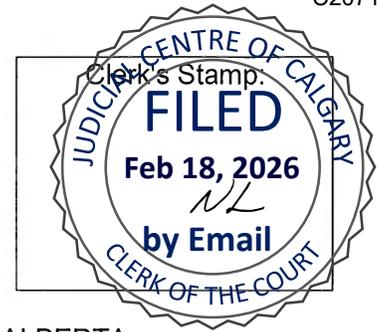


COURT/ESTATE FILE NUMBER

B301-276975  
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 AMENDEDIN THE MATTER OF THE NOTICE OF INTENTION TO  
MAKE A PROPOSAL OF BLUE SKY RESOURCES LTD.

DOCUMENT

**SUPPLEMENTAL AFFIDAVIT****DLA Piper (Canada) LLP**  
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File No. 101988-00025

**SUPPLEMENTAL AFFIDAVIT #2 OF MIKE BOUVIER**  
Sworn on February 17, 2026  
2/18I, 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.
2. This supplemental Affidavit is intended to supplement my Affidavit in these proceedings, sworn on February 11, 2026 (the "**February 11 Affidavit**") and my Supplemental Affidavit, sworn on February 13, 2026 (the "**Supplemental Affidavit**").

### **Sale of Certain Non-Operated Interests**

3. In the February 11 Affidavit, I described six transactions that Blue Sky was negotiating with various purchasers for the purchase and sale of certain of Blue Sky's non-operated oil and gas assets, as well as certain of Blue Sky's mineral lease interests.
4. Since that time, Blue Sky has finalized and executed asset purchase agreements in respect of two of those transactions, which are described in my Supplemental Affidavit. Blue Sky has subsequently finalized and executed two further transactions, that are briefly described below.
5. The Proposal Trustee supports the approval of each of these sale transactions. I understand that the sales and investment solicitation process that was conducted which resulted in these sale transactions was reasonable, and that each of these transactions represents the highest and best offer for the assets to be purchased.

#### *Baytex Energy Ltd.*

6. Baytex Energy Ltd. ("**Baytex**") submitted a bid for Blue Sky's interest certain of Blue Sky's non-producing mineral leases (the "**Baytex Assets**").
7. On February 18, 2026, Baytex and Blue Sky executed the purchase agreement for the Baytex Assets (the "**Baytex APA**"). Attached hereto and marked as **Exhibit "A"** is a redacted copy of the Baytex APA.
8. The Baytex APA is scheduled to close as soon as possible following court approval.

### **Sealing Orders**

#### *Confidential Affidavit #1*

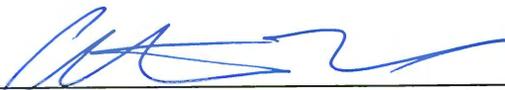
9. Unredacted copies of the Peyto APA, the Obsidian APA, and the Baytex APA (collectively, the "**APAs**") are attached to my Confidential Affidavit #1 sworn February 17, 2026 (the "**Confidential Affidavit #1**").
10. Blue Sky requires that the Confidential Affidavit #1 be sealed on the court file and not form part of the public record until the completion of the transactions contemplated by the APAs. Blue Sky understands that the Proposal Trustee will file a certificate confirming when the sale transactions have been completed.

11. I believe that the disclosure of the Confidential Affidavit #1 before the transactions contemplated the APAs are completed would be highly prejudicial to Blue Sky's ability to maximize value for its properties for the following reasons:

- (a) The economic terms of the APAs are confidential and their disclosure would hamper the ability of the Sales Agent, Blue Sky and the Proposal Trustee to re-market the assets if the APAs fail to close;
- (b) The Sales Agent, the Proposal Trustee and Blue Sky are continuing to evaluate other transactions in the SISP and the disclosure of the economic terms of the transactions have the ability to prejudice that process;
- (c) The period during which the proposed sealing order would be in place in respect of the APAs would be limited in duration; and
- (d) I am not aware of alternative measures that would mitigate the risks discussed in paragraphs (a) through (c).

25. I make this Affidavit in support of Blue Sky's Application (i) to approve the transactions contemplated by the APAs; and (ii) for a sealing order in respect of the Confidential Affidavit #1.

SWORN BEFORE me in the City of Calgary, )  
in the Province of Alberta, this 17<sup>th</sup> day of )  
February, 2026. )



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



MIKE BOUVIER

**Anthony Mersich**  
**Barrister and Solicitor**

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

MIKE BOUVIER

Sworn before me this 18th day  
of February, 2026.



---

A Commissioner for Oaths  
in and for the Province of Alberta

**Anthony Mersich**  
**Barrister and Solicitor**

**ASSET PURCHASE AGREEMENT**

**BLUE SKY RESOURCES LTD.**

**as Vendor**

and –

**BAYTEX ENERGY LTD.,**

**as Purchaser**

**February 18, 2026**

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## ASSET PURCHASE AGREEMENT

**THIS AGREEMENT** is made as of February 18, 2026 (the “**Effective Date**”)

**AMONG:**

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

and

**BAYTEX ENERGY LTD.**, 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 and filed on November 21, 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 and Tangibles 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, unless such liability and/or obligation has been extinguished by the Approval and Vesting Order;
- (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 pre-emption, 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 outstanding amounts owing in respect of the AER Orphan Fund Levy and Administration Fees; and
  - (v) 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 20<sup>th</sup>, 2026 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 only as it relates to the Assets;
- (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, re-argument, 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) “**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);
- (jj) “**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 plats, 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;

- (kk) “**NOI Proceedings**” means the proposal proceedings commenced under the BIA by the Vendor;
- (ll) “**Notice Period**” has the meaning ascribed to that term in Section 8.2(b);
- (mm) “**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);
- (nn) “**Outside Date**” means March 20, 2026;
- (oo) “**Outstanding ROFR Assets**” has the meaning set forth in Section 10.2(e)(ii);
- (pp) “**Outstanding ROFRs**” has the meaning set forth in Section 10.2(e);

- (qq) **“Parties”** means, collectively, the Purchaser and the Vendor, and **“Party”** means any one of them;
- (rr) **“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) any obligation of the Vendor to hold any portion of their interest in and to any of the Assets in trust for Third Parties;
  - (vii) 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;
  - (viii) 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;
  - (ix) 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;

- (x) provisions for penalties and forfeitures under Title Documents as a consequence of nonparticipation in operations;
- (xi) any requirement to post or maintain any deposits or other form of security required by any Governmental Authority; and
- (xii) 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;
- (ss) "**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;
- (tt) "**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);
- (uu) "**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;
- (vv) "**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;
- (ww) "**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;
- (xx) "**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;
- (yy) "**Purchase Price**" has the meaning ascribed to that term in Section 3.1;
- (zz) "**Purchaser**" has the meaning ascribed to that term in the preamble hereto;
- (aaa) "**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;

- (bbb) “**ROFR**” means a right of first refusal, right of first offer or other pre-emptive 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;
- (ccc) “**SISP**” means the sale and investment solicitation process approved by the Court by Order dated November 20, 2025;
- (ddd) “**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;
- (eee) “**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;
- (fff) “**Third Party**” means any Person who is not a Party or an Affiliate of a Party;
- (ggg) “**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;
- (hhh) “**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;
- (iii) “**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;
- (jjj) “**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;

- (kkk) **“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;
- (lll) **“Vendor”** has the meaning ascribed to that term in the preamble hereto;
- (mmm) **“Vendor’s Solicitors”** means the law firm of DLA Piper (Canada) LLP; and
- (nnn) **“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) All documents executed and delivered pursuant to the provisions of this Agreement are subordinate to the provisions hereof and the provisions hereof shall govern and prevail in the event of a conflict.
- (i) Reference to an agreement, instrument or other document means such agreement, instrument or other document as amended, supplemented and modified from time to time to the extent permitted by the provisions thereof.

- (j) References to an Applicable Law means such Applicable Law as amended from time to time and includes any successor Applicable Law thereto any regulations promulgated thereunder.
- (k) 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, and in consideration of the Purchase Price, 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 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.

### **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 [REDACTED] (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, [REDACTED]; and
- (b) to the Miscellaneous Interests, [REDACTED].

#### 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 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: 747330488 RT0001

## 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 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 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 in connection with the transactions as contemplated hereunder. The Purchaser has and will at all

times have “General Eligibility” status as defined under Directive 067 and the Purchaser’s BA code is ORL9;

- (i) the Purchaser is not aware of any fact or circumstance that would 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 87291 2894 RT0001;
- (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) From the date hereof until the Closing Date, subject to any limitations set out in the Title Documents and any other agreements and documents to which the Assets are subject, the Vendor shall use reasonable commercial efforts, to maintain the Assets in a proper and prudent manner in material compliance with all Applicable Laws.
- (b) 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.
- (c) 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 and the Purchase Price shall be accordingly reduced by such ROFR values;
  - (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 including crediting the Purchaser with the ROFR Assets’ proceeds received by Vendor via the Third Party; 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, subject to the successful transfer and registration of the leases with respect to the Assets into the Purchaser's name, 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](mailto: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](mailto:carole.hunter@ca.dlapiper.com) / [anthony.mersich@ca.dlapiper.com](mailto:anthony.mersich@ca.dlapiper.com)

(b) In the case of the Purchaser:

Baytex Energy Ltd.  
2800, 520 – 3rd Avenue SW  
Calgary, AB T2P 0R3]

Attention: Vice-President, Land Email: [Land.Notices@baytexenergy.com](mailto:Land.Notices@baytexenergy.com)

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:



**BAYTEX ENERGY LTD.**

By: \_\_\_\_\_  
Name: James Maclean  
Title: Chief Legal Officer and Corporate Secretary

By: \_\_\_\_\_  
Name: Kendall Arthur  
Title: SVP and General Manager  
Canadian Heavy Oil Operations

**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:

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

**BLUE SKY RESOURCES LTD.**

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

**BAYTEX ENERGY 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: Andrew Basi  
Title: Managing Director

**SCHEDULE A**  
**ASSETS LISTING**

Attached to Asset Purchase and Sale Agreement with Blue Sky Resources Ltd. dated February 18, 2026.

**Lands Schedule/Mineral Property:**

<b>Leases</b>	<b>Lands</b>	<b>Rights</b>	<b>Vendor's Interest</b>	<b>Encumbrances</b>
Crown Oil Sands Lease 7423040131 (M32575-A)	TWP 82 RGE 12 W5M SEC 28	ALL OS BELOW TOP PEACE_RIVER TO BASE PEKISKO	100%	CSS OIL SAND 1-9% PRE- PAYOUT ALL PRODUCTS
Crown Oil Sands Lease 7423040132 (M32576-A)	TWP 82 RGE 12 W5M SEC 33	ALL OS BELOW TOP PEACE_RIVER TO BASE PEKISKO	100%	CSS OIL SAND 1-9% PRE- PAYOUT ALL PRODUCTS
Crown Oil Sands Lease 7423110054 (M32599)	TWP 62 RGE 3 W4M LSD 9, 16 SEC 18	OS IN MANNVILLE GROUP	100%	CSS;  1% GOR (no deductions) on 100% of production payable to Ultrawest Exploration Ltd. 100% payable to Vendor 100%

**Wells:**

Nil

**Facilities:**

Nil

**Pipelines:**

Nil

**Contracts:**

Royalty Agreement (Cold Lake Area, Alberta) dated effective November 1, 2023 between Ultrawest Exploration Ltd. and Blue Sky Resources Ltd. with respect to Crown Lease No. 7423110054 (074)

**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

BAYTEX ENERGY LTD. , 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 18, 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.

**SCHEDULE D**  
**FORMS OF CONDITIONS CERTIFICATES**  
**VENDOR'S CONDITIONS CERTIFICATE**

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

**AND TO: Baytex Energy Ltd. (Purchaser)**

This Conditions Certificate (this "**Certificate**") is delivered pursuant to Section 11.5 of that certain purchase and sale agreement, dated as of February 18, 2026 (the "**Purchase Agreement**") among BLUE SKY RESOURCES LTD. ("**Vendor**") and BAYTEX ENERGY LTD. (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 February 18, 2026 (the "**Purchase Agreement**") among BLUE SKY RESOURCES LTD. ("**Vendor**") and BAYTEX ENERGY LTD. (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.

BAYTEX ENERGY LTD.

Per: \_\_\_\_\_

Name:

Title: