

Clerk's Stamp:

COURT/ESTATE FILE NUMBER

25-3276975

COURT

COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE

CALGARY

IN THE MATTER OF THE *BANKRUPTCY AND
INSOLVENCY ACT*, RSC 1985, c. B-3, AS AMENDED

IN THE MATTER OF THE NOTICE OF INTENTION TO
MAKE A PROPOSAL OF BLUE SKY RESOURCES LTD.

DOCUMENT

AFFIDAVIT

DLA Piper (Canada) LLP
1000, 250 2 Street SW
Calgary, Alberta T2P 0C1

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
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File No. 101988-00025

AFFIDAVIT OF MIKE BOUVIER
Sworn on February 11, 2026

I, MIKE BOUVIER, of the City of Calgary, in the Province of Alberta, **AFFIRM AND SAY:**

1. I am the Interim President of Blue Sky Resources Ltd. ("**Blue Sky**"). I am responsible for oversight of the accounting, engineering, production, land, compliance, and M&A staff. As such I have personal knowledge of the matters hereinafter deposed to except where stated to be based upon information and belief, in which case I believe the same to be true.

Background

2. Blue Sky is an oil and gas exploration company with assets in Alberta, British Columbia and Saskatchewan.

3. Blue Sky filed a Notice of Intention to Make a Proposal (“**NOI**”) under Part III of the *Bankruptcy and Insolvency Act* on September 24, 2025. KSV Restructuring Inc. is the proposal trustee (the “**Proposal Trustee**”) for Blue Sky in its NOI proceedings.
4. This Affidavit should be read in conjunction with the affidavit of Ilyas Chaudhary sworn October 8, 2025 (the “**Chaudhary Affidavit**”), my affidavit sworn October 30, 2025, my affidavit sworn November 4, 2025, my affidavit sworn December 10, 2025 and my affidavit sworn January 28, 2026 (collectively, the “**Bouvier Affidavits**”) in the within proceedings. All capitalized terms used but not otherwise defined herein shall have the meaning ascribed to them in the Chaudhary Affidavit and the Bouvier Affidavits.

Sale of Certain Non-Operated Interests

5. On November 20, 2025, the Court of King’s Bench of Alberta granted an order (the “**SISP Order**”) approving a sale and investment solicitation process (“**SISP**”) to be undertaken by Sayer Energy Advisors, as sales agent (the “**Sales Agent**”) and KSV Restructuring Inc., in its capacity as proposal trustee (the “**Proposal Trustee**”). Attached hereto and marked as **Exhibit “A”** is a copy of the SISP Order.
6. The SISP was commenced on December 5, 2025 and the deadline for non-binding offer was January 29, 2026 at 4:00 pm MT (the “**Bid Deadline**”). Following the Bid Deadline, the Sales Agent and the Proposal Trustee reviewed the bids received and recommended that Blue Sky proceed to negotiate with certain bidders who had submitted bids for various non-operated assets of Blue Sky, which could be completed on an expedited basis as they would not be subject to license transfer approvals by the Alberta Energy Regulator.
7. The sale of non-operated assets by Blue Sky was contemplated in the cash flow projections filed in respect of the stay extension application heard by the Honourable Justice G.S. Dunlop on February 3, 2026. The sale of non-operated assets was also discussed in the Fifth Report of the Proposal Trustee as a means to continue the funding of these proceedings.
8. Blue Sky intends to direct the sale proceeds from these transactions towards the payment of the outstanding professional fees and to the payment of certain accrued post-filing obligations.
9. The Interim Lender was consulted regarding the sale of the non-operated assets discussed below and did not object to Blue Sky proceeding with these transactions.

10. Although Blue Sky has not yet executed any definitive agreements regarding the sale of non-operated assets, Blue Sky is in the final stages of negotiations for several transactions, which are discussed in greater detail below. The Proposal Trustee supports the approval of these sale transactions. I understand that each of these transactions represents the highest and best offer for the assets to be purchased.

Canadian Natural Resources Limited

11. Canadian Natural Resources Limited ("**CNRL**") submitted seven bids for various non-operated assets the Dunvegan, Fox Creek, Arch Minor, Saddle Hills, Cranberry and Hotchkiss areas and mineral interests in Bilbo area (the "**CNRL Asset Package**"). There are a total of 307 non-operated assets in the CNRL Asset Package. I understand that CNRL is the operator of the assets in the CNRL Asset Package.
12. The CNRL Asset Package includes the assets which were purported to be sold and/or assigned to Blue Sky by TAQA North ("**TAQA**") in 2020 and 2021. CNRL withheld its consent to the transfer of the CNRL Asset Package to Blue Sky and this matter has been subject to an ongoing dispute between CNRL and Blue Sky for several years. Any potential sale of the CNRL Asset Package by Blue Sky to a third party would remain subject to CNRL's ability to not consent to such sale or assignment.
13. The transaction with CNRL is contemplated to close as soon as possible following court approval.

Baytex Energy Ltd.

14. Baytex Energy Ltd. ("**Baytex**") submitted three bids for Blue Sky's mineral interests in the Slave, Cache #1 and Cache #2 areas of Alberta, which include six Crown oil sands leases (the "**Baytex Assets**").
15. The transaction with Baytex is contemplated to close as soon as possible following court approval.

Peyto Exploration & Development Corp.

16. Peyto Exploration & Development Corp. ("**Peyto**") submitted a bid for Blue Sky's mineral interests in the Sundance area of Alberta, which includes three Crown leases (the "**Peyto Assets**"). Peyto already owns an interest in each of the Crown leases included in the Peyto Assets.

17. The transaction with Peyto is contemplated to close as soon as possible following court approval.

Potts Petroleum Inc.

18. Potts Petroleum Inc. ("**Potts**") submitted a bid for Blue Sky's interest in certain non-operated assets in the Thorsby area, including the Warburg Belly River M Unit, certain other unit and non-unit assets and related seismic data (the "**Potts Asset Package**"). There are a total of 58 non-operated wells in the Potts Asset Package, the majority of which are operated by Sinopec Canada Energy Ltd.
19. Certain assets in the Potts Assets Package are subject to a right of first refusal ("**ROFR**") in favour of third parties. Blue Sky intends to provide notice to these parties that the ROFR will be triggered immediately following court approval of the Potts APA.
20. The transaction with Potts is contemplated to close as soon as the issues with the ROFRs have been resolved.

Obsidian Energy Ltd.

21. Obsidian Energy Ltd. ("**Obsidian**") submitted a bid for Blue Sky's interest in four roads, including the South Seal road, the North Seal road, the NW Seal Lake road and the Deep South Seal road (the "**Obsidian Assets**").
22. The transaction with Obsidian is contemplated to close as soon as possible following court approval.

Prairie Thunder Resources Ltd.

23. Prairie Thunder Resources Ltd. ("**Prairie Thunder**") submitted a bid for Blue Sky's in certain non-operated assets in the Peace River Arch area of Alberta (the "**Prairie Thunder Assets**").
24. The transaction with Prairie Thunder is contemplated to close as soon as possible following court approval.
25. Each of the sale transactions described above follow a template asset purchase agreement ("**APA**"). Attached hereto as **Exhibit "B"** is a copy of the template APA. Blue Sky intends to submit a supplemental affidavit prior to its Application scheduled for February 18, 2026, attaching the redacted copies of any APAs that have been executed in respect of the above

noted transactions, and blackline comparisons of each transaction APA as compared to the template APA.

Increase to Administration Charge

25. As set out in my affidavit sworn January 28, 2026, Blue Sky is faces challenges related to the ongoing funding of these NOI proceedings following the AER Appeals Division's denial of Blue Sky's Stay Request in respect of the Suspension Order and Blue Sky's interim lender refusing to advance further funds under the interim financing term sheet that was approved by the Honourable Justice J.T. Nielson on November 7, 2025. This has resulted in a number of Blue Sky's post-filing obligations accruing including the professional fees owing to its counsel, the Proposal Trustee and the Proposal Trustee's counsel.
26. Blue Sky requires the assistance of counsel and the Proposal Trustee to work through these proceedings and without their continued involvement, Blue Sky will not be able to complete the transactions generated under the SISP and restructure its affairs.
27. Given Blue Sky's insolvency, providing such professionals with additional security for the payment of their fees will be necessary for their continued involvement in advancing the SISP, including conducting an auction in accordance with the terms of the SISP and advancing a potential proposal to deal with all obligations of Blue Sky.
28. Blue Sky therefore requests an increase to the priority Administration Charge granted in accordance with the section 64.2 of the BIA in respect of the fees and disbursements of Blue Sky's legal counsel, the Proposal Trustee and its legal counsel, ranking ahead of all other creditors from \$500,000 to \$750,000.
29. I understand that the Proposal Trustee supports the approval of the increase in the Administration Charge.

Ongoing Negotiation of Bids in SISP

30. Blue Sky is continuing to work with certain bidders on a transaction or combination of transactions which would address all of the abandonment and reclamation obligations ("**ARO**") related to Blue Sky's oil and gas assets in Alberta. One of those bidders submitted a revised bid which could be implemented through the filing of a proposal by Blue Sky and would, in combination with certain divestures to other bidders, address all of Blue Sky's ARO.

31. I make this Affidavit in support of Blue Sky's Application to (i) approve the transactions contemplated by the APAs; and (ii) increase the Administration Charge to \$750,000.

SWORN BEFORE me in the City of Calgary,)
in the Province of Alberta, this 11th day of)
February, 2026.)



A Commissioner for Oaths in and for the)
Province of Alberta)



MIKE BOUVIER

THIS IS EXHIBIT "A"
referred to in the Affidavit of

MIKE BOUVIER

Sworn before me this 11th day
of February, 2026.

A handwritten signature in blue ink, appearing to read 'A. D. O.', is written over a horizontal line.

A Commissioner for Oaths
in and for the Province of Alberta

Clerk's Stamp:

COURT/ESTATE FILE NUMBER 25-3276975

COURT COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

IN THE MATTER OF THE *BANKRUPTCY AND
INSOLVENCY ACT*, RSC 1985, c. B-3, AS AMENDED

IN THE MATTER OF THE NOTICE OF INTENTION TO
MAKE A PROPOSAL OF BLUE SKY RESOURCES LTD.

DOCUMENT **ORDER**
(Approval of Sale and Investment Solicitation Process)

DLA Piper (Canada) LLP
1000, 250 2 Street SW
Calgary, Alberta T2P OC1

ADDRESS FOR SERVICE AND
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File No. 101988-00025

DATE ON WHICH ORDER WAS PRONOUNCED
LOCATION OF HEARING OR TRIAL
NAME OF JUDGE WHO MADE THIS ORDER

November 20, 2025
Calgary, Alberta (Via Webex)
Justice B. Johnston

UPON THE APPLICATION of Blue Sky Resources Ltd. (the "**Applicant**") filed October 31, 2025 (the "**Application**"); **AND UPON** reading the Affidavit of Mike Bouvier sworn October 30, 2025 (the "**First Bouvier Affidavit**"), the Affidavit of Mike Bouvier sworn November 12, 2025 (the "**Second Bouvier Affidavit**") and together with the First Bouvier Affidavit, the "**Bouvier Affidavits**"), the Affidavit of Joe DeVries sworn November 6, 2025, and the Second Report of KSV Restructuring Inc., in its capacity as proposal trustee of the Applicant (the "**Proposal Trustee**") dated November 4, 2025, **AND UPON** noting that the Applicant filed a Notice of Intention to Make a Proposal under subsection 50.4(1) of the *Bankruptcy and Insolvency Act*, RSC 1985, c. B-3, as amended (the "**BIA**") on September 24, 2025; **AND UPON** noting that Blue Sky and Altima Energy Inc. ("**Altima**")

executed an asset purchase and sale agreement dated June 27, 2025 (the "**Altima APA**" and such transaction being the "**Altima Transaction**") in respect of the sale of certain of Blue Sky's oil and gas assets to Altima (the "**Altima Purchased Assets**"); **AND UPON** noting that Altima has assigned its rights under the Altima APA to its affiliate, Primrose Drilling Ventures Ltd.; **AND UPON** noting that the Second Closing (as defined in the Altima APA) of the Altima Transaction has not occurred as of the date of this Order; **AND UPON** hearing the submissions of counsel for the Applicant, and the other parties present;

IT IS HEREBY ORDERED AND DECLARED THAT:

1. Capitalized terms otherwise used but not defined herein shall have the meanings ascribed to them in the Bouvier Affidavits.

SERVICE

2. Service of the Notice of Application for this Order is hereby validated and deemed good and sufficient, this application is properly returnable today, and no person other than those persons served is entitled to service of the Notice of Application.

APPROVAL OF SALE AND INVESTMENT SOLICITATION PROCESS

3. The sale and investment solicitation process ("**SISP**") substantially in the form attached hereto as **Schedule "A"** is hereby approved.
4. The Proposal Trustee and the Sales Agent (as defined below) are hereby authorized and directed to proceed with the procedures set out in the SISP and to do all such things as are reasonably necessary to carry out its obligations thereunder and give full effect to the SISP.

GENERAL

5. The Applicant and the Proposal Trustee may from time to time apply to this Court for advice and directions in the discharge of their powers and duties hereunder.
6. Any interested party (including the Applicant and the Proposal Trustee) may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order.
7. Service of this Order may be effected by facsimile, electronic mail, personal delivery or courier. Service is deemed to be effected the next business day following transmission or delivery of this Order.

J.C.K.B.A.

SCHEDULE "A"
SALES AND INVESTMENT SOLICITATION PROCESS

1. On September 24, 2025, Blue Sky Resources Ltd. (the "**Company**") filed a Notice of Intention to Make a Proposal pursuant to the provisions of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3 (the "**NOI Proceedings**").
2. KSV Restructuring Inc. consented to act as proposal trustee (the "**Proposal Trustee**") in the NOI Proceedings.
3. Aces Canada SPV III ULC (the "**Existing Lender Agent**") is currently agent of the primary secured lenders of the Company and, in that capacity, the Existing Lender Agent will, subject to paragraph 8 herein, have certain consultation rights as specifically provided for below.
4. On November 20, 2025, the Court of King's Bench of Alberta (the "**Court**") granted an order (the "**SISP Approval Order**") which, among other things, (i) empowered the Proposal Trustee and the Sales Agent to prepare and conduct a sales and investment solicitation process (the "**SISP**") to solicit offers for the Business and the Property of the Company, in whole or in part, or investments related thereto, and (ii) included a priority charge in favour of Aces Canada SPV III ULC (the "**Interim Lender**") to secure the Interim Credit Facility as set forth in such order.
5. This SISP Approval Order and this SISP shall govern how interested parties may gain access to due diligence materials concerning the Company and the Property, how bids involving Company, the Property, or any part or parts thereof ("**Bids**") will be submitted and addressed, and how the required court approvals will be addressed in the NOI Proceedings in respect of any transaction or transactions involving the Company or the Property.
6. The SISP will provide an opportunity for, all qualified interested parties to participate in the SISP. The SISP is intended to find the highest and/or best offer for a restructuring and/or refinancing of the Company, a sale of the Company's Property on a going concern or piecemeal basis, or a combination thereof, or other similar transaction (the "**Transaction**").
7. All capitalized terms used but not otherwise defined herein shall have the following meanings:

"**Altima**" means Altima Energy Inc.

"**Altima Purchased Assets**" means the Company's oil and gas assets which are subject to an asset purchase and sale agreement dated June 27, 2025 between the Company and Altima and the transaction contemplated therein.

"**Approval Application**" means a hearing before the Court to authorize the Company to enter into agreements with respect to the Successful Bid or Successful Bids.

"**BIA**" means the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3.

"**Bid Deadline**" means January 29, 2026.

"Business" means the oil and gas operations carried on by the Company in Alberta, British Columbia and Saskatchewan.

"Business Day" means a day, other than a Saturday, Sunday or a statutory holiday, on which banks are open for business in the City of Calgary, in the Province of Alberta.

"Claims and Interests" means pledges, liens, security interests, encumbrances, claims, charges, options, and interests thereon and there against.

"Commencement Date" means the date the Sales Agent and the Proposal Trustee initiate the SISP.

"Definitive Agreement" means the template agreement of purchase and sale provided by the Proposal Trustee to the Successful Bidder(s) and to be finalized between the Successful Bidder(s) and the Company.

"Definitive Agreement Deadline" means February 20, 2026.

"Deposit" means an amount paid by one or more Qualified Bidders to be dealt with in accordance with the SISP.

"Investment Proposal" means an offer in accordance with the SISP to make an investment in, restructure, recapitalize, reorganize or refinance the Company and its Business.

"Lender" means, collectively, the Interim Lender and Existing Lender Agent in such capacities (or their respective assignees).

"Lender Advisor" means Alvarez & Marsal Canada Inc.

"Lender Secured Indebtedness" means the indebtedness owing to the primary secured lenders of the Company represented by the Existing Lender Agent.

"Outside Closing Date" means March 20, 2026.

"Potential Bidder" means a party with interest in a Transaction involving the Property or the Company by way of the SISP; however, that has not complied with the requirements of the SISP to be accepted as a Qualified Bidder.

"Property" means the assets, undertakings and property of the Company, excluding, however, any and all of the Company's interest in and to all assets, undertakings and property and rights pertaining to the Altima Purchased Assets.

"Purchase Price" means the price proposed for the Property to be acquired, expressed in Canadian dollars, for the Transaction submitted with a Qualified Purchase Bid.

"Qualified Bid" means either: (i) a Qualified Purchase Bid; or (ii) a Qualified Investment Bid submitted to the Proposal Trustee in accordance with the SISP.

"Qualified Investment Bid" means an offer to make an investment in, restructure, reorganize, recapitalize, or refinance the Company and otherwise satisfies the requirements of the SISP.

"Qualified Purchase Bid" means an offer to purchase all or any part of the Property of the Company and otherwise satisfies the requirements of the SISP.

"Red Earth Assets" means the Company's assets that are subject to a security interest granted by the Company in favour of the Existing Lender Agent in respect of the Lender Secured Indebtedness.

"Regulatory Approvals" means any required approvals necessary to operate the relevant aspects of the Property or the Business of the Company.

"Representatives" when used with respect to a person means each director, officer, employee, consultant, contractor, financial advisor, legal counsel, accountant and other agent, adviser or representative of that person.

"Sale Proposal" means an offer in accordance with the SISP to acquire all, substantially all or a portion of the Property.

"Sales Agent" means Sayer Energy Advisors.

"Successful Bid" means the most, or a combination of the most, favourable of the Qualified Bids as identified by the Sales Agent and the Proposal Trustee.

"Successful Bidder" means the highest and best Bid, or a combination of the highest and best Bids, as determined in the sole discretion of the Proposal Trustee, or alternatively, by this Honourable Court.

"Target Dates" means the milestone dates identified for purpose of the SISP, such dates may be amended or extended if the Proposal Trustee and the Sales Agent, in consultation with the Company, deem it to be necessary and advisable to do so, or by further order of the Court.

"Term Sheet" means terms and conditions of the proposed Transaction submitted with a Qualified Investment Bid.

"VDR" means virtual data room.

Consultation with the Lender and Lender Advisor

8. The Proposal Trustee and the Sales Agent shall be entitled to consult with the Lender and the Lender Advisor in respect of any matter relating to the SISP provided that the Lender confirms to the Proposal Trustee that the Lender will (i) not submit a Bid for the Company or any of the Property, (ii) not provide financing to any other party that makes a Bid for the Company or any of the Property and (iii) only submit a Bid pursuant to paragraphs 33-34.
9. Upon receiving such confirmation, the Proposal Trustee shall disclose upon an undertaking of confidentiality from the Lender and the Lender Advisor confidential information concerning the SISP, including any list of potential purchasers or investors, information regarding the identity and number of bidders or prospective bidders participating in the SISP from time to time, the number of Bids received and the terms of any Bids received, and any similar information in connection with the SISP, including, but not limited to, any such information as may be included in the VDR.

Property Subject to SISP Procedures

10. Bids may be submitted to acquire all, substantially all or a portion of the Company's Property. Where Bids are submitted for less than all (or substantially all) of the Property, the Purchase Price shall be appropriately allocated amongst the Property. In addition to Bids to purchase any or all of the Property, the Proposal Trustee will also consider Bids that contemplate a share transaction, including by way of a reverse vesting order structure; provided, however, that such share transaction shall not prejudice any rights, entitlements and interests held by Altima or its subsidiary and/or affiliate, as applicable, in respect of the Altima Purchased Assets.

Solicitation Process

11. The SISP set forth herein describes, among other things, the Property available for sale and the opportunity for an investment in the Company, the manner in which prospective bidders may gain access to or continue to have access to due diligence materials concerning the Property and the Company, the manner in which bidders and bids become Qualified Bidders and Qualified Bids, respectively, the receipt and negotiation of bids received, the ultimate selection of a Successful Bidder, if any, and the Court's approval thereof. The SISP shall be conducted by the Proposal Trustee and the Sales Agent, in consultation with the Company. If there is disagreement as to the interpretation or application of the terms of the SISP set out herein, the Court will have exclusive jurisdiction to hear and resolve such dispute.

Sale and Investment Opportunity

12. A teaser package describing the opportunity to acquire all or substantially all or portions of the Property or invest in the Company will be made available by the Sales Agent and the Proposal Trustee to prospective purchasers or prospective strategic or financial investors. Those prospective purchasers that have expressed an interest in the opportunity and have executed a confidentiality agreement with the Proposal Trustee will be granted access to a VDR that will be hosted by the Sales Agent.

"As Is, Where Is"

13. The sale of any of the Property, or investment in the Business will be on an "as is, where is" basis and without surviving representations or warranties of any kind, nature, or description by the Proposal Trustee, the Sales Agent, the Company, the Lender, or any of their agents or estates, except to the extent set forth in the definitive sale or investment agreement with a Successful Bidder.

Free of Any and All Claims and Interest

14. In the event of a sale, all of the right, title and interest of the Company in and to the Property to be acquired will be sold free and clear of all Claims and Interests, except surviving and permitted Claims and Interests, pursuant to approval and vesting orders made by the Court. The extinguished Claims and Interests will attach to the net proceeds of the sale of such Property (without prejudice to any claims or causes of action regarding the priority, validity or enforceability thereof), except to the extent otherwise set forth in the relevant sale agreement with a Successful Bidder and subject to any Claims and Interests that survive

pursuant to applicable law.

15. An investment in the Company may, at the option of the Successful Bidder, include one or more of the following: a restructuring, recapitalization or other form of reorganization of the business and affairs of the Company as a going concern; a sale of the Property to a newly formed acquisition entity on terms described in the above paragraph; or transactions pursuant to any applicable corporate legislation which compromises the Claims and Interests as set out therein.

Timeline

16. The following sets out the Target Dates under the SISP, as further detailed below:
 - (a) The Commencement Date of Phase I shall be on or about December 5, 2025;
 - (b) The Bid Deadline for receiving non-binding letters of intent shall be January 29, 2026 at 12:00 PM (MT);
 - (c) The Definitive Agreement Deadline shall be no later than February 20, 2026; and,
 - (d) The Outside Closing Date for the Definitive Agreement(s) shall be March 20, 2026.
17. For greater certainty, the Target Dates may be amended or extended if the Proposal Trustee and the Sales Agent, in consultation with the Company and/or the Successful Bidder, deem it to be necessary and advisable to do so, or by further order of the Court.

Publication Notice

18. The Sales Agent, in consultation with the Proposal Trustee and the Company, will prepare a teaser to be disseminated to Potential Bidders, and place any advertisements as are advisable and commercially reasonable in order to solicit interest in a sale of, or investment in, the Business.

Participation Requirements

19. Unless otherwise ordered by the Court or as otherwise determined by the Proposal Trustee, in order to participate in the SISP, each Potential Bidder must deliver to the Proposal Trustee at the address specified in **Schedule A** hereto (including by e-mail or fax transmission) prior to the distribution of any confidential information, an executed confidentiality agreement in form and substance satisfactory to the Proposal Trustee, which shall inure to the benefit of any purchaser of the Property or any investor in the Company under the SISP.
20. A Potential Bidder that has executed a confidentiality agreement, as described above, will be deemed a "**Qualified Bidder**".

Due Diligence

21. The Sales Agent shall provide a Qualified Bidder access to the VDR. Neither the Sales Agent nor the Proposal Trustee and its contractors, advisors and consultants make any

representation or warranty as to the information to be provided through the due diligence process or otherwise (including in respect of the completeness and accuracy thereof).

22. For greater certainty, Qualified Bidders must rely solely on their own independent review, investigation and/or inspection of all information and of the Property and the Company in connection with their participation in the SISP and any Transaction they enter into with the Company.

Seeking Qualified Bids

23. Each Qualified Bidder shall have access to such due diligence materials and information relating to the Property and the Company as the Sales Agent and the Proposal Trustee in their reasonable business judgement deems appropriate, having regard to the requirements of a Qualified Purchase Bid and a Qualified Investment Bid.
24. A Qualified Bidder that desires to submit a Qualified Bid will deliver written copies of a Qualified Purchase Bid or a Qualified Investment Bid to the Proposal Trustee at the address specified in **Schedule A** hereto (including by e-mail) so as to be received by it not later than 12:00 PM (MT) on the Bid Deadline, or such later other date or time as may be agreed by the Proposal Trustee,.
25. A Qualified Bid may be comprised of either a: (i) Qualified Purchase Bid; or (ii) Qualified Investment Bid.

Qualified Purchase Bids

26. A bid submitted to acquire some or all of the Property will be considered a Qualified Purchase Bid only if the bid complies with all of the following (as applicable):
- (a) it constitutes, in the reasonable business judgement of the Proposal Trustee and the Sales Agent, a reasonable offer;
 - (b) it includes a letter stating that the Qualified Bidder's offer is irrevocable until the earlier of (i) the selection of the Successful Bidder, and (ii) thirty (30) days following the Bid Deadline, provided that if such Qualified Bidder is selected as the Successful Bidder its offer shall remain irrevocable until the closing of the sale to such Successful Bidder;
 - (c) it includes written evidence of a firm, irrevocable commitment for financing, or other evidence of ability to consummate the proposed Transaction, which will allow the Proposal Trustee to make a reasonable determination as to the Qualified Bidder's financial and other capabilities to consummate the Transaction contemplated by the bid;
 - (d) it is not conditioned on: (i) the outcome of unperformed due diligence by the Qualified Bidder; and/or, (ii) obtaining financing;
 - (e) it fully discloses the identity of each entity that will be sponsoring or participating in

the bid, and the complete terms of any such participation;

- (f) it includes an acknowledgement and representation that the Qualified Bidder: (i) has relied solely upon its own independent review, investigation and/or inspection of any documents and/or the Property to be acquired and liabilities to be assumed in making its bid; and, (ii) did not rely upon any written or oral statements, representations, promises, warranties or guaranties whatsoever, whether express or implied (by operation of law or otherwise), regarding the Property to be acquired or liabilities to be assumed or the completeness of any information provided in connection therewith, except as expressly stated in the purchase agreement;
- (g) it includes evidence, in form and substance reasonably satisfactory to the Proposal Trustee, of authorization and approval from the Qualified Bidder's board of directors (or comparable governing body) with respect to the submission, execution, delivery and closing of the Transaction contemplated by the bid;
- (h) it outlines any anticipated regulatory and other approvals required to close the Transaction and the anticipated timeframe and any anticipated impediments for obtaining such approvals;
- (i) it may not request or entitle the Qualified Bidder to any break-up fee, expense reimbursement, termination or similar type of fee or payment. Further, a Qualified Bidder shall be deemed to irrevocably waive any right to pursue a claim in any way related to the submission of its bid or this SISP;
- (j) it is accompanied by a Deposit (defined below) in the form of a wire transfer (to a bank account specified by the Proposal Trustee), or such other form acceptable to the Proposal Trustee, payable to the order of the Proposal Trustee, in trust, in an amount equal to not less than 10% of the Purchase Price, to be held and dealt with by the Proposal Trustee in accordance with the SISP;
- (k) if it contemplates the purchase of any of the Red Earth Assets, it provides an allocation of the Purchase Price toward the Red Earth Assets; and
- (l) it contains other information reasonably requested by the Sales Agent and/or the Proposal Trustee.

Qualified Investment Bids

27. A bid submitted to make an investment in the Company will be considered a Qualified Investment Bid only if the bid complies with all of the following (as applicable):
- (a) it constitutes, in the reasonable business judgment of the Sales Agent and the Proposal Trustee, a reasonable offer;
 - (b) it includes a duly authorized and executed Term Sheet describing the terms and conditions of the proposed Transaction, including details regarding the proposed equity and debt structure of the Company following completion of the proposed

Transaction;

- (c) it includes a letter stating that the Qualified Bidder's offer is irrevocable until the earlier of (i) the selection of the Successful Bidder and (ii) thirty (30) days following the Bid Deadline, provided that if such bidder is selected as the Successful Bidder, its offer shall remain irrevocable until the closing of the investment by such Successful Bidder;
- (d) it includes written evidence of a firm, irrevocable commitment for financing, or other evidence of ability to consummate the proposed Transaction, which will allow the Proposal Trustee to make a reasonable determination as to the Qualified Bidder's financial and other capabilities to consummate the Transaction contemplated by the bid;
- (e) it is not conditioned on: (i) the outcome of unperformed due diligence by the Qualified Bidder; and/or, (ii) obtaining financing;
- (f) it fully discloses the identity of each entity that will be sponsoring or participating in the bid, and the complete terms of any such participation;
- (g) it includes an acknowledgement and representation that the Qualified Bidder: (i) has relied solely upon its own independent review, investigation and/or inspection of any documents in making its bid; and, (ii) did not rely upon any written or oral statements, representations, promises, warranties or guaranties whatsoever, whether express or implied (by operation of law or otherwise), regarding the Company or the completeness of any information provided in connection therewith except as expressly stated in the Term Sheet;
- (h) it includes evidence, in form and substance reasonably satisfactory to the Proposal Trustee, of authorization and approval from the Qualified Bidder's board of directors (or comparable governing body) with respect to the submission, execution, delivery and closing of the Transaction contemplated by the bid;
- (i) it outlines any anticipated regulatory and other approvals required to close the Transaction and the anticipated timeframe and any anticipated impediments for obtaining such approvals;
- (j) it may not request or entitle the Qualified Bidder to any break-up fee, expense reimbursement, termination or similar type of fee or payment. Further, a Qualified Bidder shall be deemed to irrevocably waive any right to pursue a claim in any way related to the submission of its bid or this SISP;
- (k) it is accompanied by a Deposit in the form of a wire transfer (to a bank account specified by the Proposal Trustee), or such other form acceptable to the Proposal Trustee, payable to the order of the Proposal Trustee, in trust, in an amount equal to not less than 10% of the total investment contemplated by such Qualified Investment Bid, to be held and dealt with in accordance with the SISP; and

- (l) it contains other information reasonably requested by the Proposal Trustee.

Bid Evaluation

28. Following the Bid Deadline, the Sales Agent and the Proposal Trustee will assess the bids received with a preference for a Qualified Bid or Qualified Bids that contemplate assuming all of the abandonment and reclamation obligations of the Company. The Proposal Trustee and the Sales Agent shall, exercising their reasonable business judgement, approve the disqualification of any bids that are deemed not to be Qualified Bids. Only Qualified Bidders whose bids have been designated as Qualified Bids are eligible to become the Successful Bidder.
29. The Proposal Trustee and the Sales Agent may discuss any Qualified Bids with the Alberta Energy Regulator ("**AER**") and/or the Orphan Well Association ("**OWA**") subject to the AER or OWA (as applicable) entering into a confidentiality agreement in a form that is satisfactory to the Proposal Trustee.
30. In assessing any Qualified Bids relating to the Red Earth Assets, the Proposal Trustee and the Sales Agent shall consult with the Existing Lender Agent prior to making a determination as to whether any such Qualified Bids should be selected as the Successful Bid or Bids.
31. The Proposal Trustee in consultation with the Company and the Sales Agent, may, following the receipt of any Qualified Bids, seek clarification with respect to any of the terms or conditions of such Qualified Bid and/or request and negotiate one or more amendments to such Qualified Bid prior to determining if the Qualified Bid should be considered.
32. The Sales Agent and the Proposal Trustee may identify the most favourable of the Qualified Bids as the Successful Bid or Bids. The Company shall then proceed to negotiate and settle the terms and conditions of a definitive agreement in respect of a Successful Bid or Bids by the Definitive Agreement Deadline, all of which shall be conditional upon Court approval and also conditional on the Successful Bid closing on or before March 20, 2026, or such date as shall be agreed to by the Company, in consultation with the Proposal Trustee. If a definitive agreement has been negotiated and settled in respect of a Successful Bid, the person(s) who made the Successful Bid shall be the Successful Bidder.
33. If, following the Bid Deadline, the Proposal Trustee determines that it has received a Qualified Bid in respect of the Red Earth Assets, it shall advise the Existing Lender Agent in writing and the Existing Lender Agreement shall have two Business Days, at its sole and exclusive discretion, to trigger an auction (the "**Auction**") for the Red Earth Assets. If the Existing Lender Agent elects to trigger an Auction, the Auction shall be held as soon as reasonably practicable after written notice is provided to the Proposal Trustee, and the Proposal Trustee shall provide each Auction participant with a copy of the rules and procedures for the Auction at least two Business Days prior to the Auction.
34. The Existing Lender Agent may submit a bid in the Auction that includes a credit bid component for some or all of the Lender Secured Indebtedness, subject to the Proposal Trustee receiving confirmation from its legal counsel that the security that secures the Lender

Secured Indebtedness is valid and enforceable and is first priority ranking as against the Red Earth Assets, subject to any court-ordered charges that rank in priority.

35. The Proposal Trustee, in consultation with the Company, shall be at liberty to shorten or extend the timelines set forth herein in their sole discretion, save and except for shortening the timelines provided in section 33 above, without further order of the Court.

Approval of Successful Bid

36. The Approval Application to authorize the Company to enter into agreement(s) with respect to the Successful Bid or Bids will be held on a date scheduled by the Court upon application by the Company. The Approval Application will be held on a date to be scheduled by the Company, in consultation with the Proposal Trustee and the Lender. The Approval Application may be adjourned or scheduled by the Company, with the consent of the Proposal Trustee, without further notice, by an announcement of the adjourned date to the service list maintained in the NOI Proceedings prior to the Approval Application. The Company will consult with the Proposal Trustee, the Lender and the applicable Successful Bidder regarding the application material to be filed by the Company for the Approval Motion.
37. All Qualified Bids (for the same Property as the Successful Bid(s)) shall be deemed rejected on and as of the date of approval of the Successful Bid by the Court.

Deposits

38. All Deposits shall be held by the Proposal Trustee or Proposal Trustee's counsel in a single interest-bearing account designated solely for such purpose. If there is a Successful Bidder, the Deposit (plus accrued interest, if any) paid by the Successful Bidder whose bid is approved at the Approval Application will be applied to the Purchase Price to be paid or investment amount to be made by the Successful Bidder upon closing of the approved transaction and will be non-refundable upon Court approval. A Deposit paid by a Qualified Bidder shall be dealt with in accordance with the SISP. Deposits, excluding any interest earned thereon, paid by Qualified Bidders not selected as a Successful Bidder, shall be returned to such Qualified Bidders within five (5) Business Days of Court approval of the Successful Bid for the same Property the unsuccessful Qualified Bidders had sought.

Confidentiality and Access to Information

39. All discussions regarding a Transaction, Sale Proposal, Investment Proposal, Qualified Bid or Successful Bid should be directed through the Sales Agent and the Proposal Trustee. Under no circumstances should any members of management, employees, customers, suppliers, tenants/landlords or other creditors of the Company be contacted by a Bidder directly without the prior written consent of the Proposal Trustee. Any such unauthorized contact or communication could result in exclusion of the interested party from the SISP, at the discretion of the Proposal Trustee.
40. Participants and prospective participants in the SISP shall not be permitted to receive any information that is not made generally available to all participants relating to the number or identity of Qualified Bidders, Bidders, Qualified Bids, the details of any Bids or Qualified Bids

submitted or the details of any confidential discussions or correspondence between the Sales Agent, the Proposal Trustee, the Company and such other Bidders or Qualified Bidders in connection with the SISP, except to the extent that the Proposal Trustee, with the consent of the applicable participants, are seeking to combine separate Bids into a single Bid.

41. Notwithstanding the foregoing, under no circumstances will the Sales Agent, the Proposal Trustee or the Lender share any material information concerning any of the Bids with any person other than representatives of the Sales Agent, the Proposal Trustee or Lender and its legal counsel and the Company and its legal counsel.

Supervision of the SISP

42. The Sales Agent and the Proposal Trustee shall oversee, in all respects, the conduct of the SISP.
43. This SISP does not, and will not be interpreted to, create any contractual or other legal relationship between the Company, the Proposal Trustee, the Lender, the Lender Advisor, the Sales Agent and any Potential Bidder, or Qualified Bidder or any other party, other than as specifically set forth in a definitive agreement that may be signed with the Company. Further, the Company reserves the right not to enter into such definitive agreement.
44. Without limiting the preceding paragraph, neither the Sales Agent, the Lender, the Lender Advisor, nor the Proposal Trustee shall have any liability whatsoever to any person or party, including without limitation any Potential Bidder, Qualified Bidder, Bidder, the Successful Bidder, the Company, or any other creditor or other stakeholder of the Company, for any act or omission related to the process contemplated by these SISP Procedures, except to the extent such act or omission is the result of such party's gross negligence or willful misconduct. By submitting a bid, each Bidder, Qualified Bidder or Successful Bidder shall be deemed to have agreed that it has no claim against the Sales Agent, the Lender, the Lender Advisor or Proposal Trustee for any reason whatsoever, except to the extent that such claim is the result of the gross negligence of, or willful misconduct by, the Sales Agent, the Lender, the Lender Advisor or the Proposal Trustee.
45. Participants in the SISP are responsible for all costs, expenses and liabilities incurred by them in connection with the submission of any bid, due diligence activities, and any further negotiations or other actions whether or not they lead to the consummation of a Transaction.
46. The Sales Agent and the Proposal Trustee shall have the right to modify the SISP if, in their reasonable business judgement, such modification will enhance the process or better achieve the objectives of the SISP.

Miscellaneous

47. Unless otherwise indicated herein, any event that occurs on a day that is not a Business Day shall be deemed to occur on the next Business Day.
48. Each Qualified Bidder, upon being declared as such under the SISP, shall be deemed to

have irrevocably and unconditionally attorned and submitted to the jurisdiction of the Court in respect of any action, proceeding or dispute in relation to the conduct or any aspect of the SISP.

49. At any time during the SISP, the Proposal Trustee, the Sales Agent or the Company may apply to the Court for advice and directions with respect to the discharge of its obligations and duties herein.
50. The Company shall co-operate fully with the Sales Agent and the Proposal Trustee in the exercise of their powers and duties and discharge of its obligations under the SISP and provide the Sales Agent and the Proposal Trustee with assistance, information and documentation that is reasonably necessary to enable the Sales Agent and the Proposal Trustee to adequately carry out their functions herein.

SCHEDULE "A"

KSV RESTRUCTURING INC.

1165, 324 – 8th Avenue SW
Calgary, AB T2P 2Z2

Attention: Ross Graham
Phone: 587.287.2750
Email: rgraham@ksvadvisory.com

- and -

SAYER ENERGY ADVISORS

1620, 540 - 5th Avenue SW
Calgary, AB T2P 0M2

Attention: Tom Pavic
Phone: 403.266.6133
Email: tpavic@sayeradvisors.com

THIS IS EXHIBIT "B"
referred to in the Affidavit of

MIKE BOUVIER

Sworn before me this 11th day
of February, 2026.



A Commissioner for Oath
in and for the Province of Alberta

ASSET PURCHASE AGREEMENT

BLUE SKY RESOURCES LTD.

as Vendor

and –

as Purchaser

February [●], 2026

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ASSET PURCHASE AGREEMENT

THIS AGREEMENT is made as of February [●], 2026 (the “**Effective Date**”)

AMONG:

BLUE SKY RESOURCES LTD., a body corporate, incorporated under the laws of the Province of Alberta (the “**Vendor**”)

and

_____, a body corporate, incorporated under the laws of the Province of Alberta (the “**Purchaser**”)

RECITALS:

- A. Vendor filed a Notice of Intention to Make a Proposal (the “**NOI**”) pursuant to the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B3 (the “**BIA**”) on September 24, 2025, and KSV Restructuring Inc. was appointed as proposal trustee (in such capacity, the “**Proposal Trustee**”).
- B. Pursuant to an Order of the Court of King’s Bench of Alberta (the “**Court**”) dated November 20, 2025, the Court approved a sale and investment solicitation process (the “**SISP**”) for the purpose of soliciting proposals to purchase or invest in some or all of the assets of the Vendor.
- C. The Purchaser wishes to purchase from the Vendor, and the Vendor wishes to sell to the Purchaser, all of the Vendor’s right, title and interest in and to the Assets, all in accordance with and subject to the terms and conditions of this Agreement and the approval of the Court.
- D. The Parties currently expect that the Closing will occur on or about February 20, 2026, subject to the satisfaction or waiver of the conditions to Closing and the other terms and provisions of this Agreement.

NOW THEREFORE in consideration of the mutual covenants and agreements contained in this Agreement and other good and valuable consideration (the receipt and sufficiency of which are acknowledged), the Parties agree as follows:

ARTICLE 1 INTERPRETATION

1.1 Definitions

In this Agreement,

- (a) “**Abandonment and Reclamation Obligations**” means all past, present and future obligations to:
- (i) abandon, shutdown, close, decommission, dismantle or remove any and all Wells and Tangibles, including all structures, foundations, buildings, pipelines, equipment and other facilities forming part of the Wells and Tangibles or otherwise located on the Lands or used or previously used in respect of Petroleum Substances produced or previously produced from the Lands; and
 - (ii) restore, remediate and reclaim the surface and subsurface locations of the Wells and the Tangibles and any lands used to gain access thereto, including such obligations relating to wells, pipelines and facilities which were abandoned or decommissioned prior to the Closing Date that were located on the Lands or that were located on other lands and used in respect of Petroleum Substances produced or previously produced from the Lands, and including the remediation, restoration and reclamation of any other surface and subsurface lands affected by any environmental damage, contamination or other environmental issues emanating from or relating to the sites for the Wells or the Tangibles;
- all in accordance with generally accepted oil and gas industry practices and in compliance with all Applicable Laws;
- (b) “**AER**” means the Alberta Energy Regulator, or any successor thereto having jurisdiction over the Assets or certain of them or the operation thereof;
- (c) “**Affiliate**” means, with respect to any specified Person, any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with that specified Person. For the purposes of this definition, “control” (including with correlative meanings, controlling, controlled by and under common control with) means the power to direct or cause the direction of the management and policies of that Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise and, it being understood and agreed that with respect to a corporation or partnership, control shall mean direct or indirect ownership of more than 50% of the voting shares in any such corporation or of the general partnership interest or voting interest in any such partnership;
- (d) “**Agreement**” means this agreement of purchase and sale and any schedules attached hereto which are referred to in this agreement, together with any amendment or supplement thereto;
- (e) “**Applicable Law**” means, in respect of any Person, asset, transaction, event or circumstance: (i) statutes (including regulations enacted thereunder); (ii) judgments, decrees and orders of courts of competent jurisdiction (including the common law); (iii) regulations, orders, ordinances and directives issued by Governmental Authorities; and (iv) the terms and conditions of all permits, licenses,

approvals and authorizations, in each case which are applicable to such Person, asset, transaction, event or circumstance;

- (f) “**Approval and Vesting Order**” means an order of the Court approving the Transaction in accordance with the provisions of this Agreement, and, subject to Closing, vesting all of the Vendor’s Interest in and to the Assets in the Purchaser free and clear of all Claims (other than Permitted Encumbrances) and interests, such order to be substantially in the form attached hereto as Schedule B together with such modifications and amendments to such form as may be approved by both the Vendor and the Purchaser, acting reasonably;
- (g) “**Assets**” means all of the Vendor’s right, title and interest in and to the assets more particularly described in Schedule A attached hereto, and includes the Petroleum and Natural Gas Rights, the Tangibles, and the Miscellaneous Interests;
- (h) “**Assumed Contracts**” means the contracts referenced in subsection (i) of the definition of Miscellaneous Interests, which contracts shall be assigned by the Vendor and assumed by the Purchaser in accordance with the terms of this Agreement, the relevant contracts and/or the Approval and Vesting Order, and/or other order of the Court in form and substance satisfactory to the Parties;
- (i) “**Assumed Liabilities**” means, collectively, all liabilities and obligations arising from the possession, ownership and/or use of the Assets following Closing (including for greater certainty any municipal or property taxes that accrue commencing on the Closing Date), along with Environmental Liabilities, Abandonment and Reclamation Obligations and Cure Costs;
- (j) “**BIA**” means the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B3, as amended;
- (k) “**Business Day**” means any day other than a Saturday, Sunday or a statutory holiday in the City of Calgary in the Province of Alberta;
- (l) “**Claim**” means any caveats, security interests, hypothecs, pledges, mortgages, liens, trusts or deemed trusts, reservations of ownership, royalties, options, rights of preemption, privileges, interests, assignments, actions, judgments, executions, levies, taxes, writs of enforcement, charges, or other claims, whether contractual, statutory, financial, monetary or otherwise, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise, including, without limiting the generality of the foregoing:
 - (i) any encumbrances or charges created by any Order granted in the NOI Proceedings;
 - (ii) any charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Alberta) or any other personal property registry system;

- (iii) any liens or claims of lien under the *Builders' Lien Act* (Alberta) or the *Prompt Payment and Construction Liens Act* (Alberta);
 - (iv) any linear or nonlinear municipal property tax claims under the *Municipal Government Act* (Alberta), or otherwise;
 - (v) any outstanding amounts owing in respect of the AER Orphan Fund Levy and Administration Fees; and
 - (vi) those claims which may be specifically identified in Schedule "C" to the Approval and Vesting Order, as applicable;
- (m) "**Closing**" means the completion of the purchase by the Purchaser, and sale by the Vendor, of the Vendor's Interest in and to the Assets and the completion of all other transactions contemplated by this Agreement that are to occur contemporaneously with such purchase and sale, all subject to and in accordance with the terms and conditions of this Agreement;
- (n) "**Closing Date**" means the date on which Closing occurs, being the date which is five Business Days following the date upon which all conditions in Sections 11.1, 11.2 and 11.3 have been satisfied or waived (other than such conditions which are to be satisfied on the Closing Date), or such other date as the Parties may agree in writing; for administrative purposes only, the Parties currently expect that the closing will be on or about February 20th, which expectation is non-binding and shall not amend this definition or the Outside Date;
- (o) "**Conditions Certificates**" has the meaning ascribed to that term in Section 11.5;
- (p) "**Confidentiality Agreement**" means the confidentiality agreement between the Vendor and the Purchaser and executed prior to the date hereof in respect of the evaluation by the Purchaser of potential transactions involving the assets of the Vendor;
- (q) "**Consequential Damages**" has the meaning ascribed to that term in Section 14.5;
- (r) "**Court**" means the Court of King's Bench of Alberta, Judicial Centre of Calgary;
- (s) "**Court Approval**" means both the issuance of the Approval and Vesting Order by the Court approving the sale of the Assets, and such Approval and Vesting Order having become a Final Order;
- (t) "**Cure Costs**" means, in respect of any Assumed Contract, all amounts required to be paid to remedy all of the Vendor's monetary defaults under such Assumed Contract or required to secure a counterparty's or any other necessary Person's consent to the assignment of such Assumed Contract pursuant to its terms (including any deposits or other forms of security required by any Governmental Authority) or as may be required pursuant to the Approval and Vesting Order, and includes any other fees and expenses required to be paid to a counterparty or any

other Person in connection with the assignment of an Assumed Contract pursuant to its terms or Applicable Laws.

- (u) **“Deposit”** has the meaning ascribed to that term in Section 3.3(a)(i);
- (v) **“Due Diligence Information”** means all information made available (by the Vendor, the Proposal Trustee or otherwise) for the Purchaser’s review in paper or electronic form in relation to the Vendor, its Affiliates and/or the Assets;
- (w) **“Environment”** means the components of the earth and includes the air, the surface and subsurface of the earth, bodies of water (including rivers, streams, lakes and aquifers) and plant and animal life (including humans);
- (x) **“Environmental Laws”** means all Applicable Laws relating to pollution or protection of human health or the Environment (including ambient air, water, surface water, groundwater, land surface, soil, or subsurface) or natural resources, including Applicable Laws relating to the storage, transfer, transportation, investigation, cleanup, treatment, or use of, or release or threatened release into the Environment of, any Hazardous Substances;
- (y) **“Environmental Liabilities”** means all past, present and future Losses and Liabilities, Claims and other duties and obligations, whether arising under contract, Applicable Laws or otherwise, arising from, relating to or associated with:
 - (i) any damage, pollution, contamination or other adverse situations pertaining to the Environment howsoever and by whomsoever caused and regardless of whether such damage, pollution, contamination or other adverse situations occur or arise in whole or in part prior to, at or subsequent to the date of this Agreement;
 - (ii) the presence, storage, use, holding, collection, accumulation, assessment, generation, manufacture, processing, treatment, stabilization, disposition, handling, transportation, release, emission or discharge of Petroleum Substances, oilfield wastes, water, Hazardous Substances, environmental contaminants and all other substances and materials regulated under any Applicable Law, including any forms of energy, or any corrosion to or deterioration of any structures or other property;
 - (iii) compliance with or the consequences of any noncompliance with, or violation or breach of, any Environmental Law;
 - (iv) sampling, monitoring or assessing the Environment or any potential impacts thereon from any past, present or future activities or operations; or
 - (v) the protection, reclamation, remediation or restoration of the Environment;

that relate to or arise by virtue of the Assets or the ownership thereof or any past, present or future operations and activities conducted in connection with the Assets or on or in respect of the Lands or any lands pooled or unitized therewith;

- (z) “**Facilities**” means the Vendor’s Interest in and to all field facilities whether or not solely located on or under the surface of the Lands (or lands with which the Lands are pooled) and that are, or have been, used for production, gathering, treatment, compression, transportation, injection, water disposal, measurement, processing, storage or other operations respecting the Leased Substances, including any applicable battery, separator, compressor station, gathering system, pipeline, production storage facility or warehouse, including those facilities and pipelines identified in Schedule A under the headings entitled “Facilities” and “Pipelines”, respectively, and as applicable;
- (aa) “**Final Order**” means an order of the Court that has not been vacated, stayed, set aside, amended, reversed, annulled or modified, as to which no appeal or application for leave to appeal therefrom has been filed and the applicable appeal period with respect thereto shall have expired without the filing of any appeal or application for leave to appeal, or if any appeal(s) or application(s) for leave to appeal therefrom have been filed, any (and all) such appeal(s) or application(s) have been dismissed, quashed, determined, withdrawn or disposed of with no further right of appeal and all opportunities for rehearing, reargument, petition for certiorari and appeal being exhausted or having expired without any appeal, motion or petition having been filed and remaining pending, any requests for rehearing have been denied, and no order having been entered and remaining pending staying, enjoining, setting aside, annulling, reversing, remanding, or superseding the same, and all conditions to effectiveness prescribed therein or otherwise by Applicable Law or order having been satisfied;
- (bb) “**General Conveyance, Assignment and Assumption Agreement**” means an agreement providing for the assignment by the Vendor of the Vendor’s Interest in and to the Assets, free and clear of all Claims (other than Permitted Encumbrances), substantially in the form attached hereto as Schedule C, and the assumption by the Purchaser of the Assumed Liabilities, substantially in the form attached hereto as Schedule C;
- (cc) “**Governmental Authority**” means any domestic or foreign government, whether federal, provincial, state, territorial or municipal; and any governmental agency, ministry, department, tribunal, commission, bureau, board, court (including the Court) or other instrumentality exercising or purporting to exercise legislative, judicial, regulatory or administrative functions of, or pertaining to, government, having jurisdiction over a Party, the Assets or this Transaction, including for greater certainty the AER;
- (dd) “**GST**” means taxes, interest, penalties and other additions thereto imposed under Part IX of the *Excise Tax Act* (Canada) and the regulations made thereunder; and “**GST Legislation**” means such act and regulations collectively;

- (ee) “**Hazardous Substances**” means any substance, material or waste defined, regulated, listed or prohibited by Environmental Laws, including pollutants, contaminants, chemicals, deleterious substances, dangerous goods, hazardous or industrial toxic wastes or substances, radioactive materials, flammable substances, explosives, Petroleum Substances and products of Petroleum Substances, polychlorinated biphenyls, chlorinated solvents and asbestos;
- (ff) “**Lands**” means the lands set out and described in Schedule A under the heading entitled “Lands Schedule/Mineral Property Report”, and the Petroleum Substances within, upon or under such lands (subject to the restrictions and exclusions identified in the Title Documents as to Petroleum Substances and geological formations);
- (gg) “**Leased Substances**” means all Petroleum Substances, rights to or in respect of which are granted, reserved or otherwise conferred by or under the Title Documents (but only to the extent that the Title Documents pertain to the Lands);
- (hh) “**Legal Proceeding**” means any litigation, action, suit, investigation, hearing, claim, complaint, grievance, arbitration proceeding or other proceeding and includes any appeal or review or retrial of any of the foregoing and any application for same;
- (ii) “**Licence Transfers**” means the transfer from the Vendor to the Purchaser of any permits, approvals, licences and authorizations granted by the AER or any other Governmental Authority in relation to the construction, installation, ownership, use or operation of the Wells or the Facilities, as applicable;
- (jj) “**Losses and Liabilities**” means any and all assessments, charges, costs, damages, debts, expenses, fines, liabilities, losses, obligations and penalties, whether accrued or fixed, absolute or contingent, matured or unmatured or determined or determinable, including those arising under any Applicable Law, Claim by any Governmental Authority or any order, writ, judgment, injunction, decree, stipulation, determination or award entered by or with any Governmental Authority, and those arising under any contract, agreement, arrangement, commitment or undertaking and costs and expenses of any Legal Proceeding, assessment, judgment, settlement or compromise relating thereto, and all interest, fines and penalties and reasonable legal fees and expenses incurred in connection therewith (on a full indemnity basis);
- (kk) “**Miscellaneous Interests**” means, subject to any and all limitations and exclusions provided for in this definition, the Vendor’s Interest in and to all property, assets, interests and rights pertaining to the Petroleum and Natural Gas Rights and the Tangibles (other than the Petroleum and Natural Gas Rights and the Tangibles), or either of them, but only to the extent that such property, assets, interests and rights pertain to the Petroleum and Natural Gas Rights and the Tangibles, or either of them, including any and all of the following:

- (i) all contracts relating to the Petroleum and Natural Gas Rights and the Tangibles, or either of them (including the Title Documents);
- (ii) all warranties, guarantees and similar rights relating to the Petroleum and Natural Gas Rights and the Tangibles, or either of them, including warranties and guarantees made by suppliers, manufacturers and contractors under the Assets, and claims against other Third Parties in connection with the contracts relating to the Petroleum and Natural Gas Rights and the Tangibles;
- (iii) all subsisting rights to carry out operations relating to the Lands, the Tangibles or the Wells, and without limitation, all easements and other permits, licenses and authorizations pertaining to the Tangibles or the Wells;
- (iv) rights to enter upon, use, occupy and enjoy the surface of any lands which are used or may be used to gain access to or otherwise use the Petroleum and Natural Gas Rights and the Tangibles, or either of them;
- (v) all records, books, documents, licences, reports and data which relate to the Petroleum and Natural Gas Rights and the Tangibles, or either of them including any of the foregoing that pertain to geological or geophysical matters and, including plans, surveys, maps, cross-sections, production records, electric logs, cuttings, cores, core data, pressure data, decline and production curves, well files, and related matters, division of interest records, lease files, title opinions, abstracts of title, title curative documents, lease operating statements and all other accounting information, marketing reports, statements, gas balancing information, and all other documents relating to customers, sales information, supplier lists, records, literature and correspondence, physical maps, geologic or geophysical interpretation, electronic and physical project files; and
- (vi) the Wells, including the wellbores and any and all casing and downhole monitoring and pumping equipment;

provided that unless otherwise agreed in writing by the Parties, the Miscellaneous Interests shall not include any documents or data to the extent that they are owned or licensed by Third Parties with restrictions on their deliverability or disclosure by the Vendor to an assignee;

- (ll) “**NOI Proceedings**” means the proposal proceedings commenced under the BIA by the Vendor;
- (mm) “**Notice Period**” has the meaning ascribed to that term in Section 8.2(b);
- (nn) “**Order**” means any order, writ, judgment, injunction, decree, stipulation, determination, decision, verdict, ruling, subpoena, or award entered by or with any Governmental Authority (whether temporary, preliminary, or permanent);

- (oo) “**Outside Date**” means March 20, 2026;
- (pp) “**Outstanding ROFR Assets**” has the meaning set forth in Section 10.2(e)(ii);
- (qq) “**Outstanding ROFRs**” has the meaning set forth in Section 10.2(e);
- (rr) “**Parties**” means, collectively, the Purchaser and the Vendor, and “**Party**” means any one of them;
- (ss) “**Permitted Encumbrances**” means:
 - (i) any overriding royalties, net profits interests and other burdens, which are provided for under the Title Documents;
 - (ii) the terms and conditions of the Assumed Contracts and the Title Documents, including ROFRs, the requirement to pay any rentals or royalties to the grantor thereof to maintain the Title Documents in good standing and any royalty or other burden reserved to the grantor thereof or any gross royalty trusts applicable to the grantor's interest in any of the Title Documents;
 - (iii) the right reserved to or vested in any grantor, Governmental Authority or other public authority by the terms of any Title Document or by Applicable Laws to terminate any Title Document;
 - (iv) easements, rights of way, servitudes or other similar rights in land, including rights of way and servitudes for highways, railways, sewers, drains, gas and oil pipelines, gas and water mains, electric light, power, telephone or cable television conduits, poles, wires or cables;
 - (v) taxes on Petroleum Substances or the income or revenue therefrom, unless specifically excluded and governmental restrictions on production rates from the Wells or on operations being conducted on the Lands or otherwise affecting the value of any of the Assets;
 - (vi) agreements for the sale, processing, transmission or transportation of Petroleum Substances entered into by the Vendor subsequent to the date of this Agreement;
 - (vii) any obligation of the Vendor to hold any portion of their interest in and to any of the Assets in trust for Third Parties;
 - (viii) any rights reserved to or vested in any Governmental Authority to control or regulate the ownership, use or operation of any of the Assets in any manner, including governmental requirements imposed by statute or Governmental Authorities as to rates of production from operations or otherwise affecting recoverability of Petroleum Substances;

- (ix) undetermined or inchoate liens incurred or created as security in favour of any Person with respect to the development or operation of any of the Assets, as regards the Vendor's share of the costs and expenses thereof which are not due or delinquent as of the date hereof;
- (x) the reservations, limitations, provisos and conditions in any grants or transfers from the Crown of any of the Lands or interests therein, and statutory exceptions to title;
- (xi) provisions for penalties and forfeitures under Title Documents as a consequence of nonparticipation in operations;
- (xii) any requirement to post or maintain any deposits or other form of security required by any Governmental Authority; and
- (xiii) liens granted in the ordinary course of business to a public utility, municipality or Governmental Authority with respect to operations pertaining to any of the Assets as regards the Vendor's share of amounts owing to such public utility, municipality or Governmental Authority which are not due or delinquent as of the date hereof;
- (tt) **"Person"** means any individual, corporation, limited or unlimited liability company, joint venture, partnership (limited or general), trust, trustee, executory, Governmental Authority, or other entity however designated or instituted;
- (uu) **"Petroleum and Natural Gas Rights"** means the Vendor's Interest in and to all rights to and in respect of the Leased Substances and the Title Documents (but only to the extent that the Title Documents pertain to the Lands);
- (vv) **"Petroleum Substances"** means any of crude oil, petroleum, natural gas, natural gas liquids, coal bed methane and any and all other substances related to any of the foregoing, whether liquid, solid or gaseous, and whether hydrocarbons or not, including sulphur;
- (ww) **"Proposal Trustee"** means KSV Restructuring Inc., in its capacity as the proposal trustee of the Vendor in the NOI Proceedings and not in its personal or corporate capacity;
- (xx) **"Proposal Trustee's Certificate"** means the certificate, substantially in the form attached as Schedule "A" to the Approval and Vesting Order, to be delivered by the Proposal Trustee to the Vendor and the Purchaser on Closing and thereafter filed by the Proposal Trustee with the Court certifying that it has received the Conditions Certificates;
- (yy) **"Proposal Trustee's Solicitors"** means Bennett Jones LLP, or such other firm or firms of solicitors as are retained or engaged by the Proposal Trustee from time to time and notice of which is provided to the Purchaser;

- (zz) **“Purchase Price”** has the meaning ascribed to that term in Section 3.1;
- (aaa) **“Purchaser”** has the meaning ascribed to that term in the preamble hereto;
- (bbb) [**“Purchaser’s Nominee”** means [●], which is an Affiliate of the Purchaser][**NTD: Delete if Purchaser will not use a nominee.**];
- (ccc) **“Purchaser’s Solicitors”** means [●];
- (ddd) **“Representative”** means, in respect of a Person, each director, officer, employee, agent, legal counsel, accountant, consultant, contractor, professional advisor and other representative of such Person and its Affiliates and, with respect to the Vendor, includes the Proposal Trustee;
- (eee) **“ROFR”** means a right of first refusal, right of first offer or other preemptive or preferential right of purchase or similar right to acquire the Assets or certain of them that may become operative by virtue of this Agreement or the completion of the Transaction;
- (fff) **“SISP”** means the sale and investment solicitation process approved by the Court by Order dated November 20, 2025;
- (ggg) **“Specific Conveyances”** means all conveyances, assignments, transfers, novations and other documents or instruments that are reasonably required or desirable to convey, assign and transfer the Vendor’s Interest in and to the Assets to the Purchaser and to novate the Purchaser in the place and stead of the Vendor, as applicable, with respect to the Assets (excluding the Licence Transfers, if any.
- (hhh) **“Tangibles”** means the Vendor’s Interest in and to the Facilities and any and all other tangible depreciable property and assets, if any, which are located within, upon or in the vicinity of the Lands and which are used or are intended to be used to produce, process, gather, treat, measure, store, transport, make marketable or inject the Leased Substances or any of them;
- (iii) **“Third Party”** means any Person who is not a Party or an Affiliate of a Party;
- (jjj) **“Third Party Claim”** means any Claim by a Third Party asserted against the Vendor for which the Purchaser has indemnified the Vendor or is otherwise responsible pursuant to this Agreement;
- (kkk) **“Title Documents”** means, collectively, any and all certificates of title, leases, reservations, permits, licences, assignments, trust declarations, operating agreements, royalty agreements, gross overriding royalty agreements, participation agreements, farm-in agreements, sale and purchase agreements, pooling agreements, acreage contribution agreements, joint venture agreements and any other documents and agreements granting, reserving or otherwise conferring rights to (i) explore for, drill for, produce, take, use or market Petroleum Substances, (ii) share in the production of Petroleum Substances, (iii) share in the proceeds from,

or measured or calculated by reference to the value or quantity of, Petroleum Substances which are produced, and (iv) rights to acquire any of the rights described in items (i) to (iii) of this definition; but only if the foregoing pertain in whole or in part to Petroleum Substances within, upon or under the Lands;

- (lll) **“Transaction”** means the transaction for the purchase and sale of the Vendor’s Interest in and to the Assets, together with all other transactions contemplated in this Agreement, all as contemplated in this Agreement;
- (mmm) **“Transfer Taxes”** means all transfer taxes, sales taxes, use taxes, production taxes, value-added taxes, goods and services taxes, land transfer taxes, registration and recording fees, and any other similar or like taxes and charges imposed by a Governmental Authority in connection with the sale, transfer or registration of the transfer of the Assets, including GST; and which, for certainty, shall not include freehold mineral taxes;
- (nnn) **“Vendor’s Interest”** means, when used in relation to any asset, undertaking or property, the entire right, title and interest, if any, of the Vendor in, to and/or under such asset, undertaking or property;
- (ooo) **“Vendor’s Solicitors”** means the law firm of DLA Piper (Canada) LLP; and
- (ppp) **“Wells”** means the Vendor’s Interest in and to the wells listed in Schedule A under the heading entitled “Wells”, as applicable.

1.2 Interpretation

- (a) All references to monetary amounts are to the lawful currency of Canada.
- (b) Words importing the singular include the plural and vice versa, and words importing gender include the masculine, feminine and neuter genders.
- (c) The word “include” and “including” and derivatives thereof shall be read as if followed by the phrase “without limitation”.
- (d) The words “hereto”, “herein”, “hereof”, “hereby”, “hereunder” and similar expressions refer to this Agreement and not to any particular provision of this Agreement.
- (e) The headings contained in this Agreement are for convenience of reference only, and shall not affect the meaning or interpretation hereof.
- (f) Reference to any Article, Section or Schedule means an Article, Section or Schedule of this Agreement unless otherwise specified.
- (g) If any provision of a Schedule hereto conflicts with or is at variance with any provision in the body of this Agreement, the provisions in the body of this Agreement shall prevail to the extent of the conflict.

- (h) This Agreement has been negotiated by each Party with the benefit of legal representation, and any rule of construction to the effect that any ambiguities are to be resolved against the drafting Party does not apply to the construction or interpretation of this Agreement.

1.3 Schedules

The following are the Schedules attached to and incorporated in this Agreement by reference and deemed to be a part hereof:

<u>Schedule</u>	<u>Description</u>
Schedule A	Assets Listing
Schedule B	Form of Approval and Vesting Order
Schedule C	Form of General Conveyance, Assignment and Assumption Agreement
Schedule D	Forms of Conditions Certificates

1.4 Interpretation if Closing Does Not Occur

If Closing does not occur, each provision of this Agreement which presumes that the Purchaser has acquired the Assets shall be construed as having been contingent upon Closing having occurred.

ARTICLE 2 PURCHASE AND SALE

2.1 Agreement of Purchase and Sale

Subject to the terms and conditions of this Agreement, the Vendor agrees to sell, assign, and transfer to the Purchaser, and the Purchaser agrees to purchase, accept, and receive from the Vendor, all of the Vendor's right, title, and interest in and to the Assets.

2.2 Transfer of Property and Assumption of Liabilities

Provided that Closing occurs and subject to the terms and conditions of this Agreement, possession, risk, and legal and beneficial ownership of the Assets shall transfer from the Vendor to the Purchaser on the Closing Date, and the Purchaser agrees to assume, discharge, perform and fulfil all Assumed Liabilities. Without limiting the provisions of this Agreement relating to the General Conveyance, Assignment and Assumption Agreement (and such agreement itself), or any other provisions of this Agreement relating to sale, transfer, assignment, conveyance or delivery, the Assets shall be sold, assigned, transferred, conveyed, and delivered by the Vendor to the Purchaser by way of the Licence Transfers, the Specific Conveyances and other appropriate instruments of transfer, bills of sale, endorsements, assignments, and deeds, in recordable form, or by way of an Order of

the Court, as appropriate, and free and clear of any and all Claims other than Permitted Encumbrances, as applicable.

2.3 Specific Conveyances

- (a) Within a reasonable time following its receipt of the Title Documents from the Vendor, the Purchaser shall prepare and provide for the Vendor's review all Specific Conveyances. None of the Specific Conveyances shall confer or impose upon any Party any greater right or obligation than as contemplated in this Agreement. Promptly after Closing, the Purchaser shall register and/or distribute (as applicable), all such Specific Conveyances and shall bear all costs incurred therewith and in preparing and registering any further assurances required to convey the Assets to the Purchaser.
- (b) As soon as practicable following Closing, the Vendor shall deliver or cause to be delivered to the Purchaser such original copies of the Title Documents and any other agreements and documents to which the Assets are subject and such original copies of contracts, agreements, records, books, documents, licenses, reports and data comprising Miscellaneous Interests which are now in the possession or control of the Vendor or of which the Vendor gains possession or control prior to Closing.
- (c) Notwithstanding Sections 2.4(a) and 2.4(b), requests for the transfers from the Vendor to the Purchaser of registered Crown leases or licences, related surface rights and any other Title Documents which are administered by a Governmental Authority shall be submitted by the Vendor and accepted by the Purchaser as soon as is practicable after Closing.

2.4 Post Closing Maintenance of Assets

- (a) Following Closing, if and to the extent that the Purchaser must be novated into, recognized as a party to, or otherwise accepted as assignee or transferee of the Vendor's interest in the Assets or certain of them, including any Title Documents and Assumed Contracts, the following provisions shall apply with respect to the applicable Assets until such novation, recognition or acceptance has occurred:
 - (i) the Purchaser shall use reasonable commercial efforts to obtain, as may be required by the terms of any Assumed Contracts, consents or approvals to the assignment of such Assumed Contracts; provided that to the extent that any Cure Costs are payable with respect to any Assumed Contract, the Purchaser shall be responsible for and shall pay all such Cure Costs, which shall be paid directly to the counterparty as and when required in conjunction with the assignment of the Assumed Contracts, and which Cure Costs shall form part of the Purchase Price for the Assets;
 - (ii) to the extent permitted by any applicable Assumed Contract:
 - (A) the Purchaser will pay, perform and discharge the duties and obligations accruing after Closing under such Assumed Contract, on

behalf of the Vendor, until such time as the effective transfer or assignment of the relevant Assumed Contract to the Purchaser; and

- (B) the Vendor shall use reasonable commercial efforts to exercise the rights, entitlements, benefits and remedies under such Assumed Contract, on behalf of the Purchaser until such time as the effective transfer or assignment of the relevant Assumed Contract to the Purchaser, or such Assumed Contract expires or otherwise terminates;
- (iii) the Vendor shall not have any liability as a consequence of the Vendor taking any action or causing anything to be done under this Section 2.4(a), and the Purchaser shall be responsible and liable for, and, as a separate covenant, shall hereby indemnify and save harmless the Vendor and its Representatives against, all costs and expenses reasonably incurred by the Vendor, its Affiliates or its Representatives as a consequence of or in connection with this Section 2.4(a); and
- (iv) nothing in this Agreement shall constitute an agreement to assign, and shall not be construed as an assignment of, or an attempt to assign to the Purchaser, any Assumed Contract until such time as the necessary consents or approvals with respect to the assignment are obtained.
- (b) From and after Closing, the Purchaser shall be solely responsible for all communications with Governmental Authorities and third parties in respect of the Assets; the Purchaser shall not use the Vendor's name, BA codes or other credentials and shall promptly redirect any misdirected communications to itself and notify the sender accordingly.
- (c) For a period of seven (7) years following Closing, the Purchaser shall preserve all books and records comprising Miscellaneous Interests and, upon reasonable request, provide the Vendor and the Proposal Trustee (and their advisors) with copies or reasonable access, during normal business hours and without material disruption, to such records as are reasonably required to complete tax filings, financial reporting to the Court, the NOI Proceedings or dissolution of Vendor.

2.5 Assumed Liabilities

Following Closing, the Purchaser shall assume, perform, discharge and pay when due all of the Assumed Liabilities. For greater certainty, the Purchaser acknowledges and agrees that the Environmental Liabilities and Abandonment and Reclamation Obligations in respect of the Assets are future costs and obligations associated with the ownership of the Assets that are tied and connected to the ownership of the Assets such that they are inextricably linked and embedded with the Assets.

ARTICLE 3
PURCHASE PRICE AND RELATED MATTERS

3.1 Purchase Price

The consideration payable by the Purchaser for the Assets shall be the sum of \$[●] (the “**Purchase Price**”). The Purchase Price shall be satisfied in accordance with Section 3.3(b) and shall not be subject to any adjustment (and for greater certainty, Cure Costs shall be satisfied in accordance with Section 2.4(a)(i)). The Purchaser and the Vendor acknowledge and agree that the Purchase Price reflects the fair market value of the Assets as of the Closing Date, having due regard to the Environmental Liabilities connected to and embedded in the Assets that depress the value of the Assets.

3.2 Allocation of Purchase Price

The Purchase Price shall be allocated among the Assets as follows:

- (a) to the Petroleum and Natural Gas Rights, [●]%;
- (b) to the Tangibles, [●]% less \$10.00; and
- (c) to the Miscellaneous Interests, \$10.00.

3.3 Deposit and Satisfaction of Purchase Price

- (a) The Parties acknowledge that:
 - (i) as of the date hereof, the Purchaser has paid the amount equal to ten percent (10%) of the Purchase Price (the “**Deposit**”) to the Proposal Trustee;
 - (ii) the Deposit has been delivered to and shall be held in trust by the Proposal Trustee; and
 - (iii) the Deposit shall be held and administered by the Proposal Trustee in accordance with the terms and conditions of this Agreement (including this Section 3.3).
- (b) At Closing, the Purchase Price (other than Cure Costs, which are payable in accordance with Section 2.4(a)(i)) shall be paid and satisfied as follows:
 - (i) as to the amount of the Deposit, upon the receipt of a written joint direction delivered to the Proposal Trustee by the Purchaser and the Vendor, the Proposal Trustee shall deliver the amount of the Deposit to the Vendor by electronic wire transfer and such amount shall be applied against the amount of the Purchase Price for the account of the Purchaser; and
 - (ii) as to the balance of the Purchase Price (other than Cure Costs, which are payable in accordance with Section 2.4(a)(i)), along with any additional

amounts owing in respect of applicable GST, the Purchaser shall pay to the Vendor such amount by electronic wire transfer.

- (c) If this Agreement is terminated:
- (i) pursuant to Section 13.1(a) by mutual agreement of the Parties; (B) pursuant to Sections 13.1(b) or 13.1(c) by the Purchaser; (C) pursuant to Section 13.1(e) by the Vendor; or (D) for any other reason other than as contemplated under Section 3.3(c)(ii); then the Deposit shall be returned to the Purchaser; or
 - (ii) pursuant to Section 13.1(d) by the Vendor, the full amount of the Deposit shall be forfeited to the Vendor,

and, subject to Section 13.2, each Party shall be released from all obligations and liabilities under or in connection with this Agreement. In the event of termination of this Agreement under Section 3.3(c)(ii) pursuant to which the Vendor shall be entitled to retain the Deposit, the Parties agree that the amount of the Deposit constitutes a genuine pre-estimate of liquidated damages representing the Vendor's Losses and Liabilities as a result of Closing not occurring and agree that the Vendor shall not be entitled to recover from the Purchaser any amounts that are in excess of the Deposit as a result of Closing not occurring. The Purchaser hereby waives any claim or defence that the amount of the Deposit is a penalty or is otherwise not a genuine pre-estimate of the Vendor's damages.

ARTICLE 4 TRANSFER TAXES

4.1 Transfer Taxes

The Parties agree that:

- (a) the Purchase Price does not include Transfer Taxes and the Purchaser shall be liable for and shall pay, and be solely responsible for, any and all Transfer Taxes pertaining to the Purchaser's acquisition of the Assets; and
- (b) the Purchaser shall indemnify the Vendor and its Affiliates for, from and against any Transfer Taxes (including any interest or penalties imposed by a Governmental Authority) that any of them are required to pay or for which any of them may become liable as a result of any failure by the Purchaser to self-assess, pay or remit such Transfer Taxes, other than as a result of a failure by the Vendor or its Affiliates to timely remit any amounts on account of Transfer Taxes paid by the Purchaser hereunder.

ARTICLE 5
REPRESENTATIONS AND WARRANTIES

5.1 Vendor's Representations

The Vendor hereby represents and warrants to the Purchaser, severally and not jointly, that:

- (a) it is a corporation duly formed and validly subsisting under the laws of the Province of Alberta and has the requisite power and authority to enter into this Agreement and to complete the Transaction;
- (b) except for: (i) Court Approval; and (ii) any consents, approvals or waivers that are required in connection with the assignment of an Assumed Contract; the execution, delivery and performance of this Agreement by it does not and will not require any consent, approval, authorization or other order of, action by, filing with or notification to, any Governmental Authority, except where failure to obtain such consent, approval, authorization or action, or to make such filing or notification, would not prevent or materially delay the consummation by the Vendor of the Transaction;
- (c) it is not a non-resident of Canada within the meaning of such term under the *Income Tax Act* (Canada) and is not an agent or trustee for anyone with an interest in the Assets who is a non-resident of Canada within the meaning of such term under the *Income Tax Act* (Canada) (or a partnership that is not a "Canadian partnership" within the meaning of such term under the *Income Tax Act* (Canada));
- (d) subject to Court Approval being obtained, this Agreement has been duly executed and delivered by the Vendor and constitutes a legal, valid and binding obligation of it and is enforceable against it in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization or similar Applicable Laws relating to creditors' rights generally and subject to general principles of equity;
- (e) the Purchaser will not be liable for any brokerage commission, finder's fee or other similar payment in connection with the Transaction because of any action taken by, or agreement or understanding reached by the Vendor; and
- (f) with respect to the GST imposed under the GST Legislation, the Vendor is registered under the GST Legislation and will continue to be registered at the Closing Date in accordance with the provisions of the GST Legislation and the Vendor's GST registration number is: [●]

5.2 Purchaser's Representations

The Purchaser hereby represents and warrants to the Vendor that:

- (a) it is a corporation duly incorporated and validly subsisting under the laws of the jurisdiction of its incorporation or formation and has the requisite power and authority to enter into this Agreement and to complete the Transaction;
- (b) it has taken all necessary corporate or other acts to authorize the execution, delivery and performance by it of this Agreement;
- (c) neither the execution of this Agreement nor its performance by the Purchaser will result in a breach of any term or provision or constitute a default under any indenture, mortgage, deed of trust or any other agreement to which the Purchaser is a party or by which it is bound which breach could materially affect the ability of the Purchaser to perform its obligations hereunder;
- (d) except for: (i) Court Approval; and (ii) the Licence Transfers and any consents, approvals or waivers that are required in connection with the assignment of an Assumed Contract; the execution, delivery and performance of this Agreement by it does not and will not require any consent, approval, authorization or other order of, action by, filing with or notification to, any Governmental Authority, except where failure to obtain such consent, approval, authorization or action, or to make such filing or notification, would not prevent or materially delay the consummation by the Purchaser of this Transaction;
- (e) subject to Court Approval being obtained, this Agreement has been duly executed and delivered by it and constitutes a legal, valid and binding obligation of the Purchaser and is enforceable against the Purchaser in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization or similar Applicable Laws relating to creditors' rights generally and subject to general principles of equity;
- (f) the Purchaser is not a non Canadian Person within the meaning of the *Investment Canada Act* (Canada) nor a non-resident of Canada for the purposes of the *Income Tax Act* (Canada);
- (g) the Vendor will not be liable for any brokerage commission, finder's fee or other similar payment in connection with the Transaction because of any action taken by, or agreement or understanding reached by, the Purchaser;
- (h) to the knowledge of the Purchaser, the Purchaser, or as applicable, the Purchaser's Nominee meets and will at all relevant times meet all eligibility requirements of Governmental Authorities to purchase and accept a transfer of the Assets, including without limiting the generality of the foregoing, the eligibility requirements of the AER under Directive 067, as applicable to the Purchaser and the Purchaser's Nominee in connection with the transactions as contemplated hereunder. The Purchaser, or as applicable the Purchaser's

Nominee has and will at all times have “General Eligibility” status as defined under Directive 067 and the [Purchaser’s/Purchaser’s Nominee’s] BA code is [●];

- (i) the Purchaser is not aware of any fact or circumstance that would (i) result in the AER determining that the Purchaser or the Purchaser’s Nominee poses an unreasonable risk in accordance with the factors and criteria established by the AER pursuant to Directive 088 and Manual 023: Licensee Life Cycle Management;
- (j) with respect to the GST imposed under the GST Legislation, the Purchaser is registered under the GST Legislation and will continue to be registered at the Closing Date in accordance with the provisions of the GST Legislation and that its GST registration number is [●];
- (k) the Purchaser will have the financial resources necessary to pay, as and when due from the Purchaser, the Purchase Price (including the Deposit), the Cure Costs, the Transfer Taxes, its legal fees and expenses, registration costs and any other amounts payable by the Purchaser pursuant hereto; and
- (l) the Purchaser has the financial resources necessary to post or satisfy all necessary security, deposits, letters of credit, guarantees or other financial assurances necessary to take possession of the Assets and to satisfy the security required by the Assumed Contracts.

5.3 Enforcement of Representations and Warranties

- (a) The representations and warranties of each Party contained in this Agreement shall survive until Closing and shall thereafter be of no further force and effect. Effective upon the occurrence of Closing, each Party hereby releases and forever discharges each other Party from any breach of any representations and warranties set forth in this Agreement. For greater certainty, none of the representations and warranties contained in this Article 5 shall survive Closing and, the Purchaser’s sole recourse for any material breach of representation or warranty by the Vendor shall be for the Purchaser to not complete the Transaction in accordance with this Agreement.
- (b) The representations and warranties of the Vendor made herein or pursuant hereto are made for the exclusive benefit of the Purchaser, and the representations and warranties of the Purchaser made herein or pursuant hereto are made for the exclusive benefit of the Vendor, as the case may be, and are not transferable and may not be made the subject of any right of subrogation in favour of any other Person.
- (c) The Parties expressly acknowledge and agree that the provisions of this Section 5.3 and the limit on each Party’s liability set out in this Section 5.3 are intended by the Parties as a limitation of liability that represents a fair and equitable allocation of the risks and liabilities that each Party has agreed to assume in connection with the

subject matter hereof and is not an agreement within the provision of subsection 7(2) of the *Limitations Act* (Alberta).

ARTICLE 6
AS IS, WHERE IS" AND NO ADDITIONAL REPRESENTATIONS AND
WARRANTIES

6.1 Due Diligence Acknowledgement

The Purchaser acknowledges and agrees that:

- (a) it was solely responsible to perform any inspections it deemed pertinent to the purchase of the Assets and to be satisfied as to the condition of the Assets prior to entering into this Agreement with the Vendor;
- (b) notwithstanding the fact that it was permitted to review any diligence materials and disclosures provided by the Vendor, including the Due Diligence Information, the Vendor assumes no liability for errors or omissions in such diligence materials and disclosure or any other property listings or advertising, promotional or publicity statements and materials, and makes no representations or warranties in respect thereof;
- (c) by entering into this Agreement with the Vendor, the Purchaser shall be deemed to represent, warrant and agree with respect to the Assets that:
 - (i) the Purchaser has inspected the Assets and is familiar and satisfied with the physical condition thereof and has conducted such investigation of the Assets as the Purchaser has determined appropriate;
 - (ii) neither the Vendor nor its Affiliates or its respective Representatives have made any oral or written representation, warranty, promise or guarantee whatsoever to the Purchaser, expressed or implied, and in particular, that no such representations, warranties, guarantees, or promises have been made with respect to the physical condition, operation, or any other matter or thing affecting or related to the Assets and/or the offering or sale of the Assets;
 - (iii) the Purchaser has not relied upon any representation, warranty, guarantee or promise or upon any statement made or any information provided concerning the Assets, including the Due Diligence Information made available to the Purchaser by the Vendor, its Affiliates or Representatives;
 - (iv) the Purchaser has entered into this Agreement after having relied solely on its own independent investigation, inspection, analysis, appraisal and evaluation of the Assets and the facts and circumstances related thereto;
 - (v) any information provided or to be provided by or on behalf of the Vendor with respect to the Assets, including all Due Diligence Information, was

obtained from information provided to the Vendor and the Vendor has not made any independent investigation or verification of such information, and makes no representations as to the accuracy or completeness of such information;

- (vi) without limiting the generality of the foregoing, the Vendor is not under any obligation to disclose to the Purchaser, and shall have no liability for their failure to disclose to the Purchaser, any information known to them relating to the Assets except as may be required by any Applicable Law; and
- (vii) none of the Vendor, its Affiliates or its Representatives are liable or bound in any manner by any oral or written statements, representations or information pertaining to the Assets, or the operation thereof, made or furnished by any real estate broker, agent, employee, or other Person.

6.2 “As Is, Where Is”, No Additional Representations

- (a) Without limiting any other provision of this Agreement, the Purchaser acknowledges and agrees that it is acquiring the Assets on an “as is, where is” and “without recourse” basis with all defects, both patent and latent, and with all faults, whether known or unknown, presently existing or that may hereafter arise. The Purchaser acknowledges and agrees that, except as expressly set forth in this Agreement, the Vendor, its Affiliates and its Representatives have not made, do not make and specifically negate and disclaim any representation, warranty, promise, covenant, agreement or guaranty of any kind or character whatsoever, whether express or implied, oral or written, past, present or future, of, as to, concerning or with respect to the Assets. For greater certainty, but without limitation, except as expressly set forth in this Agreement, none of the Vendor, its Affiliates or its Representatives make any condition, representation or warranty whatsoever, express or implied, with respect to:
 - (i) the title and interest of the Vendor in and to the Assets;
 - (ii) whether any ROFRs are exercisable by a Third Party in connection with the completion of the Transaction;
 - (iii) the quality, quantity or recoverability of Petroleum Substances within or under the Lands or any lands pooled or unitized therewith;
 - (iv) the income to be derived from the Assets, if any;
 - (v) any estimates of the value of the Assets or the revenues or cash flows from future production from the Lands;
 - (vi) the rates of production of Petroleum Substances from the Lands;
 - (vii) the quality, condition, marketability, profitability, fitness for a particular purpose or merchantability of any tangible depreciable equipment or

- property interests which comprise the Assets (including the Tangibles or any personal property);
- (viii) the suitability of the Assets for any and all purposes, activities and uses which the Purchaser may desire to conduct thereon;
 - (ix) the compliance of or by the Assets or its operation with any Applicable Law (including Environmental Laws);
 - (x) the validity or enforceability of the Assumed Contracts or the ability to assign any of the Assumed Contracts;
 - (xi) any regulatory approvals, permits and licenses, consents or authorizations that may be needed to complete the purchase of the Assets contemplated by this Agreement;
 - (xii) the manner or quality of the construction or materials, if any, incorporated into the Assets;
 - (xiii) the manner, quality, state of repair or lack of repair of the Assets;
 - (xiv) the existence of soil instability, past soil repairs, susceptibility to landslides, sufficiency of under-shoring, sufficiency of drainage, or any other matter affecting the stability or integrity of the Assets or any structures or improvements situated thereon;
 - (xv) whether the Assets are located in a seismic hazards zone or a flood hazard zone;
 - (xvi) the presence of pests and any damage to the Assets and/or its improvements that may have occurred as a result;
 - (xvii) the nature and quantum of the Assumed Liabilities; or
 - (xviii) any other matter with respect to the Assets.
- (b) The Purchaser acknowledges that the release and disclaimer described in this Article 6 is intended to be very broad and, except for its express rights under this Agreement, the Purchaser expressly waives and relinquishes any rights or benefits it may have under any Applicable Law designed to invalidate releases of unknown or unsuspected claims.
- (c) Except for its express rights under this Agreement, the Purchaser hereby waives all rights and remedies, whether now existing or hereinafter arising and including all common law, tort, contractual and statutory rights and remedies, against the Vendor, its Affiliates and its Representatives in respect of the Assets and any representations or statements made or information or data furnished to the Purchaser or its Representatives in connection herewith (whether made or furnished

orally or by electronic, faxed, written or other means). Such waiver is absolute, unlimited, and includes, but is not limited to, waiver of express warranties, implied warranties, any warranties contained in the *Sale of Goods Act* (Alberta) (or similar applicable statutes, all as may be amended, repealed or replaced), warranties of fitness for a particular use, warranties of merchantability, warranties of occupancy, strict liability and claims of every kind and type, including claims regarding defects, whether or not discoverable or latent, product liability claims, or similar claims, and all other claims that may be later created or conceived in strict liability or as strict liability type claims and rights.

ARTICLE 7 RISK AND COSTS AND INSURANCE

7.1 Risk and Costs

Except as otherwise provided for in this Agreement, the Assets will be at the sole risk and responsibility of the Vendor until the Closing Date, and thereafter at the sole risk and responsibility of the Purchaser.

7.2 Insurance

Any property, liability and other insurance maintained by the Vendor in relation to the Assets, to the extent applicable, shall not be transferred at Closing, but shall remain the responsibility of the Vendor until the Closing Date. The Purchaser shall be responsible for placing its own property, liability and other insurance coverage with respect to the Assets in respect of the period from and after 12:01 a.m. on the Closing Date.

ARTICLE 8 INDEMNIFICATION

8.1 Indemnification Given by Purchaser

If Closing occurs, the Purchaser shall:

- (a) be liable to the Vendor, its Affiliates and its Representatives for; and
- (b) as a separate covenant, indemnify and save harmless the Vendor, its Affiliates and its Representatives from and against;

all Losses and Liabilities suffered, sustained, paid or incurred by the Vendor, its Affiliates and its Representatives related to or in connection with the Assets and the Assumed Liabilities, including: (i) all Losses and Liabilities attributable to the ownership, operation, use, construction or maintenance of the Assets during the period following the Closing Date; (ii) all Losses and Liabilities arising or accruing on or after the Closing Date under any Assumed Contract, including any and all Cure Costs; and (iii) any other Losses and Liabilities for which the Purchaser has otherwise agreed to indemnify the Vendor pursuant to this Agreement, including pursuant to Section 9.2. The Purchaser's indemnity

obligations set forth in this Section 8.1 shall survive the Closing Date indefinitely pursuant to Section 14.3.

8.2 Third Party Claims

- (a) If any of the Vendor, its Affiliates or its Representatives receives written notice of the commencement or assertion of any Third Party Claim for which the Purchaser is liable pursuant to this Agreement (or has otherwise agreed to indemnify the Vendor, their Affiliates or their respective Representatives against), the Vendor shall give the Purchaser reasonably prompt notice thereof, but in any event no later than ten (10) days after receipt of such notice of such Third Party Claim. Such notice to the Purchaser shall describe the Third Party Claim in reasonable detail and shall indicate, if reasonably practicable, the estimated amount (or the method of computation of the amount) of the Losses and Liabilities that has been or may be sustained by the Vendor, its Affiliates or its Representatives, respectively, and a reference to the provisions of this Agreement, or other applicable document, upon which such claim is based.
- (b) The Purchaser may assume the carriage and control of the defence of any Third Party Claim by giving notice to that effect to the Vendor, not later than ten (10) days after receiving notice of that Third Party Claim (the “**Notice Period**”) so long as: (i) the Purchaser first acknowledges to the Vendor, in writing, liability to the Vendor, its Affiliates and/or its Representatives, under this Agreement with respect to such Third Party Claim and that the outcome of such Third Party Claim does not alter or diminish the Purchaser’s obligation to indemnify the Vendor, its Affiliates and/or its Representatives, pursuant to this Agreement, subject to the Purchaser’s right to contest in good faith the Third Party Claim; (ii) the Purchaser has the financial resources to defend against the Third Party Claim and fulfill any indemnification obligations and has provided the Vendor, its Affiliates and/or its Representatives, with evidence thereof; (iii) the Third Party Claim involves monetary damages; and (iv) the Purchaser thereafter pursues the defence or settlement of the Third Party Claim actively and diligently. The Purchaser’s right to do so shall be subject to the rights of any insurer or other third party who has potential liability in respect of that Third Party Claim. The Purchaser shall pay all of its own expenses of participating in or assuming such defence. In the event that the Purchaser elects to assume the carriage and control of the defence of a Third Party Claim pursuant to this Section 8.2(b), then the Vendor shall, or shall cause its Affiliates and/or its Representatives to, cooperate in good faith in the defence of each Third Party Claim and may participate in such defence assisted by counsel of its own choice at its own expense.
- (c) If the Vendor has not received notice within the Notice Period that the Purchaser has elected to assume the carriage and control of the defence of such Third Party Claim in accordance with Section 8.2(b), or if the Purchaser has given such notice but thereafter fails or is unable to pursue the defence or settlement of such Third Party Claim actively and diligently, the Vendor, its Affiliates and/or its Representatives, may, at their option, elect to settle or compromise the Third Party

Claim on terms of their choosing, or assume such defence assisted by counsel of their own choosing, and the Purchaser shall be liable for all reasonable costs and expenses paid or incurred in connection therewith and any Losses and Liabilities suffered or incurred by the Vendor, its Affiliates and/or its Representatives with respect to such Third Party Claim.

8.3 Failure to Give Timely Notice

Notwithstanding that time is of the essence, a failure to give timely notice as provided in this Article 8 shall not affect the rights or obligations of any Party except and only to the extent that, as a result of such failure, any Party which was entitled to receive such notice was deprived of its right to recover any payment under any applicable insurance coverage or was otherwise prejudiced as a result of such failure.

8.4 No Merger

There shall not be any merger of any liability or indemnity hereunder in any assignment, conveyance, transfer or document delivered pursuant hereto notwithstanding any rule of law, equity or statute to the contrary and all such rules are hereby waived.

8.5 Third Party Beneficiary

The Vendor's Representatives and the Vendor's Affiliates, and all of their respective Representatives are intended third party beneficiaries of this Article 8 and shall have the right, power and authority to enforce the provisions hereof as though they were each a party hereto. The Purchaser further agrees to execute such agreements as may be reasonably requested by such Persons in connection with these provisions that are consistent with this Article 8 or that are reasonably necessary to give further effect thereto.

ARTICLE 9 ENVIRONMENTAL MATTERS

9.1 Acknowledgements Regarding Environmental Condition

The Purchaser acknowledges that, insofar as the environmental condition of the Assets is concerned, it will acquire the Assets pursuant hereto on an "as is, where is" basis. The Purchaser acknowledges that it is familiar with the condition of the Assets, including the past and present use of the Lands and the Tangibles, that the Vendor has provided the Purchaser with a reasonable opportunity to inspect the Assets at the sole cost, risk and expense of the Purchaser (insofar as the Vendor could reasonably provide such access) and that the Purchaser is not relying upon any representation or warranty of the Vendor, its Affiliates or any of its Representatives as to the environmental condition of the Assets, or any Environmental Liabilities or Abandonment and Reclamation Obligations in respect thereof.

9.2 Assumption of Environmental Liabilities

If Closing occurs, the Purchaser shall:

- (a) be liable to the Vendor, its Affiliates and its Representatives for; and
- (b) as a separate covenant, indemnify and save harmless the Vendor, its Affiliates and its Representatives from and against;

all Losses and Liabilities suffered, sustained, paid or incurred by the Vendor, its Affiliates or its Representatives as a result of any matter or thing arising out of, attributable to or connected with any Environmental Liabilities or any Abandonment and Reclamation Obligations. Once Closing has occurred, the Purchaser shall be solely responsible for all Environmental Liabilities and all Abandonment and Reclamation Obligations as between the Vendor (on one hand) and the Purchaser (on the other hand) including whether occurring or accruing prior to, on or after the Closing Date, and hereby releases the Vendor, its Affiliates and its Representatives from any claims the Purchaser may have against the Vendor with respect to all such Environmental Liabilities and Abandonment and Reclamation Obligations. Without restricting the generality of the foregoing, the Purchaser shall be responsible for all Environmental Liabilities and Abandonment and Reclamation Obligations (including whether occurring or accruing prior to, on or after the Closing Date) in respect of all Wells and Tangibles.

ARTICLE 10 COVENANTS

10.1 Conduct of Business Until Closing

- (a) Until the Closing Date, the Vendor shall provide the Purchaser with all access to the Assets as reasonably required by the Purchaser in order to allow for and assist the Purchaser with an orderly passing of the Assets to the Purchaser following Closing in accordance herewith.
- (b) The access to the Assets to be afforded to the Purchaser and its Representatives pursuant to this Section 10.1 will be subject to the Assumed Contracts and all of the Vendor's site entry protocols, health, safety and environmental rules, policies and procedures. Further, the Purchaser acknowledges and agrees that it shall:
 - (i) be solely liable and responsible for any and all Losses and Liabilities which the Vendor, their Affiliates or their respective Representatives may suffer, sustain, pay or incur; and
 - (ii) as a separate covenant, indemnify and save harmless the Vendor, their Affiliates and their respective Representatives harmless from any and all Claims or Losses and Liabilities whatsoever which may be brought against, suffered by or incurred by the Vendor, their Affiliates or their respective Representatives arising out of, resulting from, attributable to or in any way

connected with any access provided to the Purchaser or its Representatives pursuant to this Section 10.1.

10.2 ROFRs

- (a) The Purchaser acknowledges that it shall be responsible for conducting such separate investigation of the Assets as the Purchaser has determined is appropriate with respect to the identification of ROFRs applicable to the Assets as soon as is reasonably practicable after the date hereof. The Purchaser shall indemnify Losses and Liabilities suffered, sustained, paid or incurred by the Vendor, its Affiliates or its Representatives as a result of any failure by the Purchaser to identify ROFRs applicable to the Assets or any Third Party Claim relating to the allocation of the value of a ROFR to be determined by the Purchaser in accordance with Section 10.2(b)(i), as applicable.
- (b) If the Purchaser has identified any ROFRs pursuant to Section 10.2(a):
 - (i) promptly following the identification of Assets which are the subject of ROFRs, the Purchaser shall prepare and provide the Vendor with ROFR notices to be issued in respect of such ROFRs, which shall include the Purchaser's bona fide allocation of the amount of the Purchase Price attributable to each of such Assets which are subject to a ROFR;
 - (ii) the Vendor shall courier ROFR notices to the Third Parties holding such ROFRs promptly following the receipt of the same from the Purchaser; and
 - (iii) to the extent the Purchaser is not copied directly on a response from a Third Party ROFR holder, the Vendor shall notify the Purchaser in writing forthwith upon each Third Party exercising or waiving such a ROFR.
- (c) If any such Third Party elects to exercise such a ROFR, then:
 - (i) the definition of Assets shall be deemed to be amended to exclude those Assets in respect of which the ROFR has been exercised;
 - (ii) such Assets shall not be conveyed to the Purchaser;
 - (iii) any proceeds received by the Vendor from a Third Party in respect of the sale and conveyance of any Assets which are subject to a ROFR shall be deemed to not constitute Assets for the purposes of this Agreement; and
 - (iv) the Purchase Price shall not be subject to any reduction in the event of the exercise of any such ROFR by a Third Party.
- (d) In the event that a Third Party exercises a ROFR and is then unable or unwilling to enter into a conveyance agreement with the Vendor for the relevant Assets, the Purchaser agrees to accept a conveyance of such Assets under the same terms and conditions as this Agreement to whatever extent possible.

- (e) Closing shall not be delayed even though certain of the ROFRs are outstanding and capable of exercise by the holders thereof as of the Closing Date (such ROFRs being referred to as “**Outstanding ROFRs**”). In such case, the following procedures shall apply:
- (i) the Parties shall proceed with Closing (for greater certainty without any reduction in the Purchase Price for the Outstanding ROFRs, and without variation of any other terms or conditions of this Agreement);
 - (ii) the Purchaser shall have (as of the Closing Date) prepared all Specific Conveyances and other closing documentation required for the sale of the Assets subject to the Outstanding ROFRs (the “**Outstanding ROFR Assets**”);
 - (iii) if an Outstanding ROFR is exercised by a Third Party, the Vendor will promptly notify the Purchaser thereof in writing, the Specific Conveyances and other closing documentation related to such Outstanding ROFR Assets will be of no force or effect and shall be destroyed by the Purchaser, and the provisions of Section 10.2(c) shall apply to the Assets which are the subject of the Outstanding ROFR being exercised by the Third Party, mutatis mutandis; and
 - (iv) if after Closing an Outstanding ROFR is extinguished by lapse of time, waiver or otherwise (other than as a result of being exercised), the Vendor will promptly notify the Purchaser thereof in writing and promptly deliver copies of the Specific Conveyances and closing documentation previously prepared to the Purchaser, and such documentation shall be effective and the sale of such Outstanding ROFR Assets to Purchaser pursuant hereto shall be deemed to have closed on the Closing Date.
- (f) The Purchaser shall defend, indemnify and hold harmless the Vendor, its Affiliates and Representatives against any Third Party Claim arising from or relating to ROFR allocations or processes, whether asserted before or after Closing, and shall not seek any injunction or other equitable relief to delay Closing on account of any ROFR matter.

10.3 Document Review

Prior to Closing, the Vendor shall provide Purchaser with reasonable access to the Title Documents and other Miscellaneous Interests in the possession or under the control of the Vendor for the purpose of verifying the continued validity and effect of the Title Documents, the identification of Assets the subject of ROFRs, the preparation of Specific Conveyances and other matters related to this Agreement and the Transaction.

ARTICLE 11 CONDITIONS

11.1 Mutual Conditions

The respective obligations of the Parties to complete the purchase and sale of the Assets are subject to the following conditions being fulfilled or performed as at or prior to the Closing Date:

- (a) the Court shall have granted the Approval and Vesting Order and the Approval and Vesting Order shall be a Final Order;
- (b) no Governmental Authority shall have enacted, issued or promulgated any final or non-appealable order or Applicable Law subsequent to the date hereof which has the effect of: (i) making any of the transactions contemplated by this Agreement illegal; or (ii) otherwise prohibiting, preventing or restraining the Vendor from the sale of the Assets; and
- (c) the Closing is not otherwise prohibited by Applicable Law.

The foregoing conditions are for the mutual benefit of the Vendor and the Purchaser and may be asserted by the Vendor or the Purchaser regardless of the circumstances and may be waived only with the agreement of the Vendor and the Purchaser.

11.2 Conditions for the Benefit of the Purchaser

The obligation of the Purchaser to complete the purchase of the Assets is subject to the following conditions being fulfilled or performed as at or prior to the Closing Date:

- (a) all representations and warranties of the Vendor contained in Section 5.1 of this Agreement shall be true and correct in all material respects as at the Closing Date with the same force and effect as if made at and as of such time;
- (b) the Vendor shall have complied with and performed, in all material respects, all of their covenants and obligations contained in this Agreement;
and
- (c) the Vendor shall have executed and delivered or caused to have been executed and delivered to the Purchaser at or before the Closing all the documents contemplated in Section 12.2.

The foregoing conditions are for the exclusive benefit of the Purchaser and may be waived by it in its sole discretion, in whole or in part, at any time and from time to time without prejudice to any other rights which the Purchaser may have.

11.3 Conditions for the Benefit of the Vendor

The obligation of the Vendor to complete the sale of the Assets is subject to the following conditions being fulfilled or performed as at or prior to the Closing Date:

- (a) all representations and warranties of the Purchaser contained in Section 5.2 of this Agreement shall be true and correct in all material respects as at the Closing Date with the same force and effect as if made at and as of such time;
- (b) the Purchaser shall have complied with and performed in all material respects all of its covenants and obligations contained in this Agreement;
- (c) the Purchaser shall have executed and delivered or caused to have been executed and delivered to the Vendor at or before the Closing all the documents contemplated in Section 12.3; and
- (d) all amounts to be paid by the Purchaser to the Vendor at Closing including, without limitation, the Purchaser Price have been paid. .

The foregoing conditions are for the exclusive benefit of the Vendor and may be waived by them in their sole discretion, in whole or in part, at any time and from time to time without prejudice to any other rights which the Vendor may have.

11.4 Satisfaction of Conditions

Each of the Parties shall proceed diligently and in good faith and use all commercially reasonable efforts to fulfill and assist in the fulfillment of the conditions set forth in Sections 11.1, 11.2 and 11.3. In addition, each of the Parties agrees not to take any action that could reasonably be expected to preclude, delay or have an adverse effect on the Transaction or would render, or may reasonably be expected to render, any representation or warranty made by it in this Agreement untrue in any material respect. For greater certainty, in using commercially reasonable efforts to satisfy the conditions to Closing, the Parties intend to coordinate their efforts with a view to Closing on or about February 20, 2026, provided that this sentence does not amend the definition of “Closing Date” or the “Outside Date”.

11.5 Proposal Trustee’s Certificate

When the conditions to Closing set out in Sections 11.1, 11.2 and 11.3 have been satisfied and/or waived by each of the Vendor and the Purchaser, as applicable, the Vendor and the Purchaser will each deliver to the Proposal Trustee written confirmation: (a) that such conditions of Closing, as applicable, have been satisfied and/or waived; and (b) of the amount of the Transfer Taxes and Cure Costs to be paid on Closing (in each case, to the extent applicable), in substantially the form of Schedule D (the “**Conditions Certificates**”). Upon receipt by the Proposal Trustee of: (i) confirmation of payment of the balance of the Purchase Price (less the Deposit) to be paid on Closing has been received by the Vendor; (ii) confirmation of payment of applicable Transfer Taxes to be paid on Closing have been paid to the Vendor (or evidence of an agreement to pay all Transfer

Taxes by the Purchaser to any relevant Governmental Authorities or counterparty); and (iii) each of the Conditions Certificates, the Proposal Trustee shall: (A) issue forthwith its Proposal Trustee's Certificate concurrently to the Vendor and the Purchaser, at which time the Closing will be deemed to have occurred; and (B) file as soon as practicable a copy of the Proposal Trustee's Certificate with the Court (and shall provide a true copy of such filed certificate to the Vendor and the Purchaser). In the case of (A) and (B), above, the Proposal Trustee will be relying exclusively on the basis of the Conditions Certificates and without any obligation whatsoever to verify the satisfaction or waiver of the applicable conditions.

ARTICLE 12 CLOSING

12.1 Closing Date and Place of Closing

Subject to the conditions set out in this Agreement, the Transaction shall close and be completed on the Closing Date, or at such other time as the Parties may agree in writing. The Parties currently expect that Closing will occur on or about February 20, 2026; for certainty, such expectation is non-binding and does not amend the definition of "Closing Date" or the "Outside Date".

12.2 Deliveries on Closing by the Vendor

The Vendor shall deliver (or cause to be delivered) to the Purchaser on or before the Closing Date:

- (a) a Court certified copy of the Approval and Vesting Order;
- (b) a certificate of the Vendor confirming the accuracy of the matters provided for in Sections 11.2(a) and 11.2(b);
- (c) a written joint direction, duly executed by the Vendor, instructing the Proposal Trustee that the Deposit is to be released in accordance with Section 3.3(b)(i);
- (d) a receipt for the Purchase Price plus Transfer Taxes;
- (e) the General Conveyance, Assignment and Assumption Agreement duly executed by the Vendor; and
- (f) any other deeds, conveyances, assurances, transfers, assignments, instruments, documents, resolutions and certificates as are referred to in this Agreement or as the Purchaser may reasonably require to give effect to this Agreement.

12.3 Deliveries on Closing by the Purchaser

The Purchaser shall deliver (or cause to be delivered) to the Vendor's Solicitors on or before the Closing Date:

- (a) payment of the Purchase Price in accordance with Section 3.3(b);
- (b) payment of all Transfer Taxes payable on Closing to the Vendor or the Vendor's Solicitors (or evidence of self-assessment and payment by the Purchaser thereof to the relevant Governmental Authorities);
- (c) a certificate of the Purchaser confirming the accuracy of the matters provided for in Sections 11.3(a) and 11.3(b);
- (d) a written joint direction, duly executed by the Purchaser, instructing the Proposal Trustee that the Deposit is to be released in accordance with Section 3.3(b)(i);
- (e) the General Conveyance, Assignment and Assumption Agreement duly executed by the Purchaser; and
- (f) any other deeds, conveyances, assurances, transfers, assignments, instruments, documents, resolutions and certificates as are referred to in this Agreement or as the Vendor may reasonably require to give effect to this Agreement.

ARTICLE 13 TERMINATION

13.1 Grounds for Termination

This Agreement may be terminated at any time prior to Closing:

- (a) by the mutual written agreement of the Vendor and the Purchaser, provided however that if this Agreement has been approved by the Court, any such termination shall require either the consent of the Proposal Trustee or the approval of the Court;
- (b) by the Purchaser, upon written notice to the Vendor, if there has been a material breach by the Vendor of any material representation, warranty or covenant contained in this Agreement, which breach has not been waived by the Purchaser, and: (i) such breach is not curable and has rendered the satisfaction of any condition in Section 11.2 impossible by the Outside Date; or (ii) if such breach is curable, the Purchaser has provided prior written notice of such breach to the Vendor, and such breach has not been cured within ten (10) days (or, if not curable within ten (10) days, such longer period as is reasonable under the circumstances, not to exceed thirty (30) days) following the date upon which the Vendor received such notice;
- (c) by the Purchaser, upon written notice to the Vendor, any time after the Outside Date, if (A) the Court Approval has not been obtained, or (B) the Closing has not occurred by the Outside Date and such failure to close was not caused by or as a result of the Purchaser's breach of this Agreement;
- (d) by the Vendor, upon written notice to the Purchaser, if there has been a material breach by the Purchaser of any material representation, warranty or covenant

contained in this Agreement, which breach has not been waived by the Vendor, and: (i) such breach is not curable and has rendered the satisfaction of any condition in Section 11.3 impossible by the Outside Date; or (ii) if such breach is curable, the Vendor have provided prior written notice of such breach to the Purchaser, and such breach has not been cured within ten (10) days (or, if not curable within ten (10) days, such longer period as is reasonable under the circumstances, not to exceed thirty (30) days) following the date upon which the Purchaser received such notice; or

- (e) by the Vendor, upon written notice to the Purchaser, any time after the Outside Date, if (A) the Court Approval has not been obtained, or (B) the Closing has not occurred by the Outside Date and such failure to close was not caused by or as a result of the breach of this Agreement by the Vendor.

13.2 Effect of Termination

Notwithstanding any termination of this Agreement as permitted under Section 13.1, or as otherwise provided for in this Agreement, the provisions of Sections 3.3 (Deposit), 14.1 (Public Announcements), 14.4 (Governing Law), 14.5 (Consequential Damages), 14.11 (Costs and Expenses) and 14.15 (Third Party Beneficiaries) shall remain in full force and effect following any such permitted termination, and the Deposit shall be governed by Section 3.3.

ARTICLE 14 GENERAL

14.1 Public Announcements

- (a) Subject to Section 14.1(b), if a Party intends to issue a press release or other public disclosure of this Agreement, the terms hereof or the Transaction, the disclosing Party shall provide the other Parties with an advance copy of any such press release or public disclosure with sufficient time to enable the other Parties to review such press release or other public disclosure and provide any comments. The disclosing Party shall not issue such press release or other public disclosure without the prior written consent of the other Parties, such consent not to be unreasonably withheld.
- (b) Notwithstanding Section 14.1(a): (i) this Agreement may be filed by the Vendor with the Court; and (ii) the Transaction may be disclosed by the Vendor to the Court, subject to redacting confidential or sensitive information as permitted by Applicable Law. The Parties further agree that:
 - (i) the Vendor may prepare and file reports and other documents with the Court containing references to the Transaction and the terms of the Transaction;
 - (ii) the Vendor may forward a copy of this Agreement and all related documentation to the Orphan Well Association and its Representatives, agents, legal counsel and financial advisors, and may further advise such Persons of the existence and nature of any discussions and negotiations in

relation thereto or in relation to the Transaction; provided that the Orphan Well Association and its Representatives agree in advance to be bound by any confidentiality undertakings or similar confidentiality requirements reasonably requested by the Vendor; and

- (iii) the Vendor and their professional advisors may prepare and file such reports and other documents with the Court containing references to the Transaction contemplated by this Agreement and the terms of such Transaction as may reasonably be necessary to obtain the Court Approval and to complete the Transaction contemplated by this Agreement or to comply with their obligations to the Court.

14.2 Dissolution of Vendor

The Purchaser acknowledges and agrees that nothing in this Agreement shall operate to prohibit or diminish in any way the right of the Vendor or any of its Affiliates to cause the dissolution or windup of any of the Vendor subsequent to the Closing Date, or otherwise cause or allow the Vendor to cease operations in any manner or at any time subsequent to the Closing Date as the Vendor may determine in their sole discretion, which may be exercised without regard to the impact any such action may have on the Vendor's ability to fulfil their obligations under this Agreement that survive Closing.

14.3 Survival

Upon Closing, the obligations, covenants, representations and warranties of the Parties set out in this Agreement shall expire, be terminated and extinguished and of no further force or effect, provided that notwithstanding the Closing contemplated hereunder or the delivery of documents pursuant to this Agreement, the obligations and covenants of the Parties set out in, Section 2.3 (Specific Conveyances), Section 2.4 (Post Closing Maintenance of Assets), Section 5.3 (Enforcement of Representations and Warranties), Section 10.2 (ROFRs) and Article 4 (Transfer Taxes), Article 6 ("As Is, Where Is" and No Additional Representations and Warranties), Article 8 (Indemnification), Article 9 (Environmental Matters) and Article 14 (General), shall survive Closing, shall remain in full force and effect, shall not merge as a result of Closing and shall be binding on the Parties indefinitely thereafter except as expressly stated to the contrary therein or otherwise in accordance with Applicable Laws.

14.4 Governing Law

- (a) This Agreement shall be governed by and construed in accordance with the laws of the Province of Alberta, and the federal laws of Canada applicable therein (excluding any conflict of law rule or principle of such laws that might refer such interpretation or enforcement to the laws of another jurisdiction). The Parties consent to the jurisdiction and venue of the courts of Alberta for the resolution of any such dispute arising under this Agreement.
- (b) Notwithstanding Section 14.4(a), any and all documents or orders that may be filed, made or entered in the NOI Proceedings, and the rights and obligations of the

Parties thereunder, including all matters of construction, validity and performance thereunder, shall in all respects be governed by, and interpreted, construed and determined in accordance with the laws of the Province of Alberta. The Parties consent to the jurisdiction and venue of the Court, as applicable, for the resolution of any such disputes, regardless of whether such disputes arose under this Agreement. Each Party agrees that service of process on such Party as provided in Section 14.13 shall be deemed effective service of process on such Party.

14.5 Consequential Damages

Under no circumstance shall any of the Parties, their Representatives or their respective directors, officers, employees or agents be liable for any punitive, exemplary, consequential or indirect damages (including for greater certainty, any loss of profits) (collectively, "**Consequential Damages**") that may be alleged to result, in connection with, arise out of, or relate to this Agreement or the Transaction, other than Consequential Damages for which the Purchaser is liable as a result of a Third Party Claim (which liability shall be subject to and recoverable under Article 8 (Indemnification)). For greater certainty, the Parties agree that none of the Parties, their respective Affiliates or their respective Representatives shall be liable for any lost profits whatsoever, whether such lost profits are considered to be direct, consequential or indirect losses, and regardless of whether such lost profits were foreseeable by the Parties at any time or whether such lost profits were the direct and natural result of a Party's breach of its obligations under this Agreement.

14.6 Further Assurances

Each of the Parties from and after the date hereof shall, from time to time, and at the request and expense of the Party requesting the same, do all such further acts and things and execute and deliver such further instruments, documents, matters, papers and assurances as may be reasonably requested to complete the Transaction and for more effectually carrying out the true intent and meaning of this Agreement.

14.7 Assignment

The Purchaser shall not, without the Vendor's prior written consent, assign any right or interest in this Agreement, which consent may be withheld in the Vendor's sole and absolute discretion, except that the Purchaser shall have the right to assign any or all of its rights, interests or obligations hereunder to one or more Affiliates of the Purchaser, provided that: (a) such Affiliate agrees to be bound by the terms of this Agreement; (b) the Purchaser shall remain liable hereunder for any breach of the terms of this Agreement by such Affiliate; (c) such assignment shall not release the Purchaser from any obligation or liability hereunder in favour of the Vendor; and (d) the Purchaser shall acknowledge and confirm its continuing obligations in favour of the Vendor in an assignment and assumption agreement in form and substance satisfactory to the Vendor.

14.8 Waiver

No failure on the part of any Party in exercising any right or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or remedy

preclude any other or further exercise thereof or the exercise of any right or remedy in law or in equity or by statute or otherwise conferred. No waiver by any Party of any breach (whether actual or anticipated) of any of the terms, conditions, representations or warranties contained herein shall take effect or be binding upon that Party unless the waiver is expressed in writing under the authority of that Party. Any waiver so given shall extend only to the particular breach so waived and shall not limit or affect any rights with respect to any other or future breach.

14.9 Amendment

This Agreement shall not be varied in its terms or amended by oral agreement or by representations or otherwise other than by an instrument in writing dated subsequent to the date hereof, executed by a duly authorized representative of each Party.

14.10 Time of the Essence

Time is of the essence in this Agreement.

14.11 Costs and Expenses

Unless otherwise provided for in this Agreement, each Party shall be responsible for all costs and expenses (including the fees and disbursements of legal counsel, bankers, investment bankers, accountants, brokers and other advisors) incurred by it in connection with this Agreement and the Transaction. Notwithstanding any other provision of this Agreement, the Purchaser shall pay the cost of all surveys, title insurance policies and title reports ordered by the Purchaser.

14.12 Entire Agreement

This Agreement and the Confidentiality Agreement (the terms and conditions of which are incorporated by reference into this Agreement, and binding upon the Parties, as if such agreement were signed directly by the Parties) constitute the entire agreement between the Parties with respect to the subject matter hereof and cancel and supersede all prior agreements, understandings, negotiations and discussions, whether oral or written, between the Parties with respect to the subject matter hereof. There are no conditions, covenants, agreements, representations, warranties or other provisions, whether oral or written, express or implied, collateral, statutory or otherwise, relating to the subject matter hereof other than those contained in this Agreement or in the Confidentiality Agreement.

14.13 Notices

- (a) in the case of the Vendor:

Blue Sky Resources Ltd.
Dome Tower
333 7 Ave SW Calgary, AB T2P 2Z1
Attention: Mike Bouvier
Email: mike.b@bsrl.ca

With a copy, which shall not constitute notice, to the Vendor's Solicitors:

DLA Piper (Canada) LLP
Suite 1000, 250 2 St SW
Calgary, AB T2P 0C1

Attention: Carole Hunter / Anthony Mersich
Email: carole.hunter@ca.dlapiper.com / anthony.mersich@ca.dlapiper.com

(b) In the case of the Purchaser:

[•]
[Address] [City, Province/State, Postal Code]

Attention: [•] Email: [•]

With a copy, which shall not constitute notice, to the Purchaser's Solicitors:

[•]

Attention: [•]
Email: [•]

A notice is deemed to be given and received if: (i) sent by personal delivery or courier, on the date of delivery if it is a Business Day and the delivery was made prior to 4:00 p.m. (local time in place of receipt) and otherwise on the next Business Day; or (ii) email, on the date of transmission if it is a Business Day and the transmission was made prior to 4:00 p.m. (local time in place of receipt), and otherwise on the next Business Day. A Party may change its address for service from time to time by providing a notice in accordance with the foregoing. Any subsequent notice must be sent to the Party at its changed address. Any element of a Party's address that is not specifically changed in a notice will be assumed not to be changed. Sending a copy of a notice to a Party's legal counsel as contemplated above is for information purposes only and does not constitute delivery of the notice to that Party. The failure to send a copy of a notice to legal counsel does not invalidate delivery of that notice to a Party.

14.14 Enurement

This Agreement shall be binding upon, and enure to the benefit of, the Parties and their respective successors and permitted assigns.

14.15 Third Party Beneficiaries

Except as otherwise provided for in this Agreement, each Party intends that this Agreement shall not benefit or create any right or cause of action in or on behalf of any Person other than the Parties and their successors and permitted assigns and, except as otherwise provided for in this Agreement, no Person, other than the Parties and their successors and permitted assigns shall be entitled to rely on the provisions hereof in any action, suit,

proceeding, hearing or other forum. The Purchaser acknowledges to the Vendor, their Affiliates and their respective Representatives their direct rights against the Purchaser under this Agreement. To the extent required by Applicable Law to give full effect to these direct rights, the Purchaser agrees and acknowledges that the Vendor are acting as agent and/or as trustee of their Representatives, their Affiliates and their respective Representatives.

14.16 Severability

If any provision of this Agreement or any document delivered in connection with this Agreement is partially or completely invalid or unenforceable, the invalidity or unenforceability of that provision shall not affect the validity or enforceability of any other provision of this Agreement, all of which shall be construed and enforced as if that invalid or unenforceable provision were omitted. The invalidity or unenforceability of any provision in one jurisdiction shall not affect such provision validity or enforceability in any other jurisdiction.

14.17 Counterparts

This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which shall constitute one and the same agreement. Transmission by facsimile or other electronic means of an executed counterpart of this Agreement shall be deemed to constitute due and sufficient delivery of such counterpart.

[Remainder of page intentionally left blank. Signature page follows]

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

BLUE SKY RESOURCES LTD.

By: _____
Name:
Title:

[•]

By: _____
Name:
Title:

**KSV RESTRUCTURING INC. solely in its
capacity as Proposal Trustee of Blue Sky Resources
Ltd., and not in its personal or corporate capacity**

By: _____
Name:
Title:

SCHEDULE A
ASSETS LISTING

Attached to Asset Purchase and Sale Agreement with Blue Sky Resources Ltd. dated February [●], 2026.

Lands Schedule/Mineral Property:

[Insert description of Vendor's mineral rights and land descriptions]

Wells:

[Insert list of wells where Vendor holds the licence and/or working interest]

Facilities:

[Insert list of facilities where Vendor holds the licence and/or working interest]

Pipelines:

[Insert list of pipelines where Vendor holds the licence and/or working interest]

Contracts:

[Insert list of contracts to be assumed that relate to the Assets]

SCHEDULE B

FORM OF APPROVAL AND VESTING ORDER

SCHEDULE C

FORM OF GENERAL CONVEYANCE, ASSIGNMENT AND ASSUMPTION AGREEMENT

GENERAL CONVEYANCE, ASSIGNMENT, AND ASSUMPTION AGREEMENT

THIS General Conveyance, Assignment, and Assumption Agreement (this "Agreement") is made as of the [●] day of [●], 2026

AMONG:

BLUE SKY RESOURCES LTD., a corporation existing under the laws of the Province of Alberta ("**Vendor**")

and

[●], a corporation existing under the laws of the Province of Alberta (the "**Purchaser**")

RECITALS:

- A. In accordance with the terms of that certain Asset Purchase and Sale Agreement dated as of February [●], 2026, by and among the Vendor and the Purchaser (the "**Purchase Agreement**"), the Vendor has agreed to sell, assign, and transfer the Assets to the Purchaser and the Purchaser has agreed to purchase the Assets from the Vendor;
- B. the Purchaser has agreed to assume the Assumed Liabilities; and
- C. this Agreement is delivered pursuant to the Purchase Agreement.

NOW THEREFORE, for good and valuable consideration now paid by the Purchaser to the Vendor pursuant to the Purchase Agreement (the receipt and sufficiency of which is hereby acknowledged by the Vendor) the parties hereto agree as follows:

1. Definitions

All capitalized terms used but not otherwise defined in this Agreement shall have the meaning ascribed to such terms in the Purchase Agreement.

2. Certain Rules of Interpretation

- a. In this Agreement, unless the context requires otherwise, words in one gender include all genders and words in the singular include the plural and vice versa.
- b. The division of this Agreement into Sections and the inclusion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement.

- c. The terms “hereof,” “hereunder,” and similar expressions refer to this Agreement and not to any particular Section or other portion of this Agreement.
- d. Unless something in the subject matter or context is inconsistent therewith, references herein to “Sections” are to sections of this Agreement.
- e. The language used in this Agreement is the language chosen by the parties to express their mutual intent, and no rule of strict construction shall be applied against any party.

3. Conveyance

The Vendor hereby sells, transfers, assigns, conveys and delivers to the Purchaser, and the Purchaser hereby purchases, accepts and receives from the Vendor, upon the terms and subject to the conditions of the Purchase Agreement, the Vendor’s Interest in and to the Assets, free and clear of any and all Claims other than Permitted Encumbrances, as applicable, with effect as of the Closing on the date hereof, to have and to hold the Assets and all such right, title, interest, property, claim, and demand unto and to the use of the Purchaser.

4. Assumption of Assumed Liabilities

Effective as of the Closing on the date hereof, the Purchaser hereby assumes and agrees to pay, perform, and discharge, when due, the Assumed Liabilities.

5. Further Assurances

Each of the Parties hereto from and after the date hereof shall, from time to time, and at the request and expense of the Party requesting the same, do all such further acts and things and execute and deliver such further instruments, documents, matters, papers and assurances as may be reasonably requested to complete the Transaction and for more effectually carrying out the true intent and meaning of this Agreement.

6. Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the Province of Alberta, and the federal laws of Canada applicable therein (excluding any conflict of law rule or principle of such laws that might refer such interpretation or enforcement to the laws of another jurisdiction). The Parties consent to the jurisdiction and venue of the courts of Alberta for the resolution of any such dispute arising under this Agreement.

7. Entire Agreement

This Agreement, the Purchase Agreement, and the documents referred to therein and contemplated thereby constitute the entire agreement between the Parties with respect to the subject matter hereof and cancel and supersede all prior agreements, understandings, negotiations and discussions, whether oral or written, between the Parties with respect to the subject matter hereof. There are no conditions, covenants, agreements,

representations, warranties or other provisions, whether oral or written, express or implied, collateral, statutory or otherwise, relating to the subject matter hereof other than those contained in this Agreement, the Purchase Agreement, the Confidentiality Agreement and the documents referred to therein and contemplated thereby.

8. Successors and Assigns

This Agreement shall be binding upon, and enure to the benefit of, the Parties and their respective successors and permitted assigns.

9. Counterparts

This Agreement may be executed in two or more counterparts, each of which will be deemed an original and all of which together will constitute one instrument. Delivery by facsimile or by electronic transmission in portable document format (PDF) of an executed counterpart of this Agreement is as effective as delivery of an originally executed counterpart of this Agreement.

10. Amendments

This Agreement shall not be varied in its terms or amended by oral agreement or by representations or otherwise other than by an instrument in writing dated subsequent to the date hereof, executed by a duly authorized representative of each Party. Any amendment effected in accordance with this Section 10 will be binding upon the Parties and their respective successors and permitted assigns.

11. Paramountcy

This Agreement is delivered pursuant to, and is subject to, all of the terms and conditions contained in the Purchase Agreement. In the event of any inconsistency between the provisions of this Agreement and the provisions of the Purchase Agreement, the provisions of the Purchase Agreement shall prevail.

12. Severability

If any provision of this Agreement or any document delivered in connection with this Agreement is partially or completely invalid or unenforceable, the invalidity or unenforceability of that provision shall not affect the validity or enforceability of any other provision of this Agreement, all of which shall be construed and enforced as if that invalid or unenforceable provision were omitted. The invalidity or unenforceability of any provision in one jurisdiction shall not affect such provision validity or enforceability in any other jurisdiction.

IN WITNESS WHEREOF this Agreement has been properly executed by the Parties as of the date first above written.

BLUE SKY RESOURCES LTD.

By: _____
Name:
Title:

[•]

By: _____
Name:
Title:

**KSV RESTRUCTURING INC. solely in its
capacity as Proposal Trustee of Blue Sky Resources
Ltd., and not in its personal or corporate capacity**

By: _____
Name:
Title:

SCHEDULE D
FORMS OF CONDITIONS CERTIFICATES
VENDOR'S CONDITIONS CERTIFICATE

TO: KSV Restructuring Inc., (the "Proposal Trustee")

AND TO: [●] (Purchaser)

This Conditions Certificate (this "**Certificate**") is delivered pursuant to Section 11.5 of that certain purchase and sale agreement, dated as of February [●], 2026 (the "**Purchase Agreement**") among BLUE SKY RESOURCES LTD. ("**Vendor**") and [●] (the "**Purchaser**"). All capitalized terms used herein which have not been defined herein shall have the same meaning attributed thereto in the Purchase Agreement unless the context requires otherwise.

The undersigned [officer/director] of the Vendor hereby confirms to the Proposal Trustee, for and on behalf of the Vendor, but solely in his or her capacity as an [officer/director] of the Vendor and not in his or her personal capacity (and without incurring any personal liability), that:

1. the conditions to Closing set out in Sections 11.1 and 11.3 of the Purchase Agreement for the benefit of the Vendor have been fulfilled or performed to the Vendor's satisfaction and/or waived by the Vendor; and
2. the amount of the Transfer Taxes to be paid by the Purchaser on Closing is equal to \$[●].

IN WITNESS WHEREOF, the undersigned have executed this Certificate as of the [●] day of [●], 2026.

BLUE SKY RESOURCES LTD.

Per: _____

Name:

Title:

PURCHASER'S CONDITIONS CERTIFICATE

TO: KSV Restructuring Inc., (the "Proposal Trustee")

AND TO: BLUE SKY RESOURCES LTD.

This Conditions Certificate (this "**Certificate**") is delivered pursuant to Section 11.5 of that certain purchase and sale agreement, dated as of February [●], 2026 (the "**Purchase Agreement**") among BLUE SKY RESOURCES LTD. ("**Vendor**") and [●] (the "**Purchaser**"). All capitalized terms used herein which have not been defined herein shall have the same meaning attributed thereto in the Purchase Agreement unless the context requires otherwise.

The undersigned officer of the Purchaser hereby confirms to the Proposal Trustee, for and on behalf of the Purchaser, but solely in his or her capacity as an officer of the Purchaser and not in his or her personal capacity (and without incurring any personal liability), that:

1. the conditions to Closing set out in Sections 11.1 and 11.2 of the Purchase Agreement for the benefit of the Purchaser have been fulfilled or performed to the Purchaser's satisfaction and/or waived by the Purchaser; and
2. the amount of the Transfer Taxes to be paid by the Purchaser on Closing is equal to \$[●] and all such Transfer Taxes will be paid by the Purchaser to the Vendor at Closing.

IN WITNESS WHEREOF, the undersigned has executed this Certificate as of the [●] day of [●], 2026.

[●]

Per: _____

Name:

Title: