERATOR	10% ICS A/B	30% ICS A/B	10% ICS A/B	30% ICS A/B	COMMENTS	%
	100/02-26-032-25W4/0		FH	Forent	\$123.6	\$68.0	\$39.2	\$68.0	Oil, PK, Performance Analysis, On Prod: 1985-12, RL yrs - 20.67	2%
	100/04-26-032-25W4/0		FH	Forent	\$41.1	\$22.6	\$13.0	\$22.6	Oil, PK, Performance Analysis, On Prod: 1985-12, RL yrs - 15.25	1%
	100/05-26-032-25W4/0		FH	Forent	\$236.0	\$129.8	\$74.8	\$129.8	Oil, PK, Performance Analysis, On Prod: 2014-07, RL yrs - 11.83	4%
	100/06-26-032-25W4/0		FH	Forent	\$640.9	\$352.5	\$203.0	\$352.5	Oil, PK, Performance Analysis, On Prod: 1984-05, RL yrs - 29.09	11%
	100/07-26-032-25W4/0		FH	Forent	\$129.6	\$71.3	\$41.1	\$71.3	Oil, PK, Performance Analysis, On Prod: 1978-09, RL yrs - 18.57	2%
	100/12-26-032-25W4/0		FH	Forent	\$201.2	\$110.7	\$63.7	\$110.7	Oil, PK, Performance Analysis, On Prod: 1985-12, RL yrs - 20.08	3%
	100/14-26-032-25W4/0		FH	Forent	(\$38.9)	(\$21.4)	(\$12.3)	(\$21.4)	Oil, PK, Performance Analysis, On Prod: 2014-07, RL yrs - 2.67	-1%
	100/14-26-032-25W4/0		FH	Forent	\$352.5	\$193.9	\$111.7	\$193.9	Oil, PK, Volumetric Analysis, On Prod: 1977-10, RL yrs - 25.67	6%
										28%
Wayne										
	100/10-08-046-08W4/0		AB CR	Questfire	(\$1.6)	(\$0.9)	(\$0.5)	(\$0.9)	Vik, Performance Analysis, No production, Abandonment cost only	0%
	100/06-16-046-08W4/2		AB CR	Questfire	(\$1.6)	(\$0.9)	(\$0.5)	(\$0.9)	Vik, Performance Analysis, No production, Abandonment cost only	0%
Wayne										
	100/06-03-027-20W4/0		FH	Forent	\$1,016.7	\$559.2	\$322.1	\$559.2	Oil, ELLERSL, Performance Analysis, On Prod: 1985-03, RL yrs - 35.08	17%
	100/12-26-027-20W4/0		FH	Forent	\$257.4	\$141.6	\$81.5	\$141.6	Oil, ELLERSL, Performance Analysis, On Prod: 1982-11, RL yrs - 33.67	4%
	100/15-26-027-20W4/0		FH	Forent	\$1,337.7	\$735.7	\$423.8	\$735.7	Oil, ELLERSL, Performance Analysis, On Prod: 2010-11, RL yrs - 28.17	23%
	100/16-26-027-20W4/0		FH	Forent	\$540.1	\$297.1	\$171.1	\$297.1	Oil, ELLERSL, Performance Analysis, On Prod: 1980-11, RL yrs - 37.5	9%
										54%
Virden										
	Virden Roselea Unit No. 2	RI - 0.118%	MB Old Not	Corex Res.	\$42.3	\$23.3	\$13.4	\$23.3	Gross wells: 34, Oil, Vik, Performance Analysis, On Prod: 1959-02, RL yrs - 29.17	1%
										100%

Form Energy Ltd. - PDP

Engineering Report Modified (Effective December 31, 2015)
 Borrowing Base Effective 2/16/17
 Date Format: enfil

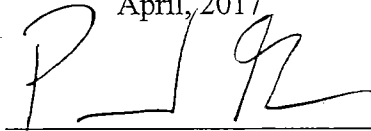
Prepared by SR
 Completed & Reviewed by: RP
 November 15, 2016

PROPERTY	HEG	PRO	BURDENS	OPERATOR	10% DGE	10% DGE	10% DGE	10% DGE	10% DGE	10% DGE	COMMENTS	BY
PROVED/DEVELOPED/NON-PROBING												
None					50.0	0%	0%	50.0	50.0	0%		0%
TOTAL PROVED/DEVELOPED												
					50.0	0%	0%	50.0	50.0	0%		0%
None					50.0	0%	0%	50.0	50.0	0%		0%
TOTAL PROVIDED/UNDEVELOPED												
					50.0	0%	0%	50.0	50.0	0%		0%
TOTAL PROVED/DEVELOPED												
Bruce Subtotal - PDP per Engineering Report:								(\$24.1)	(\$13.9)	55%		-1%
Crossfield Subtotal - PDP per Engineering Report:								\$46.4	\$26.7	55%		1%
Ferrybanks Subtotal - PDP per Engineering Report:								\$77.8	\$44.8	55%		2%
Ghost Pine Subtotal - PDP per Engineering Report:								(\$26.4)	(\$15.2)	62%		-1%
Heathdale Subtotal - PDP per Engineering Report:								\$3.4	\$3.4	55%		0%
Huxley Subtotal - PDP per Engineering Report:								\$185.8	\$107.0	40%		6%
Provost Subtotal - PDP per Engineering Report:								\$270.7	\$155.9	40%		8%
Richdale Subtotal - PDP per Engineering Report:								(\$20.4)	(\$11.8)	55%		-1%
Rumsey Subtotal - PDP per Engineering Report:								\$37.1	\$21.3	53%		1%
Twinning Subtotal - PDP per Engineering Report:								\$897.3	\$516.9	55%		28%
Viking Subtotal - PDP per Engineering Report:								(\$1.8)	(\$1.0)	55%		0%
Wayne Subtotal - PDP per Engineering Report:								\$1,733.5	\$998.5	55%		54%
Viridien Subtotal - PDP per Engineering Report:								\$42.3	\$13.4	55%		1%
TOTAL PDP @ ATB October 2016 Pricing												
								\$3,539.0	\$1,846.1	52%		
HEDGES												
								\$0.0	\$0.0	75%		
TOTAL PDP @ ATB October 2016 Pricing												
								\$3,492.0	\$1,821.6	52%		
HEDGES												
								\$0.0	\$0.0	75%		

This is **Exhibit "R"** referred to in
the Affidavit of

Trina Holland

Sworn before me this 27th day of
April, 2017

A handwritten signature in black ink, appearing to read 'P. A. Grenon', written over a horizontal line.

Paul Anthony Grenon
Student-at-Law
A Commissioner for Oaths in and for Alberta

Security Agreement Non-Consumer

TO: Alberta Treasury Branches
("ATB")

BRANCH: Calgary Stephen Avenue Center, 102 - 8th Avenue SW, Calgary, Alberta, T2P 1B3

FROM: 1883222 Alberta Inc. (the "Debtor")

1. DEFINITIONS

All capitalized terms used in this Agreement and in any schedules attached hereto (as such schedules may be amended or supplemented from time to time) shall, except where defined herein, be interpreted pursuant to their respective meanings when used in the *Personal Property Security Act* (the "PPSA") of the province or territory referred to in the "Governing Law" section of this Agreement (the "Province") and any regulations issued thereunder.

2. SECURITY INTEREST AND CHARGE

(a) As general and continuing collateral security for the payment and performance of all debts, liabilities and obligations of the Debtor to ATB howsoever arising, both present and future, absolute and contingent, direct and indirect, matured or not, and whether the Debtor be bound alone or jointly or severally with others (the "Indebtedness"), the Debtor hereby assigns and grants to and in favour of ATB:

- (i) a security interest and pledge in the personal property of the Debtor selected and referred to in Schedule "A"; and
- (ii) if so selected on Schedule "A", a mortgage by way of a floating charge on any and all present and after-acquired lands, real property, immovable property, leasehold property and other property, assets and undertaking of the Debtor not subject to the PPSA, including all such property, assets and undertaking owned or leased by or licensed to the Debtor and in which the Debtor at any time has an interest or to which the Debtor is or at any time may become entitled;

and in all Proceeds and renewals thereof, Accessions thereto and substitutions therefor (herein collectively called the "Collateral").

(b) The assignments, mortgages, pledges, charges, security interests and floating charges (if applicable) granted hereunder are hereinafter collectively called the "Security Interests". The Debtor warrants and acknowledges to and in favour of ATB that:

- (i) the Debtor has rights in all existing Collateral and the parties intend the Security Interest hereby created in any of the Debtor's existing property which is subject to the PPSA to attach upon execution and delivery hereof;
- (ii) the parties intend the Security Interest created in any of the Debtor's after-acquired property which is subject to the PPSA to attach at the same time as it acquires rights in the after-acquired property; and
- (iii) value has been given.

ATB Financial™

- (c) For greater certainty, where the Collateral includes all of the Debtor's present and after-acquired Personal Property, and any of such Collateral is or becomes located on lands or premises leased or subleased by the Debtor, the Collateral includes the Debtor's interest as tenant or lessee under any and all of such leases and subleases of the lands or premises.
- (d) The last day of any term reserved by any lease or agreement to lease is excepted out of the Security Interest and does not form part of the Collateral, but the Debtor shall stand possessed of such last day in trust to assign the same to any person acquiring such term.
- (e) If the grant of the Security Interest in respect of any contract, lease, agreement to lease, license, permit, approval or intellectual property right would result in the termination or breach of such contract, lease, agreement to lease, license, permit, approval or intellectual property right, then the applicable contract, lease, agreement to lease, license, permit, approval or intellectual property right will not be subject to the Security Interest but will be held in trust by the Debtor for the benefit of ATB and, on exercise by ATB of any of its rights under this Agreement following Default, assigned by the Debtor as directed by ATB.

3. CONTINUOUS INTEREST

The Security Interest hereby created is a continuing charge, and shall secure all indebtedness notwithstanding that the indebtedness may be fluctuating and even may from time to time and at any time be reduced to a nil balance, and notwithstanding that monies advanced may be repaid and future advances may be made to or to the order of the Debtor or in respect of which the Debtor is liable. The Security Interest maintains priority for all indebtedness secured hereby whether incurred or arising before or after the creation or registration of any Encumbrance (as hereinafter defined) and notwithstanding that at any time there may not be any indebtedness then outstanding.

4. AUTHORIZED DEALING WITH COLLATERAL

Until Default (as hereinafter defined), or until ATB provides written notice to the contrary to the Debtor, the Debtor may deal with the Collateral in the ordinary course of the Debtor's business in any manner not inconsistent with the provisions of this Agreement, provided that the Debtor shall not, without the prior written consent of ATB:

- (a) sell, exchange, lease, transfer or otherwise dispose of any of the Collateral other than inventory being sold, leased or disposed of for fair market value in the ordinary course of the Debtor's business as it is presently conducted and for the purpose of carrying on that business, or
- (b) create, incur or permit to exist any security interest, mortgage, lien, claim, charge or other encumbrance (herein collectively called the "**Encumbrances**" and individually, an "**Encumbrance**") upon any of the Collateral whether it would rank or purport to rank in priority to, equally with or behind the Security Interest granted under this Agreement.

Nothing in this Agreement or otherwise creates a postponement or subordination of any priority of ATB in any of the Collateral in favour of any present or future holder of an Encumbrance (including without limitation, a holder of a lease) in any of the Collateral.

If the Collateral comprises any Investment Property, Chattel Paper, Instrument, Money or Document of Title, the Debtor will, forthwith upon request, deliver the same to ATB and will allow ATB to retain possession of the same. If the Collateral comprises any Investment Property that is a Certificated Security, the Debtor will, upon request, deliver to ATB all Security Certificates relating to such Certificated Security endorsed in blank. If the Collateral comprises any Investment Property that is an Uncertificated Security or a Security Entitlement, the Debtor, on request by ATB, will, or will cause the issuer of such Investment Property to, or will cause the Securities Intermediary that holds such Investment Property to, take all steps as are necessary to give exclusive control (as that term is used in the PPSA) over such Investment Property to ATB on terms and conditions satisfactory to ATB.

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- (ii) to carry on or concur in carrying on the business of the Debtor and enter on, occupy and use (without charge by the Debtor) any of the premises, buildings, plant and undertaking of, or occupied or used by, the Debtor;
- (iii) to sell or lease any Collateral;
- (iv) to make any arrangement or compromise which he may think expedient in the interest of ATB;
- (v) to pay all liabilities and expenses connected with the Collateral, including the cost of insurance and payment of taxes or other charges incurred in obtaining, maintaining possession of and preserving the Collateral, and the same shall be added to the indebtedness and secured by the Collateral;
- (vi) to hold as additional security any increase or profits resulting from the Collateral;
- (vii) to exercise all rights that ATB has under this Agreement or otherwise at law;
- (viii) with the consent of ATB in writing, to borrow money for the purpose of carrying on the business of the Debtor or for the maintenance of the Collateral or any part thereof or for other purposes approved by ATB, and any amount so borrowed together with interest thereon shall form a charge upon the Collateral in priority to the Security Interest created by this Agreement;
- (ix) to enter into and to occupy any premises in which the Debtor has any interest; and
- (x) to exercise any of the powers and rights of an Entitlement Holder in respect of any Security Entitlement of the Debtor.

The Debtor hereby appoints each Receiver appointed by ATB to be its attorney to effect the sale or lease of any Collateral and any deed, lease, agreement or other document signed by a Receiver under his seal pursuant hereto will have the same effect as if it were under the seal of the Debtor. Any Receiver will be deemed (for purposes relating to responsibility for the Receiver's acts or omissions) to be the agent of the Debtor and not of ATB, and the Debtor will be solely responsible for his acts or defaults and for his remuneration and expenses, and ATB will not be in any way responsible for any misconduct or negligence on the part of any Receiver.

Neither ATB nor any civil enforcement agent, sheriff, Receiver or person having similar responsibilities will be required to take any steps to preserve any rights against other parties pursuant to any Collateral, including without limitation, any Investment Property, Chattel Paper or Instrument constituting the Collateral or any part of it. Furthermore, ATB shall have no obligation to take any steps to preserve prior encumbrances on any Collateral whether or not in ATB's possession and shall not be liable or accountable for failure to do so. Neither ATB nor any civil enforcement agent, sheriff, Receiver or person having similar responsibilities is required to keep Collateral identifiable.

ATB may exercise any or all of the foregoing rights and remedies (or any other rights and remedies available to ATB) without demand of performance or other demand, presentment, protest, advertisement or notice of any kind (except as required by applicable law) to or on the Debtor or any other person, and the Debtor by this Agreement waives each such demand, presentment, protest, advertisement and notice to the extent permitted by applicable law. None of the rights and remedies contained herein or otherwise available to ATB will be exclusive of or dependent on or merge in any other right or remedy, and one or more of such rights and remedies may be exercised independently or in combination from time to time.

9. COLLECTION OF DEBTS

Before or after Default, ATB may notify all or any Account Debtors of the Security Interest and may also direct such Account Debtors to make all payments on any Collateral to ATB. The Debtor acknowledges that any payments on or other proceeds of Collateral received by the Debtor from Account Debtors after Default under this Agreement and whether before or after notification of this Security Interest to Account Debtors shall be received and held by the Debtor in trust for ATB and shall be turned over to ATB on request. The Debtor shall furnish ATB with all information which may assist in the collection of all Accounts and any other monies or debts due to the Debtor.

10. INVESTMENT PROPERTY

If the Collateral at any time includes Investment Property, the Debtor irrevocably authorizes and appoints ATB as its attorney and agent to transfer the same or any part thereof into its own name or that of its nominee(s) so that ATB or its nominee(s) may appear on record as the sole owner thereof; provided that, until Default, ATB shall deliver promptly to the Debtor all notices or other communications received by it or its nominee(s) as such registered owner and, upon demand and receipt of payment of any necessary expenses thereof, shall issue to the Debtor or its order a proxy to vote and take all action with respect to such Investment Property. After Default, the Debtor waives all rights to receive any notices or communications received by ATB or its nominee(s) as such registered owner and agrees that no proxy issued by ATB to the Debtor or to its order as aforesaid shall thereafter be effective. These powers are coupled with an interest and are irrevocable until this Agreement is terminated and the Security Interests created by this Agreement are released.

11. COLLATERAL IN POSSESSION OF ATB

The Debtor agrees with ATB that, with respect to any Collateral held in the possession of ATB pursuant to this Agreement ("**Retained Collateral**"):

- (a) ATB's responsibility with regard to the Retained Collateral shall be limited to exercising the same degree of care which it gives to similar property held by ATB at the branch where the Retained Collateral is held. ATB shall not in any event be obligated to protect the Retained Collateral from depreciating or becoming worthless, or to present, protest, collect, enforce or realize on any of the Retained Collateral;
- (b) ATB shall not be obliged to collect or see to the payment of revenue, income, interest or dividends upon any of the Retained Collateral, but all such revenue, income, interest or dividends, if any, when received by the Debtor, shall immediately be paid to ATB. ATB, in its sole discretion, may hold such monies as Collateral or appropriate it to any portion of the Indebtedness;
- (c) the Debtor irrevocably appoints ATB as its attorney and agent, with full powers of substitution, to sell, transfer, surrender, redeem, endorse or otherwise deal with any of the Retained Collateral as ATB, in its sole discretion, may see fit. These powers are coupled with an interest and are irrevocable until this Agreement is terminated and the Security Interests created by this Agreement are released; and
- (d) ATB shall have all rights and powers, but shall not be required to exercise any right or benefit which the holder or owner of the Retained Collateral may at any time have in connection with the Retained Collateral.

12. ACCELERATION

In the event of Default, ATB, in its sole discretion, may without demand or notice of any kind, declare all or any of the Indebtedness which is not by its terms payable on demand, to be immediately due and payable. The provisions of this section are not intended in any way to affect any rights of ATB with respect to any Indebtedness which may now or hereafter be payable on demand.

13. NOTICE

Any notice or demand required or permitted to be made or given by ATB to the Debtor may be validly served by delivering the same or by mailing the same prepaid registered mail, addressed to the Debtor at the last known address of the Debtor or of any officer or director thereof, as shown on the records of ATB; and in the case of mailing, such notice or demand shall be deemed to have been received by the Debtor on the third business day following the date of mailing.

14. COSTS AND EXPENSES

The Debtor agrees to pay all reasonable costs, charges and expenses incurred by ATB or any Receiver appointed by it (including without restricting the generality of the foregoing, legal costs as between a solicitor and his own client on a full indemnity basis and also an allowance for the time, work and expenses of ATB or any agent, solicitor, or servant of ATB for any purpose herein provided at such rates as ATB may establish in its sole discretion from time to time) in preparing, registering or enforcing this Agreement, taking custody of, preserving, maintaining, repairing, processing, preparing for disposing of the Collateral and in enforcing or collecting the Indebtedness, and all such costs, charges and expenses shall be a first charge on the proceeds of realization, collection or disposition of the Collateral and shall be secured hereby.

15. REAL PROPERTY

- (a) For all purposes, including any application to register a crystallized floating charge under the *Land Title Act* (British Columbia) against any real property, the floating charge (if any) created by this Agreement against any lands, real property, immovable property and leasehold property (collectively, "**Real Property**") shall be crystallized and become a fixed charge:
 - (i) against any Real Property of the Debtor or in which the Debtor has an interest, upon the earlier of:
 - (A) a declaration by ATB pursuant to Section 12 or a demand for payment otherwise being made by ATB and in either case ATB electing to crystallize the floating charge; or
 - (B) ATB taking any action to appoint a Receiver or to enforce its Security Interest or to realize upon all or any part of the Collateral, whether under Section 8(a), (b), (c) or (d) hereof or otherwise; and
 - (ii) against certain specified Real Property of the Debtor or in which the Debtor has an interest, upon ATB taking any action to register the floating charge hereunder or any caveat, security notice or other instrument in respect thereof against such specified Real Property at any real property registry or other similar office.
- (b) In accordance with the *Property Law Act* (British Columbia), the doctrine of consolidation applies to this Agreement.
- (c) The crystallization of the floating charge (if any) created by this Agreement against any real property then owned or held by the Debtor or in which the Debtor then has an interest shall not operate so as to prevent the floating charge granted hereunder from attaching to any real property subsequently acquired by the Debtor or in which the Debtor subsequently acquires an interest and for greater certainty, the floating charge (if any) granted hereunder shall extend to such after-acquired real property, and on election by ATB, such floating charge shall thereupon crystallize.

16. REGISTRATION

The Debtor will ensure that this Agreement and all such supplementary and corrective instruments and any additional mortgage and security documents, and all documents, caveats, cautions, security notices and financing statements in respect thereof are, to the extent required by ATB, promptly filed and refiled, registered and re-registered and deposited and re-deposited, in such manner, in such offices and places, and at such times and as often as may be required by applicable law or as may be necessary or desirable to perfect and preserve the Security Interests as a first priority mortgage, charge and security interest and the rights conferred or intended to be conferred upon ATB by the Security Interests and will cause to be furnished promptly to ATB evidence satisfactory to ATB of such filing, registering and depositing.

17. MISCELLANEOUS

- (a) Without limiting any other right of ATB, whenever the debts and liabilities of the Debtor to ATB are immediately due and payable, or ATB has the right to declare the debts and liabilities to be immediately due and payable, whether or not it has so declared, ATB may, in its sole discretion, set-off against the debts and liabilities any and all monies then owed to the Debtor by ATB in any capacity, whether due or not due, and ATB shall be deemed to have exercised such right of set-off immediately at the time of making its decision to do so even though any charge therefor is made or entered on ATB's records subsequent thereto.
- (b) ATB may grant extensions of time and other indulgences, take and give up security, accept compositions, compound, compromise, settle, grant releases and discharges and otherwise deal with the Debtor, sureties and others and with Collateral and other security as ATB may see fit without prejudice to the liability of the Debtor or to ATB's right to hold and realize the Security Interest. ATB may demand, collect and sue on the Collateral in either the Debtor's or ATB's name, at ATB's option, and may endorse the Debtor's name on any and all cheques, commercial paper and any other instruments pertaining to or constituting Collateral and for this purpose, the Debtor irrevocably authorizes and appoints ATB as its attorney and agent, with full power of substitution. These powers are coupled with an interest and are irrevocable until this Agreement is terminated and the Security Interests created by this Agreement are released.
- (c) Upon the Debtor's failure to perform any of its obligations under this Agreement, ATB may, but shall not be required to, perform any such obligations, and the Debtor will pay to ATB, upon demand, an amount equal to the expense incurred by ATB in so doing with interest thereon from the date such expense is incurred at a rate equal to the highest rate of interest payable by the Debtor on any portion of the Indebtedness.
- (d) This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and assigns. The Debtor may not assign this Agreement, or any of its rights or obligations under this Agreement, without the prior written consent of ATB. In any action brought by an assignee of this Agreement or the Security Interest created hereunder or any part thereof, the Debtor shall not assert against the assignee any claim or defense which the Debtor now has or hereafter may have against ATB.
- (e) If more than one person executes this Agreement as the Debtor:
 - (i) the obligations of such persons hereunder shall be joint and several;
 - (ii) the Security Interests shall secure the Indebtedness of each Debtor, whether or not any other Debtor or any other person is also liable therefor; and
 - (iii) the Collateral shall include the interest of any Debtor in the property, assets and undertaking constituting Collateral owned or otherwise held by such Debtor, whether or not any other Debtor also has an interest therein.

- (f) The Debtor acknowledges and agrees that in the event it amalgamates with any other corporation or corporations it is the intention of the parties hereto that the term "Debtor" when used herein shall apply to each of the amalgamating corporations and to the amalgamated corporation, such that the Security Interests granted hereby:
- (i) shall extend and attach to "Collateral" (as that term is herein defined) owned by each of the amalgamating corporations and the amalgamated corporation at the time of amalgamation and to any "Collateral" thereafter owned or acquired by the amalgamated corporation; and
 - (ii) shall secure the "Indebtedness" (as that term is herein defined) of each of the amalgamating corporations and the amalgamated corporation to ATB at the time of amalgamation and any "Indebtedness" of the amalgamated corporation to ATB thereafter arising.
- (g) This Agreement is in addition to and not in substitution for any other security or securities now or hereafter held by ATB and all such other securities shall remain in full force and effect. ATB will not be obliged to exhaust its recourse against the Debtor or any other person or against any other security it may hold in respect of the Indebtedness before realizing upon or otherwise dealing with the Collateral in such manner as ATB may consider desirable.
- (h) The Debtor further agrees to execute and deliver to ATB such further assurances and conveyances and supplemental deeds and instruments as may be necessary to properly carry out the intention of this Agreement, as determined by ATB, or as may be required by ATB from time to time, in each case acting reasonably.
- (i) After Default, ATB may from time to time apply and re-apply, notwithstanding any previous application, in any such manner as it, in its sole discretion, sees fit, any monies received by it from the Debtor or as a result of any enforcement or recovery proceedings, in or toward payment of any portion of the Indebtedness. The Debtor will remain liable for any Indebtedness that is outstanding following realization of all or any part of the Collateral and the application of the proceeds thereof.
- (j) In the event that the Debtor is a body corporate, it is hereby agreed that *The Limitation of Civil Rights Act* (Saskatchewan), or any provision thereof, shall have no application to this Agreement or any agreement or instrument renewing or extending or collateral to this Agreement. In the event that the Debtor is an agricultural corporation within the meaning of *The Saskatchewan Farm Security Act* (Saskatchewan), the Debtor agrees with ATB that all of Part IV (other than Section 46) of that Act shall not apply to the Debtor.
- (k) In the event that the Debtor is a body corporate, the Debtor further agrees that *The Land Contracts (Actions) Act* (Saskatchewan) shall have no application to an action, as defined in that Act, with respect to this Agreement.
- (l) For the purpose of assisting ATB in assessing the creditworthiness of the Debtor or the ownership or description of any of the Collateral, and for the purpose of collecting all or any portion of the Indebtedness owing by the Debtor to ATB, the Debtor consents to the disclosure and release to ATB of personal information, including without limitation, motor vehicle information from Alberta Registries (or any other provincial government department having jurisdiction in that area). This consent is effective from the effective date of this Agreement and shall remain in effect until all Indebtedness is fully satisfied.

18. INTERPRETATION

- (a) If a portion of this Agreement is wholly or partially invalid, then this Agreement will be interpreted as if the invalid portion had not been a part of it.

- (b) Where the context so requires, the singular number shall be read as if the plural were expressed and the provisions hereof shall be read with all grammatical changes necessary depending upon the person referred to being male, female or body corporate.

19. GOVERNING LAW

This Agreement will be interpreted in accordance with the laws of the Province of Alberta, and the Debtor irrevocably agrees that any suit or proceeding with respect to any matters arising out of or in connection with this Agreement may be brought in the courts of such Province or in any court of competent jurisdiction, as ATB may elect, and the Debtor agrees to attorn to the same.


20. COPY OF AGREEMENT

The Debtor hereby acknowledges receipt of a copy of this Agreement, and waives any right it may have to receive a Financing Statement, Financing Change Statement or Verification Statement relating to it.

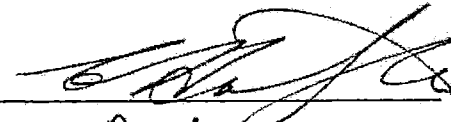
THIS AGREEMENT may be executed electronically; this Agreement may be delivered by email, facsimile or other functionally-equivalent electronic means.

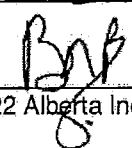
IN WITNESS WHEREOF the Debtor has executed this Agreement this 28th day of February, 2017.

WITNESS:



Brendan Kary





1883222 Alberta Inc.

By: Curtis Hartzler
Title: VP Business Development

By: Brad R. Perry
Title: CFO

Full Address of Debtor:

200, 340 - 12th Avenue SW
Calgary, Alberta
T2R 1L5

Full List of all prior names by which Debtor has been known (whether by way of name change, amalgamation or otherwise):

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SCHEDULE A

1. Description of Collateral:

Select appropriate box or boxes. If no box is selected, the Debtor shall be deemed to have selected box (a).

- (a) All of the Debtor's present and after-acquired Personal Property, as well as a mortgage by way of a floating charge on all of the Debtor's lands, real property, immoveable property, leasehold property and other property, assets and undertaking not subject to the PPSA, including all such property, assets and undertaking owned or leased by or licensed to the Debtor and in which the Debtor at any time has an interest or to which the Debtor is or at any time may become entitled.
- (b) All of the Debtor's present and after-acquired Personal Property.
- (c) All of the Debtor's present and after acquired personal property (including but not limited to Equipment, Inventory, Accounts, Chattel Paper, Documents of Title, Goods, Intangibles, Investment Property, Money and Fixtures) now or hereafter situate on, annexed to, used in connection with or arising from the business or affairs carried on at or about the lands and premises described on Schedule "B" hereto (or any other description by which such lands may be described) (the "Lands") and any proceeds thereof (including insurance proceeds), all present and future contracts for the supply of work or materials or provision of services relating to the construction, operation or maintenance of the Lands and the business or affairs carried on at or about the Lands, and all permits, licences and concessions relating to the ownership of the Lands or the operation of the business or affairs carried on at or about the Lands, as well as all documents, contracts, books of account and other books relating to or being records of or by which such are or may hereafter be secured, evidenced, acknowledged or made payable or relating to the Debtor's business, customers and clients.
- (d) All of the Debtor's present and after-acquired Personal Property except
- (e) All of the Debtor's equipment of whatever kind and wherever situated including, without limitation, all machinery, tools, apparatus, plant, furniture, fixtures and vehicles of whatever nature.
- (f) All Accounts, Instruments, debts and Chattel Paper which are now due, owing or accruing due, or which may hereafter become due, owing or accruing due, to the Debtor, together with all records (whether in writing or not) and other documents of any kind which in any way evidence or relate to any or all of the Accounts, Instruments, debts or Chattel Paper.
- (g) All of the Debtor's present and after-acquired Inventory, wherever located.
- (h) The following described Personal Property:

- (i) All harvested and unharvested crops whether growing or matured, and whether grain, roots, seeds, leaves or otherwise howsoever, and any interest of the Debtor therein, wherever located.
- (j) All of the Debtor's _____, male or female, born or unborn, branded or unbranded, of whatever age or stage of growth, wherever located.

2. Listing of Serial Numbers:

The registration mark (for aircraft only) and the serial numbers or vehicle identification numbers of any motor vehicles, trailers, mobile homes, manufactured homes, boats, outboard motors for boats, or aircraft (other than those held as Inventory for sale or lease by the Debtor) constituting Collateral are as follows:

Make	Model	Year of Manufacture	Serial Number (and Registration Mark for aircraft only)

3. Locations of Personal Property Collateral:

The personal property Collateral is located at the following location(s):

4. Permitted Encumbrances (if any):

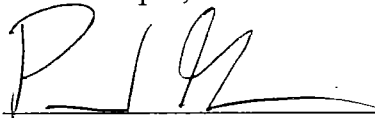
**SCHEDULE B
DESCRIPTION OF LANDS**

ATB Financial™

This is **Exhibit "S"** referred to in
the Affidavit of

Trina Holland

Sworn before me this 27th day of
April, 2017

A handwritten signature in black ink, appearing to read 'PAG', written over a horizontal line.

Paul Anthony Grenon
Student-at-Law

A Commissioner for Oaths in and for Alberta

Search ID#: Z09031076

Transmitting Party

BLAKE CASSELS & GRAYDON LLP

3500 -855-2ND STREET S.W.
CALGARY, AB T2P4J8

Party Code: 50038397

Phone #: 403 260 9618

Reference #: 81518/131 CHNG

Search ID #: Z09031076

Date of Search: 2017-Apr-20

Time of Search: 15:50:17

Business Debtor Search For:

FORENT ENERGY LTD.

Exact Result(s) Only Found

NOTE:

A complete Search may result in a Report of Exact and Inexact Matches.

Be sure to read the reports carefully.



Search ID#: Z09031076

Business Debtor Search For:

FORENT ENERGY LTD.

Search ID #: Z09031076

Date of Search: 2017-Apr-20

Time of Search: 15:50:17

Registration Number: 08030414212

Registration Type: SECURITY AGREEMENT

Registration Date: 2008-Mar-04

Registration Status: Current

Expiry Date: 2018-Mar-04 23:59:59

Exact Match on: Debtor

No: 1

Debtor(s)

Block

		<u>Status</u>
1	FORENT ENERGY LTD. 228 EDELWEISS PL. NW CALGARY, AB T3A 3P8	Current

Secured Party / Parties

Block

		<u>Status</u>
1	COASTAL COMPRESSION LTD. 228 EDELWEISS PL. NW CALGARY, AB T3A 3P8	Current

Collateral: General

Block

Description

		<u>Status</u>
1	The Debtors' personal property described as the following: Unit C298 consisting of one (1) Gardner Denver SSH rotary screw natural gas compressor SSM: S199061; one (1) Cummins G5.9 natural gas engine rated 99 bhp at 1800 rpm. G8.3:46470161; Global Heat Transfer 2300 cooler assembly; Murphymatic TTDJ electronic control panel c/w accessories; one (1) Supply 1x4" 150 ANSI hose & 1x2" NPT hose;	Current
2	Unit C242 consisting of one (1) Gardner Denver SSH rotary screw natural gas compressor SSM: S195005; one (1) Cummins G5.9 natural gas engine rated 99 bhp at 1800 rpm. G8.3:46501468; Global Heat Transfer 2300 cooler assembly; Murphymatic TTDJ electronic control panel c/w accessories; one (1) Supply 1x4" 150 ANSI hose & 1x2" NPT;	Current

Search ID#: Z09031076

- | | | | |
|---|--|---------|-------|
| 3 | Unit C272 consisting of one (1) Gardner Denver SSH rotary screw natural gas compressor SSH: S194403; one (1) Cummins G5.9 natural gas engine rated 84 bhp at 1800 rpm. G5.9:46446531; Global Heat Transfer 2300 cooler assembly; Murphymatic TTDJ electronic control panel c/w accessories; one (1) Supply 1x4" 150 ANSI hose & 1x2" NPT hose; | Current | _____ |
| 4 | Unit C241 consisting of one (1) Gardner Denver SSM rotary screw natural gas compressor SSM: S192596; one (1) Cummins G8.3 natural gas engine rated 99 bhp at 1800 rpm. G8.3:46470016; Global Heat Transfer 2300 cooler assembly; Murphymatic TTDJ electronic control panel c/w accessories; one (1) Supply 1x4" 150 ANSI hose & 1x2" NPT hose; | Current | _____ |
| 5 | Unit C201 consisting of one (1) Gardner Denver SSE rotary screw natural gas compressor; one (1) Arrow VRG330 natural gas engine rated 68 bhp at 1800 rpm; Global Heat Transfer 2300 cooler assembly; Murphymatic TTD electronic control panel c/w accessories; | Current | _____ |
- and all proceeds therefrom.

Search ID#: Z09031076

Business Debtor Search For:

FORENT ENERGY LTD.

Search ID #: Z09031076

Date of Search: 2017-Apr-20

Time of Search: 15:50:17

Registration Number: 10032623167

Registration Type: SECURITY AGREEMENT

Registration Date: 2010-Mar-26

Registration Status: Current

Expiry Date: 2020-Mar-26 23:59:59

Exact Match on: Debtor

No: 1

Debtor(s)

Block

Status

1 FORENT ENERGY LTD.
#400, 333 - 11TH AVENUE S.W.
CALGARY, AB T2R 1L9

Current

Secured Party / Parties

Block

Status

1 ALTAGAS OPERATING PARTNERSHIP
1700, 355 - 4TH AVENUE S.W.
CALGARY, AB T2P 0J1

Current

Collateral: General

Block

Description

Status

1 Cessco Dehydration Package, Unit Number P-1084, including:
Glycol Contactor: 16"OD x 25'-0"H, 1400psi, Cessco, S/N P1084, A#2522034;
Glycol Reboiler: 125,000 Btu/hr, Cessco, S/N P1084C;
Glycol Pump: Kimray 4015 Plunger Pump, S/N NAH 450;
Fuel Gas Scrubber: 8-5/8"OD x 2'-6"H, 150 psi, Cessco, S/N P1084B, A#2522027;
Glycol Filter: 12" OD x 4'-0"H, 250psi, JL Fluid, S/N JL7-022, A#408900;
Skid;
Building: 12'-0"Lg x 8'-0"Wd x 10'-0"H; and
Heaters: Two (2) Catadyne

Current

Proceeds: Goods, chattel paper, investment property, documents of title, instruments, money and intangibles.

This report lists registrations in the Personal Property Registry that match the following search criteria:

Province or Territory Searched: Nova Scotia
Type of Search: Debtors (Enterprise)

Search Criteria: Forent Energy Ltd.

Date and Time of Search: 2017-04-26 16:43 (Atlantic)
Transaction Number: 14950105
Searched By: M192051

The following table lists records that match the Debtors (Enterprise) you specified.

Exact	Included	Original Registration Number	Enterprise Name	Place
*	*	21875653	Forent Energy Ltd.	Calgary

An '*' in the 'Exact' column indicates that the Debtor (Enterprise) exactly matches the search criteria.
Included Column Legend

- An asterisk (*) in the 'Included' column indicates that the registration's details are included within the Search Result Report.

Registration Counts

- 1 registration(s) contained information that **exactly** matched the search criteria you specified.

- 0 registration(s) contained information that **closely** matched the search criteria you specified.

When reviewing the registrations below, note that a registration which has expired or been discharged within the last 30 days can still be re-registered by the secured party.

All registration date/time values are stated in Atlantic Time.

For more information concerning the Personal Property Registry, go to www.acol.ca

Registration Details for Registration Number: 21875653

Province or Territory: Nova Scotia
Registration Type: PPSA Financing Statement

Registration History

Registration Activity	Registration Number	Date/Time (Atlantic)	Expiry Date	File Number
Original	21875653	2013-10-02 16:55	2018-10-02	016026-1078

This registration has **not** been the subject of an Amendment or Global Change. The following registration information was added by the original registration and has not been deleted.

Debtors

Type: Enterprise
 Forent Energy Ltd.
 200, 240 -12th Avenue SW
 Calgary AB T2R 1L5

Canada

Secured Parties

Type: Enterprise
Alberta Treasury Branches
600 - 444 7th Avenue SW
Calgary AB T2P 0X8
Canada

General Collateral

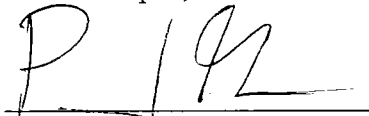
All present and after-acquired personal property of the debtor. Proceeds: all goods, documents of title, chattel paper, instruments, money, investment property and intangibles.

END OF REPORT

This is **Exhibit "T"** referred to in
the Affidavit of

Trina Holland

Sworn before me this 27th day of
April, 2017

A handwritten signature in black ink, appearing to read 'P. A. Grenon', written over a horizontal line.

Paul Anthony Grenon
Student-at-Law

A Commissioner for Oaths in and for Alberta

Search ID#: Z09031093

Transmitting Party

BLAKE CASSELS & GRAYDON LLP

3500 -855-2ND STREET S.W.
CALGARY, AB T2P4J8

Party Code: 50038397

Phone #: 403 260 9618

Reference #: 81518/131 CHNG

Search ID #: Z09031093

Date of Search: 2017-Apr-20

Time of Search: 15:52:18

Business Debtor Search For:

1883222 ALBERTA INC.

Exact Result(s) Only Found

NOTE:

A complete Search may result in a Report of Exact and Inexact Matches.

Be sure to read the reports carefully.



Search ID#: Z09031093

Business Debtor Search For:

1883222 ALBERTA INC.

Search ID #: Z09031093

Date of Search: 2017-Apr-20

Time of Search: 15:52:18

Registration Number: 17011029101

Registration Type: SECURITY AGREEMENT

Registration Date: 2017-Jan-10

Registration Status: Current

Expiry Date: 2027-Jan-10 23:59:59

Exact Match on: Debtor

No: 1

Debtor(s)

Block

Status

1 1883222 ALBERTA INC.
SUITE 450, 407 - 2ND STREET SW
CALGARY, AB T2P 2Y3

Current

Secured Party / Parties

Block

Status

1 ALBERTA TREASURY BRANCHES
SUITE 600, 585 - 8TH AVENUE SW
CALGARY, AB T2P 1G1

Current

Collateral: General

Block

Description

Status

1 All of the Debtor's present and after-acquired personal property.

Current

Search ID#: Z09031093



Business Debtor Search For:

1883222 ALBERTA INC.

Search ID #: Z09031093

Date of Search: 2017-Apr-20

Time of Search: 15:52:18

Registration Number: 17011029136

Registration Type: LAND CHARGE

Registration Date: 2017-Jan-10

Registration Status: Current

Registration Term: Infinity

Exact Match on: Debtor

No: 1

Debtor(s)

Block

Status

1 1883222 ALBERTA INC.
SUITE 450, 407 - 2ND STREET SW
CALGARY, AB T2P 2Y3

Current

Secured Party / Parties

Block

Status

1 ALBERTA TREASURY BRANCHES
SUITE 600, 585 - 8TH AVENUE SW
CALGARY, AB T2P 1G1

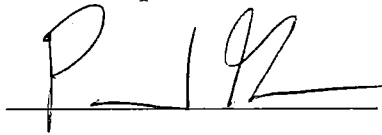
Current

Result Complete

This is **Exhibit "U"** referred to in
the Affidavit of

Trina Holland

Sworn before me this 27th day of
April, 2017

A handwritten signature in black ink, appearing to read 'P. A. Grenon', is written over a horizontal line.

A Commissioner for Oaths in and for Alberta

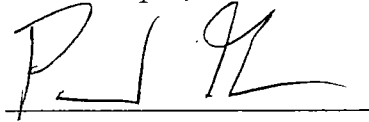
Paul Anthony Grenon
Student-at-Law

CONFIDENTIAL
EXHIBIT

This is **Exhibit "V"** referred to in
the Affidavit of

Trina Holland

Sworn before me this 27th day of
April, 2017

A handwritten signature in black ink, appearing to read 'P. A. Grenon', written over a horizontal line.

Paul Anthony Grenon
Student-at-Law

A Commissioner for Oaths in and for Alberta



Strategic Alternatives Process 187 boe/d Production



Sayer Energy Advisors ("Sayer") has been engaged to assist the Board of Directors of Forent Energy Ltd. ("Forent" or the "Company") with a strategic alternatives process. Forent is a publicly-traded (TSXV: FEN) junior oil and gas company active in the business of oil and natural gas exploration, development and production from its properties in Alberta.

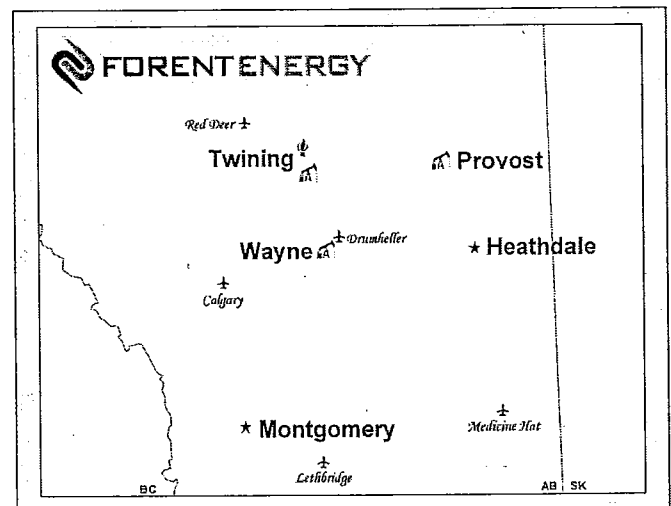
Sayer has been asked to review all alternatives available to the Company, which may include a merger with another exploration and production entity, a sale of the Company's shares for cash or the sale of some or all of the Company's properties.

The Company currently produces approximately 187 boe/d (123 barrels of oil and ngls per day and 382 Mcf/d of natural gas) primarily from its main properties at *Twining*, *Wayne* and *Provost*. The properties are characterized by high working interest, low decline, long reserve life oil production with significant development potential, particularly through horizontal drilling.

The Company also holds a significant acreage position in the *Heathdale* area, where it has identified potential to develop a bypassed oil pay prospect with horizontal wells.

In the *Montgomery* area, Forent has a large proprietary 3D seismic survey which it acquired on the strength of a high impact exploration prospect targeting light oil in a naturally fractured Second White Speckled Shale (2WS) reservoir.

In addition to the major properties, Forent holds royalty interests in numerous wells in the *Garden Plains*, *Hamilton Lake*, *Provost* and *Sullivan Lake* areas of Alberta and in the *Virden Roselea Unit No. 2* in Manitoba (packaged together as the *Royalty Properties*) and it holds various working interests in minor producing properties in the *Crossfield*, *Ferrybank*, *Huxley*, *Richdale* and *Rumsey* areas.



PROCESS & TIMELINE

Sayer is accepting proposals relating to this strategic alternatives process until **12:00 noon on Thursday, May 18, 2017.**

Timeline	
Week of April 17, 2017	Preliminary Information Distributed
April 20, 2017	Data Room Opens
May 18, 2017	12:00 noon Deadline for Submission of Proposals
June/July 2017	Closing

Sayer Energy Advisors does not conduct a "second-round" bidding process; the intention is to attempt to conclude a transaction with the party submitting the most acceptable proposal at the conclusion of the process.

Sayer Energy Advisors is accepting proposals from interested parties until
noon on Thursday, May 18, 2017.

PRODUCTION

Forent currently produces approximately 187 boe/d (Q4 2016 net sales: 123 barrels of oil and natural gas liquids per day and 382 Mcf/d of natural gas) from its operated and non-operated working interests in four main areas in Southern Alberta, as summarized below.

Q4 2016 Net Sales Summary by Area

Property	Average Net Sales Q4 2016			Operating Income
	Gas Mcf/d	Oil & NGL bbl/d	Total boe/d	Monthly NOI Based on Q4 2016
Twining	89	62	77	\$36,500
Wayne	36	28	34	\$35,500
Provost	9	30	31	\$13,450
Ferrybank	115	3	22	\$1,375
Minors	133	0	23	\$333
Royalty Properties				\$1,600
TOTAL	382	123	187	\$88,758

CORPORATE LLR (as of April 1, 2017)

LLR	Deemed Asset Value	Deemed Liability Value	Net Deemed Asset Value
1.47	\$8,340,508	(\$5,685,314)	\$2,655,194

CORPORATE RESERVES

McDaniel & Associates Consultants Ltd. ("McDaniel") prepared an independent reserves evaluation of Forent's properties as part of the Company's year-end reporting (the "McDaniel Report"). The McDaniel Report is effective December 31, 2016 using McDaniel's January 1, 2017 forecast pricing.

McDaniel estimates that, as of December 31, 2016, Forent's properties contained remaining proved plus probable reserves of 1.1 million barrels of oil and natural gas liquids and 1.7 Bcf of natural gas (1.4 million boe), with an estimated net present value of \$15.1 million using forecast pricing at a 10% discount.

	McDaniel & Associates Ltd. as of December 31, 2016				PV BEFORE TAX		
	Oil Mbbbl	Natural Gas MMcf	Ngl Mbbbl	Total MBOE	5%	10%	15%
Proved Developed Producing	409	1,006	27	604	\$9,043	\$6,846	\$5,523
Proved Non-Producing/Undeveloped	289	258	9	341	\$4,249	\$3,076	\$2,168
Total Proved	698	1,264	36	945	\$13,292	\$9,922	\$7,691
Probable	324	457	13	413	\$7,948	\$5,143	\$3,554
Total Proved Plus Probable	1,022	1,721	50	1,358	\$21,240	\$15,065	\$11,245

The reserve estimates and forecasts of production and revenues for the Company's properties were prepared within the context of the Company's year-end evaluation, which was an evaluation of all of the Company's properties in aggregate. Extraction and use of any individual property evaluation outside of this context may not be appropriate without supplementary due diligence. Values in the "Total" row may not correspond to the total of the values presented due to rounding.

TWINING PROPERTY

Township 32-35, Range 20-25 W4

At *Twining*, Forent holds a 100% working interest in 10 Pekisko oil wells. The Company also holds a 100% working interest in a central oil treating facility with natural gas conservation. Recent sales from the *Twining* area have averaged approximately 77 boe/d, 62 barrels of 25° API oil and natural gas liquids per day and 89 Mcf/d of natural gas.

The *Twining* property produces with low decline, with an RLI of 15.6 years (proved) and 20.3 years (proved + probable). Aided by 3D seismic interpretation and supported by low recovery factors of less than 5% in the section, Forent has identified four vertical infill locations on its land.

Based on results of offsetting horizontal wells recently drilled by a third party, the Company is considering replacing the four vertical infill wells with two horizontal wells.

Estimated costs are \$1.0 million for each vertical well and \$2.1 million per horizontal. Initial rates of the vertical wells are estimated to be 70 barrels of oil per day, with recovery of 50,000 barrels. Horizontal wells are expected to produce at an initial rate of 125 barrels of oil per day, with a recovery of 125,000+ barrels.

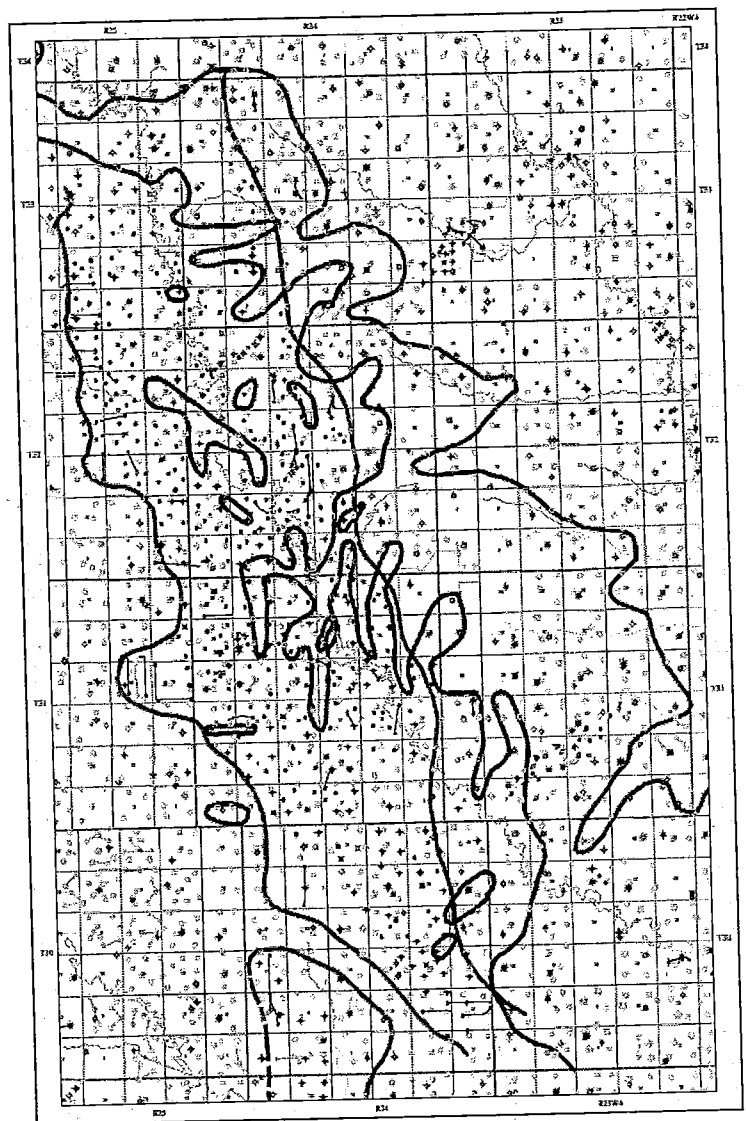
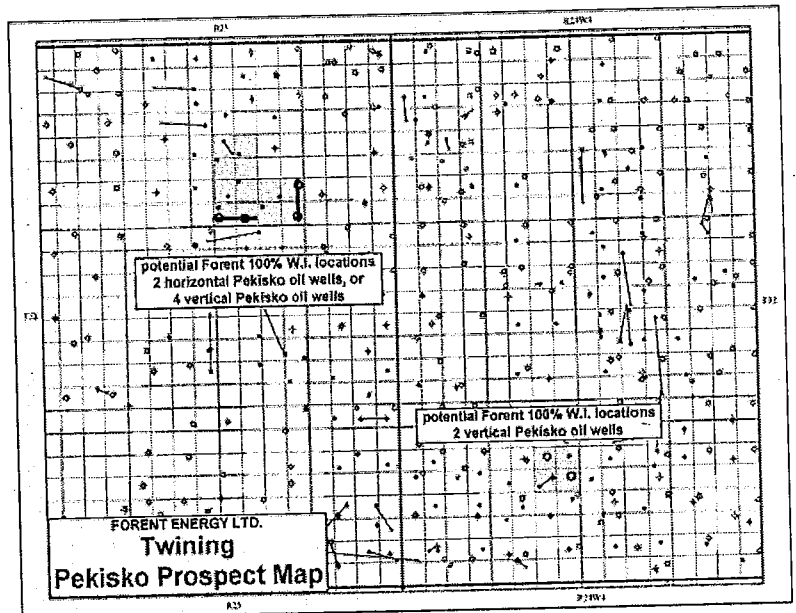
Twining Rundle "A" Pool

The *Twining Rundle "A" Pool* was discovered in 1952. Since the discovery of the pool, 488 wells have produced over 43 million barrels of 25° API oil from the Pekisko Formation. Less than 5% of the OOIP of 933 million barrels has been produced to date, from primary production only. The main drive mechanism is gas cap expansion, with some bottom water drive.

The average reservoir depth is 1,750 metres, with an average reservoir thickness of 40 metres and from 11-18 metres of net pay.

In recent years numerous horizontal wells and three vertical wells have been drilled in the Pool. Forent drilled the three vertical wells.

Based on information from wells drilled in 2014, the current reservoir pressure in the vicinity of Forent's property is 5,740-8,750 KPa.



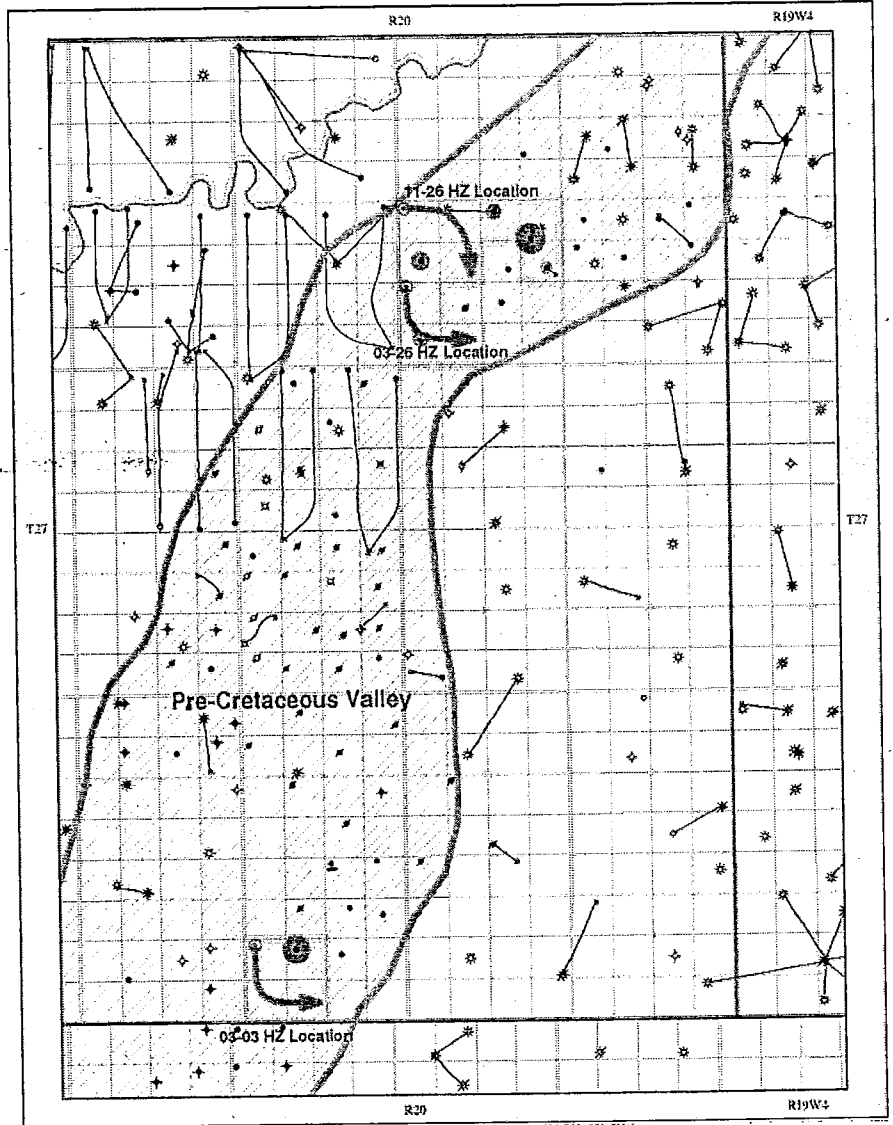
Wayne Geology

The paleogeography of the Pre-Cretaceous unconformity controlled Lower Mannville sedimentation in the Wayne area. Forent's Wayne lands sit within a southwest to northeast incised Pre-Cretaceous incised valley. Fluvial/Estuarine sediment of the Lower Mannville Ellerslie Formation filled this topographic low.

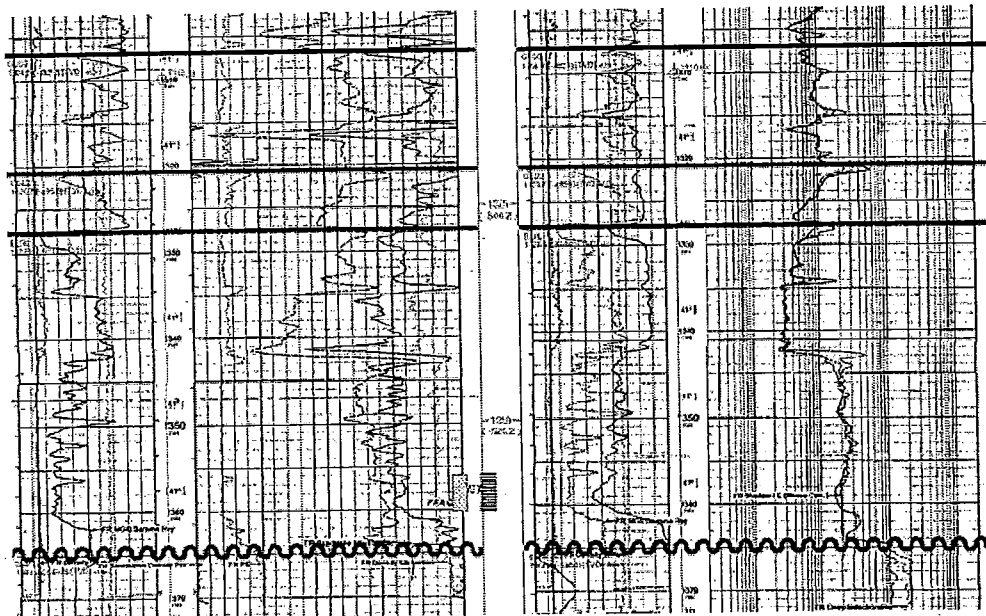
The composition of the valley fill is a complex mixture of facies including channel sands, overbank silt and shale deposits and abandonment shale plugs.

Individual sands are discontinuous and difficult to correlate. The multiple sands have created multiple stratigraphic traps.

The gross sediment thickness is up to 40 metres with maximum net pay up to 20 metres. The main reservoir drive mechanism is solution gas expansion.



Type Log: CVE 15C Wayne 100/15-26-027-20W4/0



Glauconitic

Ostracod

Ellerslie

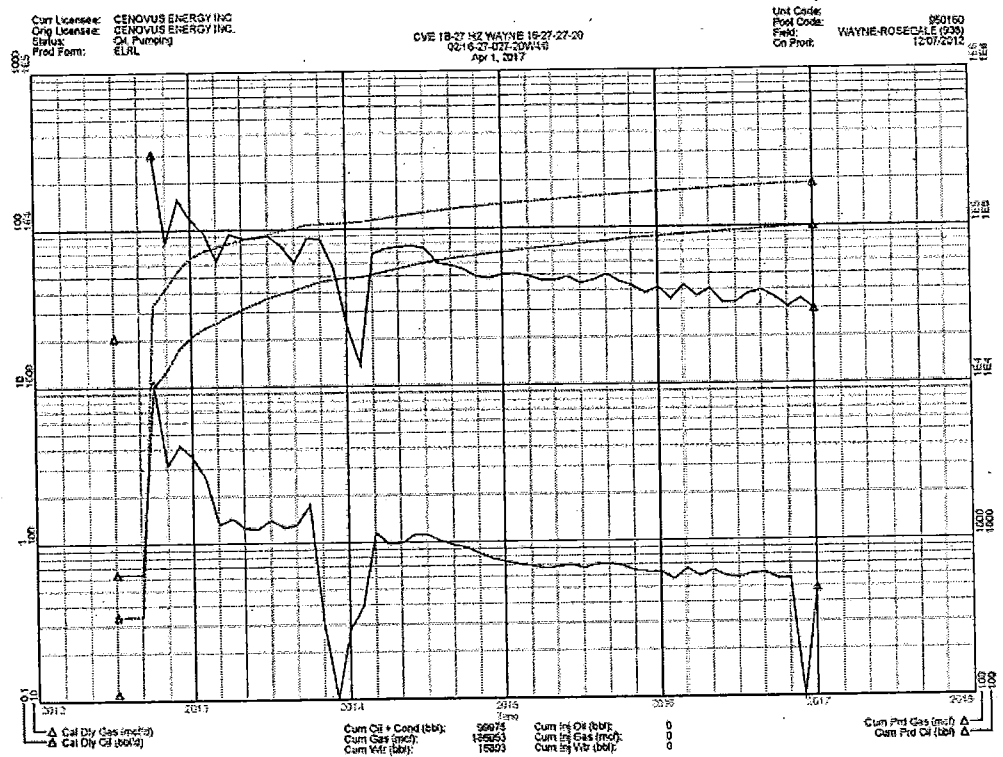
Banff

Wayne – Horizontal Drilling Activity

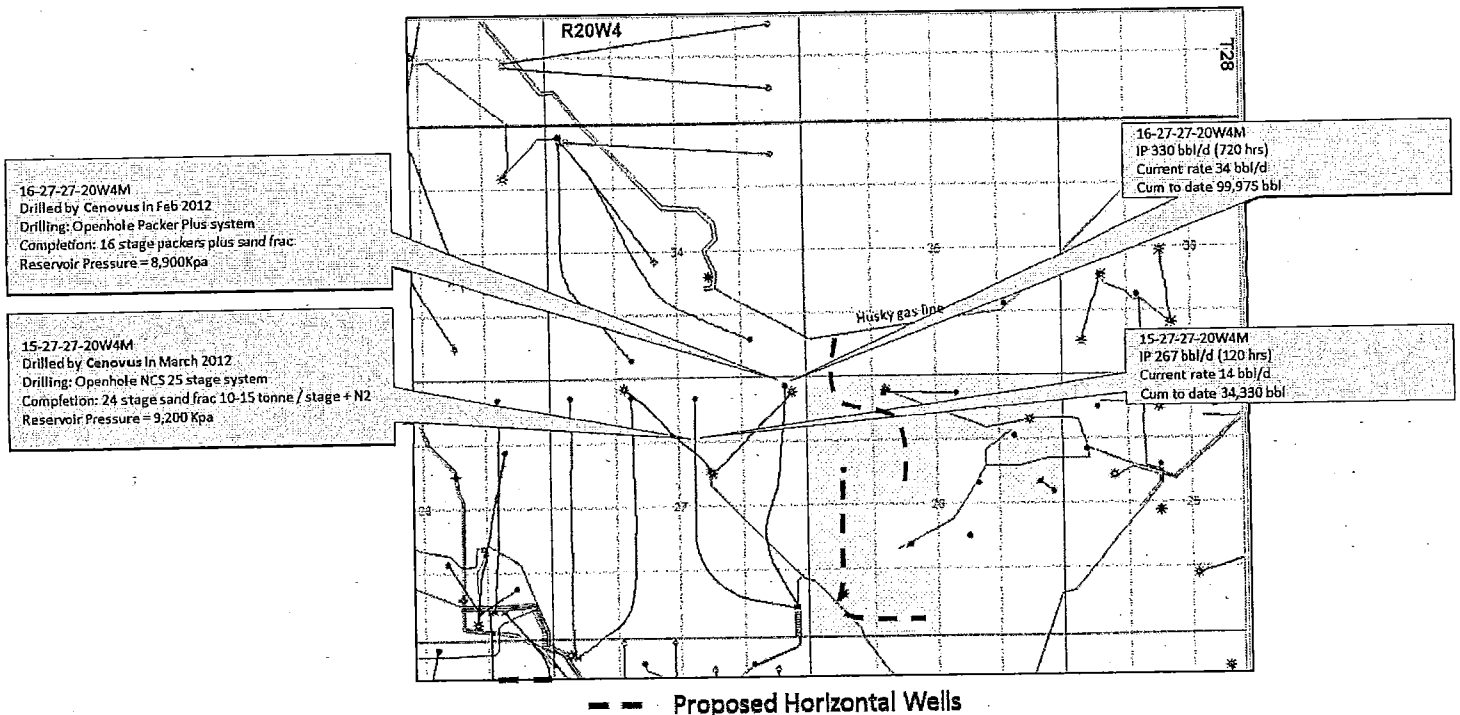
As shown on the map that follows, Cenovus Energy Inc. has recently been exploiting the Ellerslie in the Wayne area with horizontal wells.

The well CV 1B-27 HZ Wayne 02/16-27-027-20W4/0 is a horizontal Ellerslie oil well which was drilled offsetting Forent's land. The well came on stream in October 2012 at an initial rate of over 300 barrels of oil per day. The well has produced a total of over 100,000 barrels of oil to date.

Forent estimates that horizontal Ellerslie wells will cost \$3.1 million to drill and complete. Each well is expected to have an IP of approximately 127 bbl/d and a cumulative recovery of 97,000 barrels of oil.



Wayne – Recent Horizontal Drilling Activity

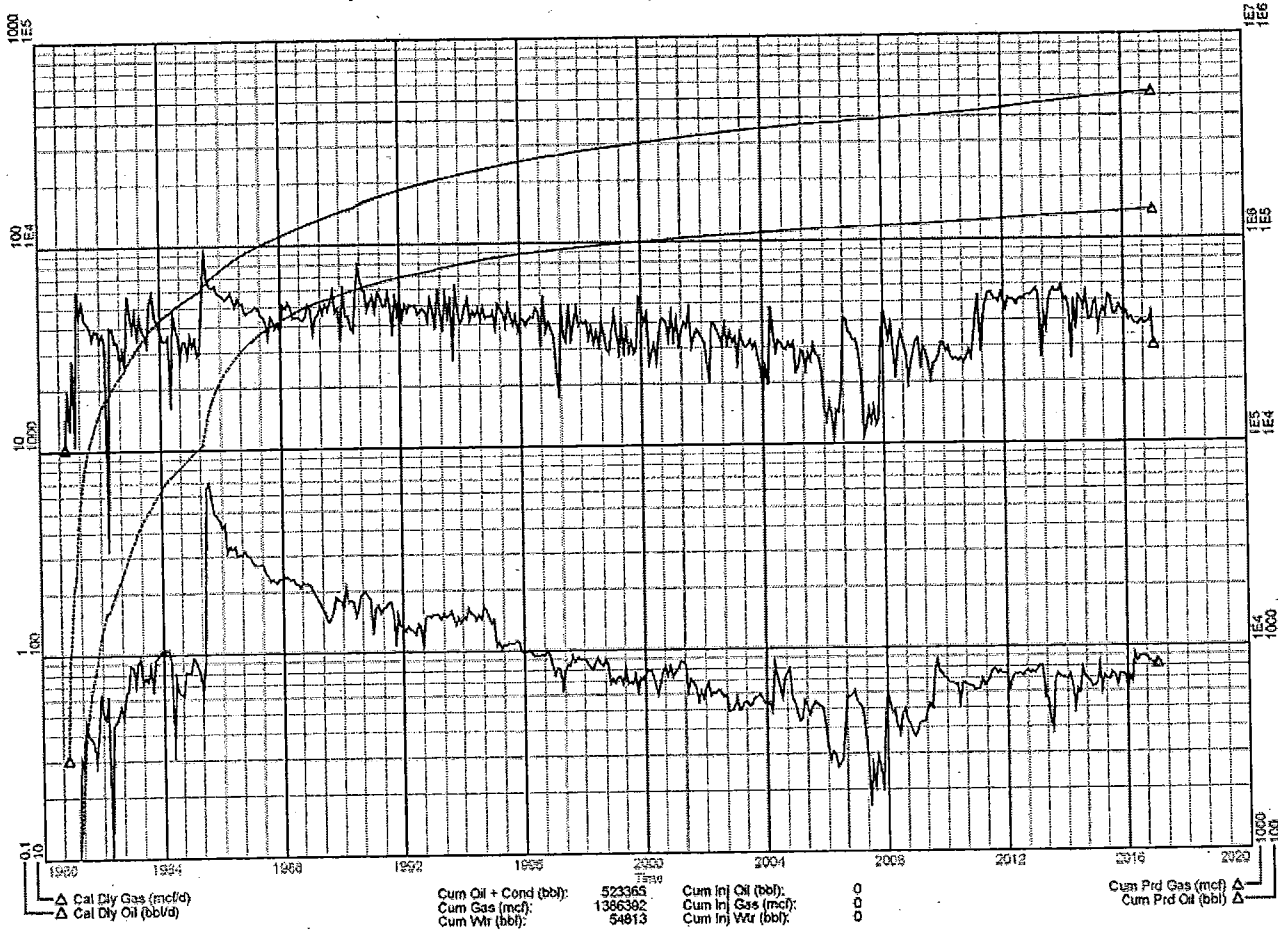


Wayne Production & Operations

Recent sales net to the Company from the *Wayne* property has averaged approximately 34 boe/d (28 barrels of oil per day and 36 Mcf/d of natural gas (raw)).

Forent's wells at *Wayne* produce to single well batteries, with emulsion trucked for treating and subsequent sales.

Group Production Plot of Forent's Ellerslie Oil Wells



PROVOST PROPERTY

Township 31-34, Range 6-16 W4

Forent holds working interests of 60%-100% in seven Dina oil wells at *Provost*. The wells produce 17° API oil to a Company-owned and operated central oil treating and water disposal facility. Net production of 30 barrels of oil per day could be increased by upgrading the central battery. In addition, there is potential to further develop the Company's land with horizontal wells. Natural gas production of 9 Mcf/d comes from non-operated, minor working interest wells in the area.

A key element to this property is the low recovery factor relative to the OOIP, resulting in a long reserve life and low decline production. The producing wells are all on variable speed drives, and they all carry a high fluid level. An increase in the water handling facilities at the central battery could increase production and would allow the drilling of additional horizontal wells in the pool. The estimated cost is \$930,000 per well, with initial production of 30 barrels of oil per day and recovery of 60,000 barrels anticipated.

Forent also holds varying working interests in a significant acreage position elsewhere in the *Provost* area.

Provost Geology

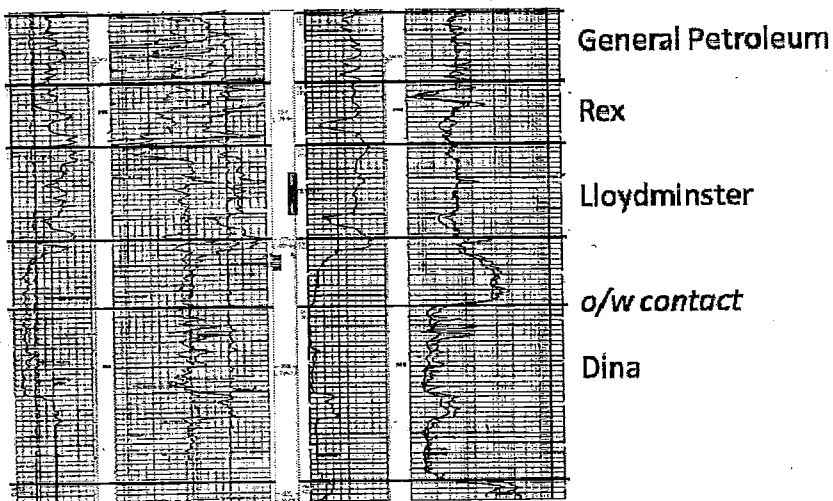
Paleogeography of the Pre-Cretaceous unconformity controlled the Dina and overlying Cummings Member sedimentation in the Provost area. Forent's lands sit within a steep-walled southwest to northeast valley.

Dina deposition was dominantly fluvial.

Trapping is a combination of stratigraphic and structural facies change laterally from thick clean sandstone to mudstone.

Structural drape occurs over preserved Pre-Cretaceous highs and areas of underlying salt dissolution.

Koch Coho Provost D0/15-10-040-02W4/0: Dina Formation



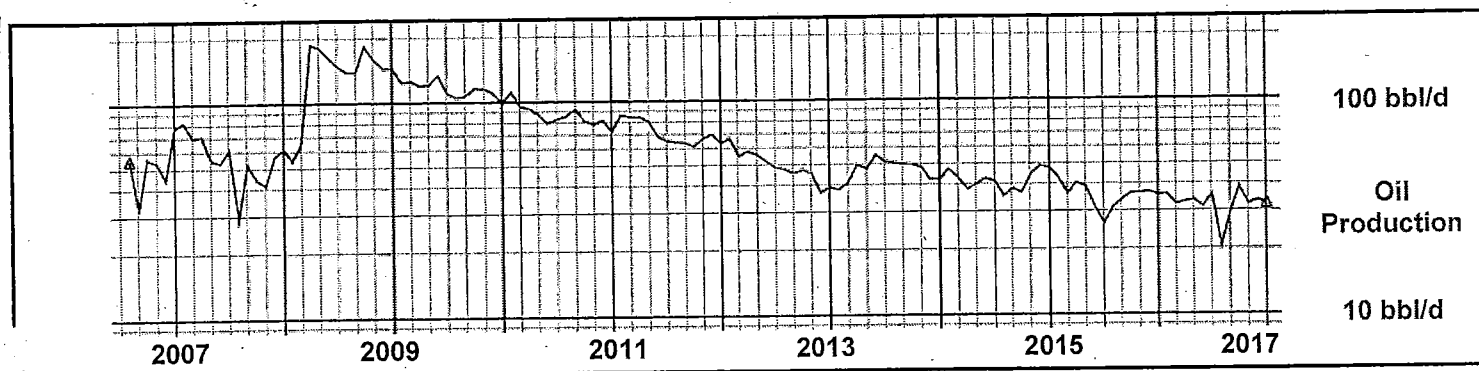
On Forent's lands the Dina is up to 45 metres thick with maximum net pay up to 15 metres. The main reservoir drive mechanism is bottom water. The logs from the well Koch Coho Provost D0/15-10-040-02W4/0 illustrate a typical section of Dina oil pay in the Provost area.

Provost Production History

Forent's seven Dina oil wells at Provost produce 30 barrels of 17° API oil per day to a Company-owned and operated central oil treating and water disposal facility. The pool has a strong aquifer drive and very low gas-oil ratio. All producing wells are drilled from one of two pads and tied into a multi-well battery located at 13-10-40-02 W4M. The production is treated in the main emulsion tanks, where oil is flowed to the production tank, and water pumped for disposal at the water injection well (12-10-40-02 W4M). None of the solution gas from the battery is conserved, it is all flared.

The wells are all on variable speed drives and many wells are currently produced with little drawdown (high fluid levels). Current production rates are limited by the battery's ability to handle water production. Upside of the pool is to increase water handling capabilities with the addition of a free water knock out and increase the capacity of the current water injection pump to a discharge pressure 4 Mpa from the current 1.5 MPa. The wells do not produce any significant amounts of sand with the wellbore fluids.

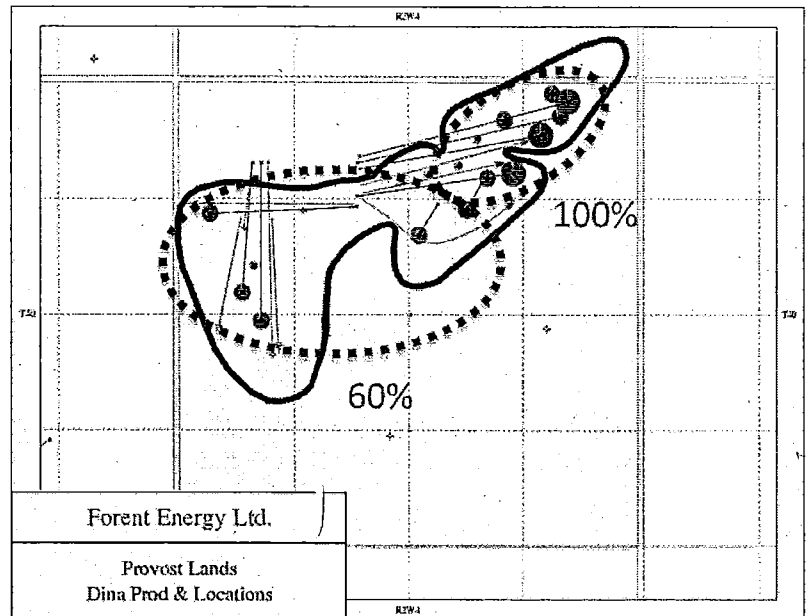
Group Production Plot of Forent's Dina Oil Wells



Provost Horizontal Drilling Upside

Forent estimates that horizontal wells can be drilled at *Provost* for less than \$1 million. These wells are expected to IP at a rate of 30 barrels of oil per day, with an expected cumulative recovery of 60,000 barrels.

The Company has identified six locations to drill 60% working interest wells and two locations to drill 100% working interest wells.



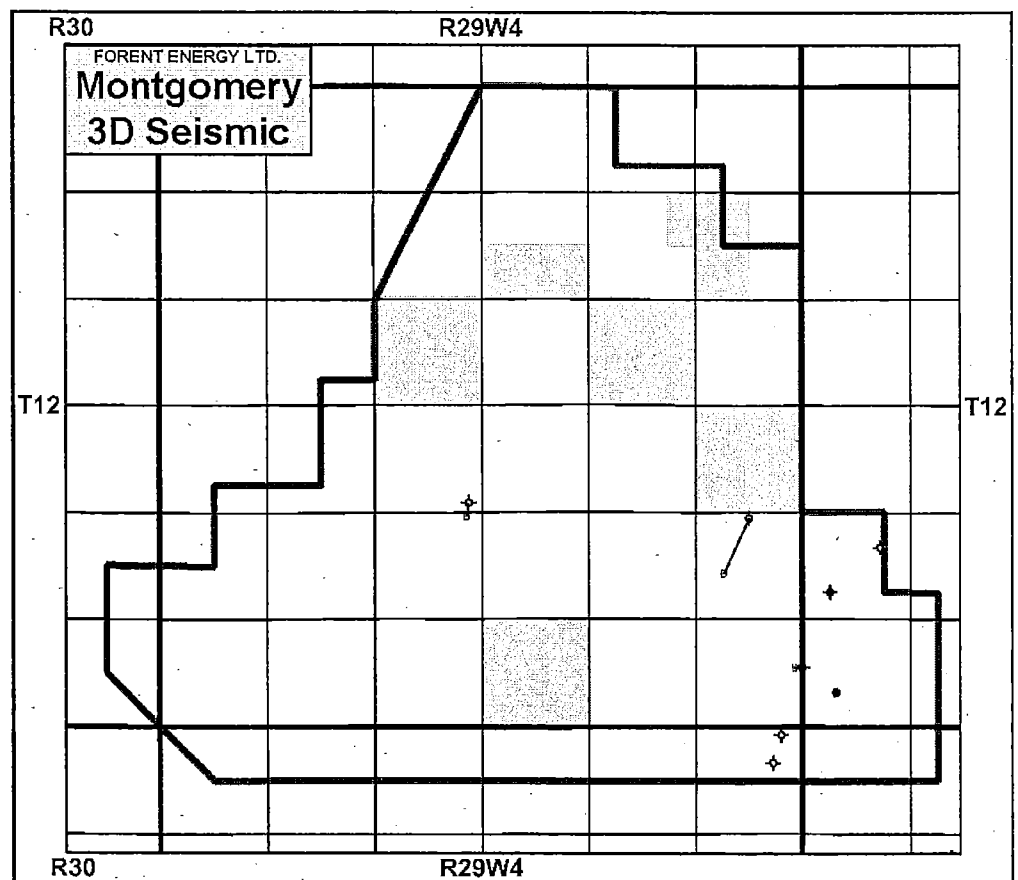
MONTGOMERY PROPERTY

Township 11-12, Range 29 W4

At *Montgomery*, in southwestern Alberta, Forent holds working interests in five and one-eighth sections of unexplored land located approximately 32 km (20 miles) west of Claresholm, just east of the Porcupine Hills.

The *Montgomery* area is prospective for large reserves of light oil and sweet natural gas from multiple formations, including the Belly River, Cardium, 2WS, Barons Sand, Viking, Glauconite, Sunburst and the Mississippian. Prospective horizons range from the Belly River, at 1,000 metres depth, to the deepest prospect, the Mississippian, at a depth of approximately 3,500 metres.

The offsetting plat shows the extent of the 3D seismic coverage which Forent has acquired at *Montgomery*. The data was acquired using a dynamite source with source intervals of 60 metres, receiver intervals of 60 metres, source line intervals of 600 metres and receiver line intervals of 180 metres. The data was processed by Arcis in 2011.

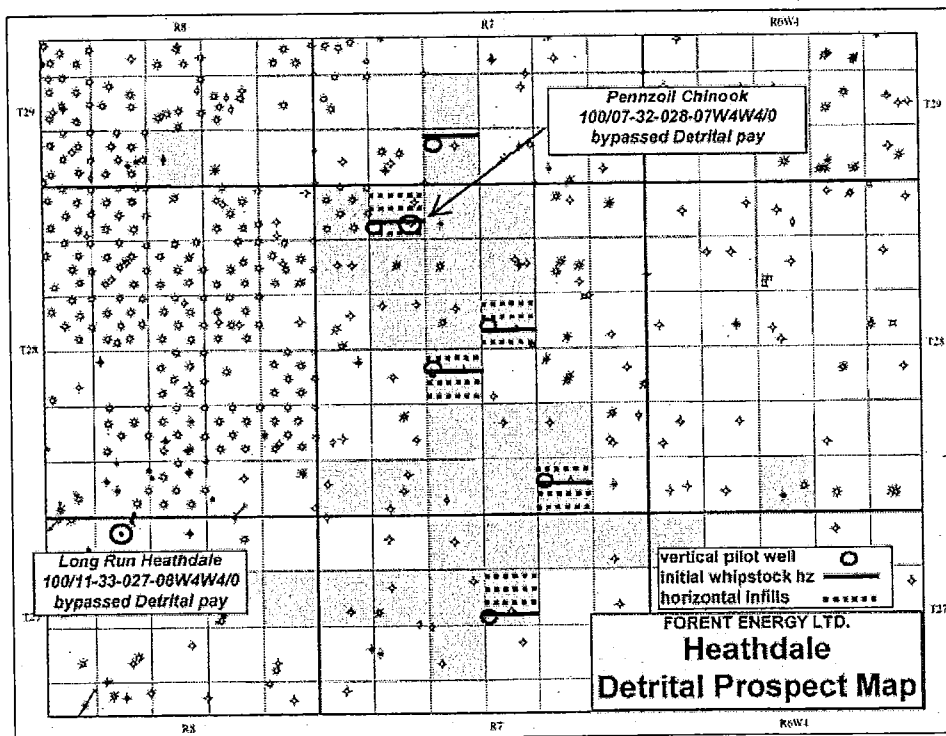
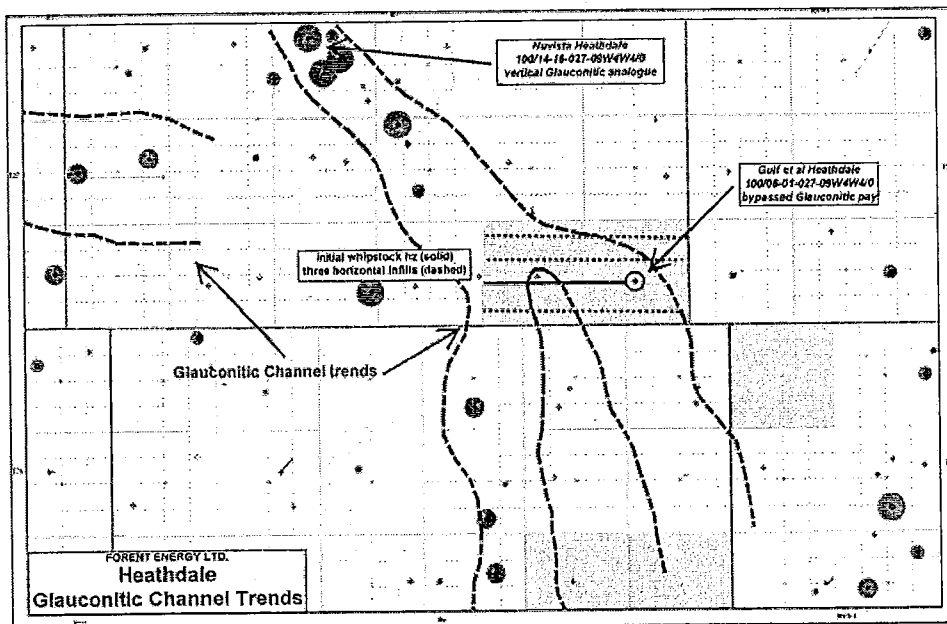


HEATHDALE PROPERTY

Township 26-30, Range 6-8 W4

Forent holds a 100% working interest in 54 sections of land in the *Heathdale* area, mostly holding the P&NG rights from surface to basement, as well as an additional 19.5 sections of land with varying working interests. The area has shallow multi-zone oil potential in the Banff, Detrital, Glauconitic Sandstone and Lithic Mannville Channels, and natural gas potential in the Colony, Viking, 2WS and Belly River Formations. There has been minimal seismic shot in this area.

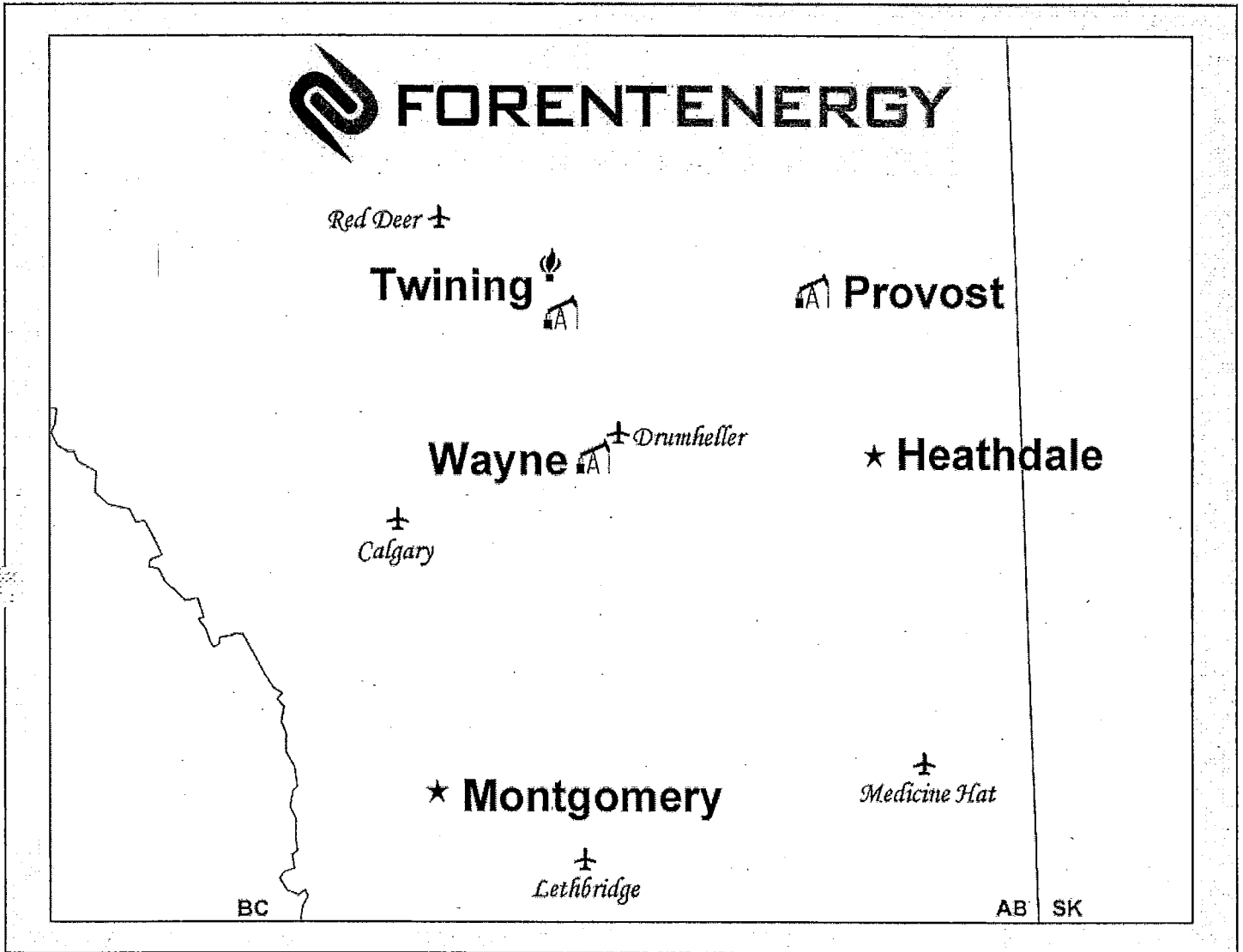
Recent drilling activity at *Heathdale* has focused on horizontal wells in the Glauconitic and Detrital Formations. The Company has identified two locations on its land, targeting bypassed oil pay in each of the Glauconitic and the Detrital, each with multi-well follow-up potential. In total, Forent has mapped eight sections of land with infill horizontal drilling potential.



Forent Energy Ltd

Spring 2017

Strategic Alternatives Process



CONTACT

Parties wishing to receive a Confidential Information Binder with detailed technical information relating to this opportunity should execute the Confidentiality Agreement which is available on Sayer Energy Advisors' website (www.sayeradvisors.com) and return one copy to Sayer Energy Advisors by courier, fax (403.266.4467) or email (tpavic@sayeradvisors.com).

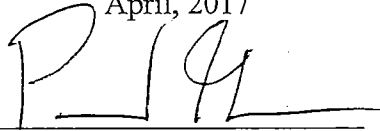
Included in the Confidential Information Binder is the following: detailed land information, the McDaniel Report, most recent net operations summary and other relevant corporate and technical information.

To receive further information on the Company or to discuss this opportunity in more detail, please contact Tom Pavic, Ben Rye, Ryan Ferguson Young, Jill Switzer or Alan Tambosso at 403.266.6133.

This is **Exhibit "W"** referred to in
the Affidavit of

Trina Holland

Sworn before me this 27th day of
April, 2017

A handwritten signature in black ink, appearing to read 'P. A. Grenon', written over a horizontal line.

Paul Anthony Grenon
Student-at-Law

A Commissioner for Oaths in and for Alberta

COURT FILE NO. 1701-
COURT COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY
APPLICANT ALBERTA TREASURY BRANCHES
RESPONDENT FORENT ENERGY LTD. AND 1883222 ALBERTA INC.
DOCUMENT CONSENT TO ACT AS RECEIVER
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT
BLAKE, CASSELS & GRAYDON LLP
3500, 855 – 2nd Street S.W.
Calgary, AB T2P 4J8
Attn: Ryan Zahara/Chris Nyberg
Telephone: 403-260-9628/403-260-9707
Facsimile: 403-260-9700
Email: ryan.zahara@blakes.com/chris.nyberg@blakes.com
File Ref.: 81518/131

TAKE NOTICE THAT Grant Thornton Limited hereby consents to being appointed as receiver pursuant to section 243 of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, as amended, over the current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof of Forent Energy Ltd. and 1883222 Alberta Inc.

DATED at Calgary, Alberta and effective this 26th day of April, 2017

GRANT THORNTON LIMITED

Per: _____
Name: _____