

**COURT FILE NUMBER** 2101-00814  
**COURT** COURT OF QUEEN'S BENCH OF ALBERTA  
**JUDICIAL CENTRE** CALGARY

Clerk's Stamp

**IN THE MATTER OF THE COMPANIES'  
CREDITORS ARRANGEMENT ACT, RSC  
1985, c C-36, AS AMENDED**

**AND IN THE MATTER OF CALGARY OIL  
& GAS SYNDICATE GROUP LTD.,  
CALGARY OIL AND GAS  
INTERCONTINENTAL GROUP LTD. (IN  
ITS OWN CAPACITY AND IN ITS  
CAPACITY AS GENERAL PARTNER OF T5  
SC OIL AND GAS LIMITED  
PARTNERSHIP), CALGARY OIL AND  
SYNDICATE PARTNERS LTD., and  
PETROWORLD ENERGY LTD.**

**DOCUMENT AFFIDAVIT**

**ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT** Matti Lemmens  
Borden Ladner Gervais LLP  
1900, 520 3<sup>rd</sup> Ave. S.W.  
Calgary, AB T2P 0R3  
Telephone: (403) 232-9511  
Facsimile: (403) 266-1395  
Email: MLemmens@blg.com

---

**AFFIDAVIT OF RYAN MARTIN**  
**Sworn on September 13, 2021**

---

I, Ryan Martin, of the City of Calgary, in the Province of Alberta, SWEAR AND SAY THAT:

**INTRODUCTION AND PROCEDURAL HISTORY**

1. I am the President, Secretary and sole director of the Applicants, Calgary Oil and Gas Intercontinental Group Ltd., formerly Triple Five Intercontinental Group Ltd. ("COGL") and Petroworld Energy Ltd. ("Petroworld"). COGL is an Applicant in the within

proceedings in its own capacity and in its capacity as general partner of T5 SC Oil and Gas Limited Partnership (the “**Limited Partnership**”). I have been the President of COGL and Petroworld since September 4 and 10, 2020, respectively, and have been involved with the companies since their incorporation. Through my involvement with COGL and Petroworld, I have also gained personal knowledge relating to their parent companies and related entities, Calgary Oil & Gas Syndicate Group Ltd. (“**Syndicate Group**”), formerly Triple Five Energy Ltd., and Calgary Oil and Syndicate Partners Ltd., formerly T5 Energy Partners Ltd. (“**COSP**”) (all Applicants and the Limited Partnership are collectively referred to herein as the “**Companies**”). As such, I have personal knowledge of the matters to which I depose in this Affidavit, except where such matters are stated to be based on information and belief, in which case I have stated the source of my information and, in all cases, I believe such information to be true.

2. On September 3, 2021, the equity transaction made pursuant to an investment agreement (the “**LP Purchase Agreement**”) between Spartan Delta Corp (“**Spartan**”) and the Companies on April 21, 2021 (the “**LP Transaction**”) closed whereby Spartan acquired 37,500,000 limited partnership units of the Limited Partnership and Spartan transferred \$37,500,000 (the “**Equity Injection Funds**”) to the Monitor. On Spartan’s request, the closing date of the LP Transaction was moved from August 31, 2021 to September 3, 2021. In order to accommodate the new closing date, the Applicants, with the consent and assistance of the Monitor, filed a Second Revised Plan of Compromise and Arrangement (the “**Second Revised Plan**”) on August 31, 2021 which changed the Plan Implementation Date and Plan Termination Date contained in the previous Revised Plan to September 3, 2021.
3. On September 3, 2021, the Companies and Spartan entered into a second transaction in the form of a Share Purchase Agreement (the “**GP Purchase Agreement**”) between Spartan and COSP whereby Spartan purchased of all outstanding shares of COGL, the general partner of the Limited Partnership, (the “**GP Shares**” and the “**GP Transaction**”). A true copy of the GP Purchase Agreement is attached as Appendix A1 to Schedule “A” of the September 24 Application, as defined below.

4. I have previously sworn a number of Affidavits in the within *Companies' Creditors Arrangement Act*, RSC 1985, c C-36, as amended (the "**CCAA**") proceedings, including among others, an Affidavit sworn February 5, 2021 (the "**First Martin Affidavit**"), an Affidavit sworn April 6, 2021, an Affidavit sworn May 17, 2021, an Affidavit sworn May 19, 2021 and an Affidavit sworn July 19, 2021. I swear this Affidavit to supplement my prior Affidavits in these proceedings and in support of the Applicants' Application for a Sale Approval and Vesting Order and a Stay Extension Order (the "**September 24 Application**"), to be heard by the Honourable Madam Justice C. Dario on September 24, 2021 at 11:00 a.m.

#### **UPDATES AND ACTIONS TAKEN SINCE THE APPLICATION FOR A PLAN SANCTION ORDER**

5. The circumstances that compelled the Companies to seek protection under the *CCAA* and the Companies' cash flow constraint, as outlined in the First Martin Affidavit and supplemental Affidavits thereto have not changed since this Court's granting of the Initial Order in the within proceedings. While the Monitor's receipt of the Equity Injection Funds has provided a significant injection of cash for distribution to creditors, distribution of these funds remains ongoing.
6. Following the Court's granting of the Plan Sanction Order, the Companies, with the oversight and assistance of the Monitor, have been working diligently to maintain the stability of their operations and business, manage their liquidity position, and have acted in furtherance of the restructuring of their business. In particular, the Companies have:
  - (a) diligently continued to operate the business for the benefit of all stakeholders;
  - (b) on Spartan's request and with the assistance of the Monitor, modified the Plan of Compromise and Arrangement to permit a minor amendment extending the Plan Implementation Date and Plan Termination Date to September 3, 2021 in order to give the LP Transaction more time to close;
  - (c) closed the LP Transaction, resulting in the transfer of the Equity Injection Funds to the Monitor on September 3, 2021;

- (d) addressed Spartan's operational concerns by developing the GP Purchase Agreement and closing the GP Transaction; and
- (f) worked with the Monitor to finalize outstanding claims.

7. In addition, the Companies have prepared an updated cash flow forecast (the "**Cash Flow Forecast**") from the week of September 13 to the week of November 15, which has been reviewed and approved by the Monitor. Attached hereto and marked as **Exhibit "A"** is a true copy of the Cash Flow Forecast. Based on my knowledge of the financial position of the Companies, and based on the assumptions set out in the Cash Flow Forecast, I do verily believe that the projections set out in the Cash Flow Forecast are fair and reasonable.

**THE SALE AND VESTING ORDER IS NECESSARY FOR THE RESOLUTION OF THESE CCAA PROCEEDINGS**

8. The Companies and Spartan, in consultation with the Monitor, entered into the GP Transaction in order to:

- (a) give effect to the LP Transaction;
- (b) preserve the benefits of the Revised Plan as voted on at the Creditor's Meeting and approved by this Court in the Plan Sanction Order;
- (c) prevent delays in the distribution of Equity Injection Funds to creditors; and
- (d) enable the business of the Companies, under the control of Spartan, to continue as a going concern, in the expectation that a greater benefit will be derived from the continued operation of the Companies' business than would result from the sale or forced liquidation of the Companies' assets.

9. As first set out in paragraph 12 of the First Martin Affidavit, COGL held 1% of the partnership interest in the Limited Partnership in February 2021 in the form of a single limited partnership unit. COGL's sole business operations relate to the operation of the Ferrier assets, which are conducted through the Limited Partnership.

10. The terms of the LP Transaction included:

- (a) the issuance to Spartan of 37,500,000 Class A units of the Limited Partnership, giving Spartan over 99.9% of the units of the Limited Partnership (section 2.2); and

- (b) the assignment to Spartan of the “Assumed Contracts”, as defined in the GP Purchase Agreement (section 5.2(b)). The Assumed Contracts are required for the operation of the Ferrier assets.
11. Attached hereto as **Exhibit “B”** is a true copy of the LP Purchase Agreement with sections 2.2 and 5.2(b) highlighted.
  12. The intent and result of the LP Transaction was for Spartan to assume operation of the Ferrier assets in their entirety in exchange for a significant investment, which would recapitalize the Companies and permit for the entirety of the Equity Injection Funds to be distributed to creditors in accordance with the Plan.
  13. The terms of the LP Transaction left COGL with only nominal value, controlling a minute fraction of the Limited Partnership and, as a result of the assignment of the Assumed Contracts to Spartan, with no workable assets. The value of the GP Shares is nominal, as COGL only acts as a general partner to the Limited Partnership. A nominal price is therefore fair market value.
  14. The transfer of any residual assets held by COGL was foreseen by and captured within the intent of the LP Transaction. Under section 3.2(l) of the LP Purchase Agreement, highlighted in the attached Exhibit “B”, the Companies agreed to enter into agreements in order to effect the transfer of any remaining assets held for and on behalf of T5 by Syndicate Partners or COGL, as applicable, to a newly formed general partner that shall be a wholly-owned subsidiary of Spartan.
  15. On September 1, 2021, counsel for Spartan advised that Spartan required that the GP Shares’ transfer to Spartan to enable the Limited Partnership operations to continue without delay.
  16. The terms of the GP Transaction include the transfer of all outstanding shares in COGL to Spartan in exchange for a nominal price.
  17. I am informed by Spartan and verily believe that, had the Companies not entered into the GP Transaction:

- (a) Spartan would have been unable to license wells, capitalize assets or carry on operations without ownership of COGL, the general partner of the Limited Partnership;
  - (b) Spartan would have been deprived of significant benefits which were intended by all parties to the LP Transaction to accrue to Spartan; and
  - (c) a significant barrier to closing would have remained unaddressed, jeopardizing both the timing and certainty of closing before the Plan Implementation Date and the Plan Termination Date, as set out in the Second Revised Plan.
18. The GP Transaction is a practical matter designed to continue the operations of the Limited Partnership already purchased by Spartan, and is necessary to give effect to the LP Transaction. Accordingly, the Companies entered into the GP Transaction on September 3, 2021.
19. The Companies are of the opinion that the negative effects associated with failing to enter into the GP Transaction would have far outweighed any positive effects. At this stage in the proceedings, there were no viable offers for recapitalization of the Companies other than the LP Transaction. Given the lack of viable alternatives, any delay to closing the LP Transaction could have only resulted in increased transaction costs and ultimately reduced the amount available for distribution to creditors.
20. Increased transaction costs would have included ongoing interest payable to Crown Capital LP, the original creditor of the Companies, which amounted to approximately \$10,000 per day. Had Spartan and the Companies waited to obtain court approval prior to the execution of the GP Transaction, the LP Transaction would not have closed and recovery of unsecured creditors would have been reduced by more than \$100,000.
21. Furthermore, the GP Transaction provided reasonable and fair market value for the GP Shares. The GP Transaction will have no impact on the amount of funds available for distribution to creditors or on the Companies' cash flow. Given the lack of value in the GP Shares, the Companies are of the opinion that a sale process for the GP Shares would have been at best unsuccessful and at worst a waste of resources.
22. I am advised by the Companies' counsel, Matti Lemmens of Borden Ladner Gervais LLP, that on September 2, 2021, the Monitor indicated its support for the GP Transaction.

## STAY EXTENSION

23. Pursuant to the Plan Sanction Order, the Companies were granted an extension of the Stay Period up to and including September 31, 2021, so as to allow for the closing of the LP Transaction and the implementation of the Revised Plan.
24. The Companies request a further extension of the Stay Period up to and including the earlier of (i) service by a certificate of the Monitor substantially in the form attached as Appendix “B1” to Schedule “B” of the September 24 Application (the “**CCAA Termination Time**”) or (ii) October 31, 2021. The Companies intend to use the requested extension of the Stay Period up to and including the CCAA Termination Time to further advance these restructuring proceedings by finalizing the outstanding Indian Oil and Gas Canada (IOGC) and Canada Revenue Agency (CRA) Claims and co-operating with the Monitor to conclude the distribution of the Equity Injection Funds
25. Given that the distribution of the Equity Injection Funds remains ongoing, the stability of a stay of proceedings is necessary to protect the final stage of these proceedings.
26. Once distributions are complete, no further steps remain to be accomplished in the within proceedings. Accordingly, both the Companies and Monitor are of the opinion that these proceedings should be terminated following the completion of distribution of the Equity Injection Funds.
27. The Companies have been and continue to act diligently and in good faith in their efforts to achieve a successful restructuring for the benefit of all stakeholders.

## CONCLUSION

28. I swear this Affidavit in support of the Applicant’s September 24 Application as set out above, and for no improper or other purpose.

SWORN BEFORE ME at Calgary, Alberta, )  
this 13<sup>th</sup> day of September, 2021 )



\_\_\_\_\_)  
Celine Zhen, Student-at-Law )  
A Commissioner for Oaths in and for Alberta )



\_\_\_\_\_)  
RYAN MARTIN )

**CELINE ZHEN**  
**A Commissioner for Oaths**  
**in and for Alberta**  
**Student-At-Law, Notary Public**



This is Exhibit "A"  
Referred to in the Affidavit of Ryan Martin  
Sworn before me this 13<sup>th</sup> day of September, 2021



---

A Commissioner for Oaths in and for Alberta

**CELINE ZHEN**  
**A Commissioner for Oaths**  
**in and for Alberta**  
**Student-At-Law, Notary Public**

**Calgary Oil and Gas Intercontinental Group Ltd.**

13-week Cash Flow Forecast - Consolidated  
For the 13-week period ending Nov 15, 2021  
(Unaudited)

Notes	Week Beginning	Week 1 22-Nov Prog.	Week 2 29-Nov Prog.	Week 3 06-Dec Prog.	Week 4 13-Dec Prog.	Week 5 20-Dec Prog.	Week 6 27-Dec Prog.	Week 7 03-Jan Prog.	Week 8 10-Jan Prog.	Week 9 17-Jan Prog.	Week 10 24-Jan Prog.	Week 11 31-Jan Prog.	Week 12 07-Feb Prog.	Week 13 14-Feb Prog.	Total Prog.
<b>Operating Receipts</b>															
Production Revenue	\$ 1,944,660										\$ 1,560,236				\$ 5,078,828
<b>Total Operating Receipts</b>		\$ 1,944,660					\$ 1,563,933				\$ 1,560,236				\$ 5,078,828
<b>Operating Disbursements</b>															
Royalty Expense		293,536				208,928					204,483				706,948
Production Royalty payment to CC		68,165				81,295					77,300				226,761
Operating Expense		55,705				60,000					60,000				175,705
Transportation Expense		25,000				52,890					52,890				155,890
G&A Contractors		1,204				9,450					9,450				20,104
Insurance		285,144				300,000					300,000				885,144
G&A- Head Office Rent		65,244				40,142					38,537				143,924
Gas processing fees		99,572				752,706					742,661				99,572
GST Remittances															
Professional Fees															
<b>Total Operating Disbursements</b>		943,721				2,082,226					2,287,842				2,439,087
<b>Non-Operating Disbursements</b>															
Finance Leases		75,911				75,911					75,911				227,732
Interest Expense															
Payable to Monitor (per the plan)						150,000									
<b>Total Non-Operating Disbursements</b>		75,911				225,911					75,911				227,732
<b>Total Disbursements</b>		1,019,632				2,308,137					818,571				2,666,819
<b>Net Change in Cash</b>		925,028				605,516					731,664				2,412,009
Opening Cash		1,582,328				1,882,226					2,287,842				1,571,497
Ending Cash		\$ 1,882,328				\$ 2,287,842					\$ 3,019,506				\$ 3,169,506

Notes: Please refer to attached assumptions and notes

**Representations**

The hypothetical assumptions are reasonable and consistent with the purpose of the projections described in the attached notes and the probable assumptions are suitably supported and consistent with the plans of the debtor company and provides a reasonable basis for the projections.

Since the projections are based on assumptions regarding future events, actual results will vary from the information presented, and the variations may be material.

The projections have been prepared using probable and hypothetical assumptions. Consequently readers are cautioned that it may not be appropriate for other purposes.

**Calgary Oil and Gas Intercontinental Group Ltd.**

Per: Ryan Martin

**Calgary Oil and Gas Intercontinental Group Ltd. ("COGL")**  
**Notes to the Consolidated Cash Flow Statement**  
**For the period of August 23, 2021 to November 15, 2021**

The primary purpose of this updated cash flow forecast is to support a further extension of the Stay and to show that COGL has sufficient working capital to fund operations in the ordinary course of business. The updated cash flow forecast excludes the Purchase Price Funds payable pursuant to the Spartan Transaction and any contemplated distributions to creditors.

**Note 1- Production revenue:** relates to revenues associated with the sale of natural gas and natural gas liquids. Sproule engineering reports were used for production estimates and Peter's & Co. price decks were used for pricing estimates, along with an estimated adjustment to August/September revenues to account for a material improvement in natural gas prices.

**Note 2- Royalties:** Crown, freehold and GORR royalties are a function of production prices, volumes and mix.

**Note 3- Production royalty expense:** This relates to a production payment being paid to Crown Capital Partners on production revenue currently averaging about 4% of revenues. This payment is a result of the master loan agreement. Expected payout under the plan of arrangement is September 2, 2021.

**Note 4- Operating expense:** Anticipated disbursements consist of vendor payments (and prepayments) for hauling and transportation, parts, consumables (glycol, methanol and lubricants), chemicals, repairs, regulatory costs and licenses, and rentals.

**Note 5- Transportation expense:** This relates to firm service unabsorbed demand charges on the TC\Nova pipeline system. These costs are based a contractual arrangement with the pipeline company and are the maximum based on current forecasted production levels. A third party marketer is engaged on a best efforts basis to offload firm service commitments, however, recently this has been a challenge to accomplish, causing costs to increase.

**Note 6- General & administrative:** Consists of fixed rent, contractor fees and accounting system fees.

**Note 7- General & administrative (Head Office Rent):** Relates to head office rent expenses.

**Note 8- Gas processing:** Consists of gas processing costs to Keyera via their Strachan gas plant. These costs are set under a master processing agreement and are variable based on throughput plant volumes.

**Note 9- Professional fees:** With the exception of August which includes actual restructuring professional fees paid, it is expected that any further restructuring professional fees will be paid from the Purchase Price Funds.

**Note 10- Finance leases:** Relates to rentals on 3 compressor units, 1 gen set unit, 1 4.5mmbtu line heater and 2 separator units. This equipment is required to keep production flowing on a daily basis.

**Note 11- Interest expense:** Relates to interest payable to Crown Capital Partners on the \$27.2 mil loan agreement. It is projected that any additional interest owing will be paid out as part their secured claim and from the Purchase Price Funds.

**Note 12- Payable to Monitor (per the Plan):** This represents the estimate of additional working capital at May 31, 2021 that is to be paid to the Monitor pursuant to the Plan, which has been reduced for restructuring professional fees and Crown interest/royalties paid by COGL directly during and related to June onwards.

**Note 13- Opening cash:** Opening cash is the cash remaining in the company's bank accounts after all payments up to and including August 23, 2021 are issued and have cleared. Opening cash does not include funds totalling \$866,977 which is held in term deposits as Letters of Credit for Nova and Keyera.

This is Exhibit "B"  
Referred to in the Affidavit of Ryan Martin  
Sworn before me this 13<sup>th</sup> day of September, 2021



---

A Commissioner for Oaths in and for Alberta

**CELINE ZHEN**  
**A Commissioner for Oaths**  
**in and for Alberta**  
**Student-At-Law, Notary Public**

**AMENDED AND RESTATED INVESTMENT AGREEMENT**

**BETWEEN**

**SPARTAN DELTA CORP.**

**- AND -**

**CALGARY OIL AND SYNDICATE PARTNERS LTD.**

**- AND -**

**CALGARY OIL AND GAS INTERCONTINENTAL GROUP LTD.**

**- AND -**

**T5 SC OIL AND GAS LIMITED PARTNERSHIP**

**Effective April 21, 2021**

## TABLE OF CONTENTS

### ARTICLE 1 INTERPRETATION

1.1	Definitions .....	2
1.2	Interpretation Not Affected by Headings, etc. ....	12
1.3	Number, etc. ....	12
1.4	Date for Any Action.....	12
1.5	Entire Agreement.....	12
1.6	Currency .....	12
1.7	Accounting Matters.....	12
1.8	Disclosure in Writing .....	12
1.9	References to Legislation .....	13
1.10	Enforceability .....	13
1.11	Knowledge .....	13
1.12	Interpretation Not Affected by Party Drafting .....	13
1.13	Schedules .....	13

### ARTICLE 2 PLAN, SUBSCRIPTION, COURT APPROVAL AND RELATED MATTERS

2.1	The Plan.....	13
2.2	Subscription for T5 Units .....	14
2.3	Payment of Purchase Price .....	14
2.4	Payments.....	14
2.5	Plan and Meeting.....	14
2.6	Sanction Order.....	14
2.7	Motions and Orders Generally.....	15
2.8	Distribution .....	15
2.9	T5 Assets .....	15
2.10	Liabilities .....	15

### ARTICLE 3 COVENANTS

3.1	Covenants of Spartan.....	16
3.2	Covenants of COGL Group .....	16
3.3	Mutual Covenants.....	21
3.4	Covenants of COGL Group Regarding Non-Solicitation.....	21
3.5	Access to Information .....	22

### ARTICLE 4 REPRESENTATIONS AND WARRANTIES

4.1	Representations and Warranties of Spartan .....	23
4.2	Representations and Warranties of COGL Group .....	25
4.3	Privacy Issues.....	35

### ARTICLE 5 CONDITIONS PRECEDENT

5.1	Mutual Conditions Precedent .....	36
5.2	Additional Conditions to Obligations of Spartan.....	37
5.3	Additional Conditions to Obligations of COGL Group .....	39
5.4	Notice and Effect of Failure to Comply with Conditions .....	40

**ARTICLE 6  
AGREEMENT AS TO REMEDIES**

6.1 Injunctive Relief and Remedies .....41

**ARTICLE 7  
AMENDMENT**

7.1 Amendment .....41  
7.2 Waiver .....41

**ARTICLE 8  
TERMINATION**

8.1 Termination .....42

**ARTICLE 9  
NOTICES**

9.1 Notices .....43

**ARTICLE 10  
GENERAL**

10.1 Assignment and Enurement .....44  
10.2 Public Communications .....45  
10.3 Confidentiality .....45  
10.4 Costs .....45  
10.5 Severability .....45  
10.6 Further Assurances .....45  
10.7 Time of Essence .....45  
10.8 Governing Law .....46  
10.9 Counterparts .....46



## AMENDED AND RESTATED INVESTMENT AGREEMENT

THIS AMENDED AND RESTATED INVESTMENT AGREEMENT is dated effective as of the 21<sup>st</sup> day of April, 2021.

### BETWEEN:

**SPARTAN DELTA CORP.**, a corporation existing under the laws of the Province of Alberta ("**Spartan**")

- and -

**CALGARY OIL AND SYNDICATE PARTNERS LTD.**, a corporation existing under the laws of the Province of Alberta ("**Syndicate Partners**")

- and -

**CALGARY OIL AND GAS INTERCONTINENTAL GROUP LTD.**, a corporation existing under the laws of the Province of Alberta ("**COGL**")

- and -

**T5 SC OIL AND GAS LIMITED PARTNERSHIP**, a limited partnership existing under the laws of the Province of Alberta ("**T5**")

**WHEREAS**, on February 11, 2021, Syndicate Partners, COGL, T5, Petroworld Energy Ltd. and Calgary Oil & Gas Syndicate Group Ltd. commenced proceedings (the "**CCAA Proceedings**") in the Court of Queen's Bench of Alberta (the "**Court**") under the *Companies' Creditors Arrangement Act* (Canada), R.S.C. 1985, c.C-36, as amended (the "**CCAA**"), pursuant to which, inter alia, BDO Canada Limited was appointed as monitor (the "**Monitor**") of Syndicate Partners, COGL, T5, Petroworld Energy Ltd. and Calgary Oil & Gas Syndicate Group Ltd. (the "**Debtors**");

**AND WHEREAS** the Parties entered into a unit purchase agreement dated April 21, 2020 (the "**Original Agreement**");

**AND WHEREAS** this Agreement shall amend, restate and supersede the Original Agreement;

**AND WHEREAS**, the COGL Group (as defined herein) has determined that it is advisable and in the best interests of the COGL Group's stakeholders to propose the Plan and to consummate the Transactions, in accordance with the terms of this Agreement;

**AND WHEREAS**, in conjunction with the Plan, T5 desires to issue and cause to be sold to Spartan, and Spartan desires to subscribe for and purchase from T5 the T5 Units, on the basis that on the Closing Date, T5 shall hold all right, title and interest in and to the T5 Assets free and clear of all Liens (other than Permitted Liens) and T5 shall have no Liabilities, other than the Post-Filing Liabilities, on and subject to the terms and conditions hereinafter set forth (the "**Transactions**");

**AND WHEREAS**, the Transactions are subject to the approval of the Court and will be consummated only subject to the terms and conditions set forth herein and in accordance with the Plan and the CCAA Orders;

**NOW THEREFORE**, in consideration of the covenants and agreements herein contained and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the Parties do hereby covenant and agree as follows:

## ARTICLE 1 INTERPRETATION

### 1.1 Definitions

In this Agreement, including the recitals hereto, unless there is something in the context or subject matter inconsistent therewith, the following defined terms have the meanings hereinafter set forth:

- (a) **"Abandonment and Reclamation Obligations"** means all liabilities, duties and obligations, whether arising under contract, Applicable Law or otherwise, relating to:
  - (i) the abandonment of wells and restoration and reclamation of the surface sites thereof and any other lands used to gain access thereto;
  - (ii) the closure, decommissioning, dismantling and removal of tangibles, including any structures, buildings, pipelines, facilities, equipment and other tangible depreciable property and assets, together with the restoration and reclamation of the lands on or in which any of the foregoing are or were located and any other lands used to gain access thereto;
  - and (iii) the restoration, remediation or reclamation of the surface or subsurface of any lands specifically relating to, or used to gain access to, the T5 Assets;
  
- (b) **"Acquisition Proposal"** means, other than the transactions contemplated by this Agreement, any written or oral offer, proposal, inquiry or request for discussions or negotiations from any Person or group of Persons "acting jointly or in concert" (within the meaning of National Instrument 62-104 – *Takeover Bids and Issuer Bids*) (other than Spartan and its affiliates) which contemplates, relates to or could reasonably be expected to lead to (in either case in one transaction or a series of transactions):
  - (i) any direct or indirect acquisition or purchase (or any lease, long-term supply agreement or other arrangement having the same economic effect as a purchase) of: (A) any assets of the COGL Group; or (B) any voting or equity securities of the COGL Group (or rights or interests therein or thereto);
  - (ii) any direct or indirect take-over bid, issuer bid, exchange offer, treasury issuance or similar transaction that, if consummated, would result in a Person or joint actors beneficially owning any class of voting or equity securities or any other equity interests (including securities convertible into or exercisable or exchangeable for equity interests) of the COGL Group;
  - (iii) a plan of arrangement, merger, amalgamation, consolidation, joint venture, partnership, share exchange, business combination, reorganization, recapitalization, liquidation, dissolution or other similar transaction involving the COGL Group;
  - (iv) any other transaction or series of transactions, the consummation of which would or could reasonably be expected to prevent, impair or materially interfere with, impede or delay the transactions contemplated by this Agreement or which would or could reasonably be expected to materially reduce the benefits to Spartan under this Agreement; or

- (v) any announcement or other disclosure of an intention to do any of the foregoing;
- (c) "**Affiliate**" means, with respect to any Person, any other Person which controls, is controlled by or is under common control with, directly or indirectly, such Person, and, if such Person is a natural person, includes any member of such Person's immediate family, or, if such Person is an entity, includes any trustee, member, general partner, manager, director or officer of, or any Person performing similar functions for, such Person;
- (d) "**Agreement**", "**herein**", "**hereof**", "**hereto**", "**hereunder**" and similar expressions mean and refer to this amended and restated investment agreement (including the schedules hereto) as supplemented, modified or amended, and not to any particular article, section, schedule or other portion hereof;
- (e) "**Applicable Laws**" in the context that refers to one or more persons, means any domestic or foreign, federal, state, provincial, municipal, regional or local law (statutory, common, equitable or otherwise), constitution, treaty, convention, ordinance, code, rule, regulation, order, injunction, judgment, decree, ruling or other similar requirement enacted, adopted, promulgated, or applied by a Governmental Authority and any terms or conditions of any grant of approval, permission, authority or license of any Governmental Authority, that is binding upon or applicable to such person or persons or its business or their business, undertaking, property or securities and emanate from a person having jurisdiction over the person or persons or its or their business, undertaking, property or securities;
- (f) "**Assumed Contracts**" means those Contracts set forth in Schedule "B" attached hereto;
- (g) "**Breaching Party**" has the meaning set forth in Section 5.4(b);
- (h) "**Business Day**" means any day, other than Saturday, Sunday or a statutory holiday in the Province of Alberta;
- (i) "**CCAA**" has the meaning set forth in the preamble of this Agreement;
- (j) "**CCAA Orders**" means, the Meeting Order, the Sanction Order and any other Order of the Court issued and entered in the CCAA Proceedings in respect of the Transactions or otherwise;
- (k) "**CCAA Proceedings**" has the meaning set forth in the preamble of this Agreement;
- (l) "**claim**" means any claim, demand, lawsuit, proceeding, arbitration or governmental investigation, in each case, whether asserted, threatened, pending or existing;
- (m) "**Claims Procedure Order**" means the Claims Procedure Order granted by the Court in the CCAA Proceedings dated April 13, 2021, as such Order may be amended, restated or varied from time to time by subsequent Order(s);
- (n) "**Closing**" means the completion of the subscription for T5 Units by Spartan, the payment by Spartan of the consideration payable pursuant to such purchase and the completion of all matters incidental thereto;

- (o) "**Closing Date**" means the date that Closing occurs, which is currently expected to be July 23, 2021, or such other date as the Parties hereto agree in writing, and in any event not later than the Outside Date;
- (p) "**COGL Change of Control Payments**" means obligations of the COGL Group, pursuant to all employment or consulting services agreements, director compensation programs, termination, severance, change of control, bonus and retention plans or policies for severance, termination, change of control, bonus or retention payments, any payments related to any incentive plan and any other payments the COGL Group is required to make by law or contract;
- (q) "**COGL Credit Facility**" means the credit facilities of T5 provided by Crown;
- (r) "**COGL Disclosure Letter**" means the letter of COGL Group addressed and delivered to Spartan dated as of April 26, 2021 providing disclosure of certain information pursuant to the Agreement;
- (s) "**COGL Employee Plan**" means all plans with respect to current or former COGL Group employees to which any member of the COGL Group is a party to or bound by or to which such member of the COGL Group has an obligation to contribute relating to retirement savings, pensions, bonuses, profit sharing, deferred compensation, incentive compensation, life or accident insurance, hospitalization, health, medical or dental treatment or expenses, disability, unemployment insurance benefits, employee loans, vacation pay, severance or termination pay or other benefit plan;
- (t) "**COGL Financial Statements**" means the financial statements of T5 as at and for the years ended December 31, 2020 (unaudited) and 2019 (audited, together with the notes thereto and the auditor's report thereon);
- (u) "**COGL Group**" means, collectively, Syndicate Partners, COGL and T5;
- (v) "**COGL Net Debt**" means the net debt of the COGL Group which includes any and all cash, cash equivalents, bank debt, working capital deficit (inclusive of accounts receivable, prepaid expenses and deposits and accounts payables (whether receivable, incurred or accrued, as applicable, before and after the commencement of CCAA Proceedings)), current tax liabilities, and any and all other liabilities and audit adjustments, in each case with respect to each of the foregoing liabilities, inclusive of any and all accrued liabilities, excluding the mark-to-market value of financial instruments, calculated in accordance with IFRS, including costs associated with the CCAA Proceedings;
- (w) "**COGL Reserves Reports**" means the independent engineering evaluation of T5's oil, natural gas liquids and natural gas interests prepared by Sproule Associates Limited effective December 31, 2020;
- (x) "**Confidentiality Agreement**" means the confidentiality agreement dated July 24, 2020 between Spartan and T5;
- (y) "**Contracts**" means all contracts, agreements, leases, instruments, licenses, and other legally binding commitments or arrangements which have been entered into by the COGL Group in connection with the operation of the business of the COGL Group or the T5 Assets and which have not otherwise been disclaimed by the COGL Group prior to the date hereof;

- (z) "**Court**" has the meaning set forth in the preamble of this Agreement;
- (aa) "**COVID-19**" means the novel coronavirus disease outbreak;
- (bb) "**Crown**" means Crown Capital Partnership Funding, LP, represented by its general partner, Crown Capital LP Partner Funding Inc.;
- (cc) "**Debtors**" has the meaning set forth in the preamble of this Agreement;
- (dd) "**Deposit Escrow Agreement**" means the amended and restated deposit escrow agreement dated April 21, 2021 among Spartan, T5, Syndicate Partners and Borden Ladner Gervais LLP;
- (ee) "**Disclosing Party**" has the meaning set forth in Section 4.3;
- (ff) "**Environment**" means the natural environment (including soil, land surface or subsurface strata), surface waters, groundwater, sediment, ambient air (including all layers of the atmosphere), organic and inorganic matter and living organisms, and any other environmental medium or natural resource and all sewer systems;
- (gg) "**Environmental Laws**" means, with respect to any person or its business, activities, property, assets or undertaking, all Applicable Laws relating to the Environment or public health and safety matters in the jurisdictions applicable to such person or its business, activities, property, assets or undertaking, including legislation governing abandonment and reclamation obligations, and the use, storage, treatment and release of Hazardous Substances;
- (hh) "**Environmental Liabilities**" means all past, present and future liabilities, duties and obligations of the COGL Group or any of its subsidiaries, whether arising under contract, Applicable Law or otherwise, arising from, relating to or associated with: (i) Abandonment and Reclamation Obligations; (ii) 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; (iii) 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; (iv) compliance with or the consequences of any non-compliance with, or violation or breach of, any Environmental Laws; (v) sampling, monitoring or assessing the Environment or any potential impacts thereon from any past, present or future activities or operations; or (vi) the protection, reclamation, remediation or restoration of the Environment, that relate to or arise by virtue of the T5 Assets or the ownership thereof or any past, present or future operations and activities conducted in connection with the T5 Assets;
- (ii) "**Excluded Contracts**" means those Contracts to be excluded from the Transactions and set forth in Schedule "A" attached hereto;
- (jj) "**Filing Date**" means February 11, 2021;

- (kk) "**Final Order**" shall mean an order, judgment or other decree: (i) the operation or effect of which has not been reversed, stayed, modified or amended; (ii) as to which any and all appeal periods with respect to such order, judgment or decree have expired; and (iii) as to which no appeal or any extension thereof shall then be pending or, if an appeal has been sought, such appeal has been withdrawn, discontinued, dismissed with prejudice, or affirmed by the highest court to which it was appealed, and the time to appeal under any extension thereof has expired;
- (ll) "**Governmental Authority**" means: (i) any international, multinational, federal, provincial, state, regional, municipal, local or other government, governmental or public department, ministry, central bank, court, tribunal, arbitral body, commission, commissioner, board, bureau or agency, domestic or foreign; (ii) any subdivision, agency, agent or authority of any of the foregoing; or (iii) any quasi-governmental or private body, including any tribunal, commission, regulatory agency, stock exchange or self-regulatory organization, exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing;
- (mm) "**Hazardous Substances**" means any element, waste or other substance whether natural or artificial and whether consisting of gas, liquid, solid or vapour that is prohibited, listed, defined, designated or classified as dangerous, hazardous, radioactive, explosive or toxic or a pollutant or a contaminant under or pursuant to any applicable Environmental Laws, and specifically includes petroleum and all derivatives thereof or synthetic substitutes therefor and asbestos or asbestos containing materials or any substance which is deemed under Environmental Laws to be deleterious to the Environment or worker or public health or safety;
- (nn) "**IFRS**" means Canadian generally accepted accounting principles for publicly accountable enterprises, being International Financial Reporting Standards as adopted by the Canadian Accounting Standards Board;
- (oo) "**Liability**" means, with respect to any Person, any liability or obligation of such Person of any kind, character or description, whether known or unknown, absolute or contingent, accrued or unaccrued, disputed or undisputed, liquidated or unliquidated, secured or unsecured, joint or several, due or to become due, vested or unvested, executory, determined, determinable or otherwise, and whether or not the same is required to be accrued on the financial statements of such Person, excluding Environmental Liabilities;
- (pp) "**Liens**" means any hypothecs, mortgages, pledges, assignments, liens, charges, security interests, encumbrances and adverse rights or claims, other third person interests or encumbrances of any kind, whether contingent or absolute, and any agreement, options, rights or privileges (whether by Applicable Law, contract or otherwise) capable of becoming any of the foregoing;
- (qq) "**Material Adverse Change**" or "**Material Adverse Effect**" means, with respect to a Party, any effect, change, event, development, circumstance or occurrence that, individually or in the aggregate with other such effects, changes, events, developments, circumstances or occurrences is, or would reasonably be expected to be material and adverse to the condition (financial or otherwise), business, operations, results of operations, assets, properties, capitalization, condition (financial or otherwise), liabilities (contingent or otherwise), or cash flows of such Party (taken as a whole), other than any effect, change, event or development resulting from:

- (i) general economic, financial, currency exchange, securities, credit or commodity prices in Canada or elsewhere, including, without limitation, changes as a result of, or relating to, the COVID-19 pandemic;
- (ii) conditions affecting the oil and natural gas exploration, exploitation, development and production industry as a whole, and not specifically relating to such Party, including, without limitation, changes as a result of, or relating to, the COVID-19 pandemic;
- (iii) any decline in crude oil or natural gas prices on a current or forward basis;
- (iv) any matter in respect of which there has been disclosure in writing to the other Party on or prior to the date hereof;
- (v) changes in Applicable Laws (including tax laws);
- (vi) any changes in IFRS;
- (vii) the announcement of the execution of this Agreement or the transactions contemplated hereby;
- (viii) the failure of such Party to meet any internal or published projections, forecasts or estimates of revenues, earnings, cash flow or production or petroleum substances or natural gas;
- (ix) any changes in the trading price or trading volumes of the securities of such Party;
- (x) any acts of God, riots, terrorism, sabotage, earthquakes, epidemics (including the COVID 19 pandemic), military action or war (whether or not declared), change in global, national or regional political conditions, civil unrest, or disturbances or similar event or escalation or worsening thereof; or
- (xi) any changes or effects arising from matters permitted or contemplated by this Agreement or consented to or approved in writing by the other Party;

provided, however, that in the case of (i), (ii) and (iii) such change or effect relating to or resulting from the foregoing does not disproportionately affect a Party compared to other entities of similar size operating in the oil and gas exploration, exploitation, development and production industry, in which case the relevant exclusion from this definition of Material Adverse Change or Material Adverse Effect referred to above shall not be applicable;

- (rr) "**misrepresentation**" has the meaning set forth under the Securities Act;
- (ss) "**Meeting Order**" has the meaning set forth in Section 2.5;
- (tt) "**Monitor**" has the meaning set forth in the preamble of this Agreement;
- (uu) "**Monitor's Certificate**" means the certificate of the Monitor the form of which is attached as a schedule to the Sanction Order confirming the implementation of the Plan and the CCAA Orders;

- (vv) "**Order**" means any final order of the Court in the CCAA Proceedings;
- (ww) "**Outside Date**" has the meaning set forth in Section 5.1(a);
- (xx) "**Original Agreement**" has the meaning set forth in the preamble to this Agreement;
- (yy) "**Parties**" means Spartan and each of the entities in the COGL Group; and "**Party**" means either one of them;
- (zz) "**Permit**" means any license, permit, certificate, franchise, consent, order, grant, easement, covenant, approval, classification, registration or other authorization of and from any person, including any Governmental Authority;
- (aaa) "**Permitted Liens**" means:
  - (i) the royalty burdens, liens, duties, terms and conditions, adverse claims, penalties, reductions in interest and other encumbrances identified in respect of the T5 Assets as disclosed in the COGL Disclosure Letter;
  - (ii) except in respect of any Contracts being disclaimed pursuant to this Agreement, contracts for the purchase, processing, transportation, storage or operations in respect of the T5 Assets that are terminable (without penalty) on 30 days' notice or less;
  - (iii) easements, rights of way, servitudes and similar rights in land including rights of way and servitudes for highways and other roads, railways, sewers, drains, gas and oil pipelines, gas and water mains, electric light, power, telephone, telegraph or cable television conduits, poles, wires and cables, in existence on the date of this Agreement;
  - (iv) the right reserved to or vested in any Governmental Authority by the terms of any lease, or Permit forming part of the T5 Assets, or by any statutory provision, to terminate any lease, Permit, or to require annual or other periodic payments as a condition of the continuance of them;
  - (v) the right of general application reserved to or vested in any Governmental Authority to levy taxes on petroleum and natural gas substances or the revenue from them, and governmental restrictions on production rates or on the operation of any property or otherwise affecting the value of any property;
  - (vi) rights reserved to or vested in any Governmental Authority to control or regulate the T5 Assets in any manner and all Applicable Laws;
  - (vii) Liens for Taxes, assessments or governmental charges which are not due;
  - (viii) the right reserved or vested in any person to create or incur a Lien that is a mechanics' lien, builders' lien or materialmen's lien in respect of services rendered or goods supplied but only to the extent such lien relates to goods or services for which payment is not due or the validity of which is being contested in good faith by any member of the COGL Group;



- (ix) the reservations, limitations, provisos and conditions in any original grant from the Governmental Authority of any of the lands forming part of the T5 Leases or interests in them, and statutory exceptions to title;
  - (x) the terms and conditions of the T5 Interests and T5 Leases; and
  - (xi) Liens incurred, created and granted in the ordinary course of business to a public utility, municipality or Governmental Authority in connection with operations conducted with respect to the T5 Assets, but only to the extent those liens relate to costs and expenses for which payment is not due;
- (bbb) "**person**" or "**Person**" includes an individual, limited or general partnership, limited liability company, limited liability partnership, trust, joint venture, association, body corporate, unincorporated organization, trustee, executor, administrator, legal representative, government (including any Governmental Authority) or any other entity, whether or not having legal status;
- (ccc) "**Petroleum Substances**" means crude oil, natural gas, natural gas liquids and other related hydrocarbons and all other substances related to any of the foregoing, whether liquid, solid or gaseous, and whether hydrocarbons or not, including sulphur and coalbed methane;
- (ddd) "**Plan**" means the plan of compromise or arrangement under the CCAA in respect of Syndicate Partners, COGL, T5, Petroworld Energy Ltd. and Calgary Oil & Gas Syndicate Group Ltd. in the form satisfactory to the Parties, acting reasonably, as amended, modified, varied or restated from time to time in a manner acceptable to Spartan, subject to the Monitor's approval and, if necessary, the approval of the Court;
- (eee) "**Post-Filing Liabilities**" means any Liability, which includes, for greater certainty, the Environmental Liabilities, of the COGL Group that arises during and in respect of the period commencing on the Filing Date and ending on the day immediately preceding the Closing Date in respect of services rendered or supplies provided to the COGL Group during such period or under or in accordance with any Contracts (other than in respect of any Excluded Contracts), provided that such amounts are not Pre-Filing Liabilities, excepting out all Post-Filing Restructuring Claims;
- (fff) "**Post-Filing Restructuring Claims**" means all provable claims (as defined under the CCAA) arising from disclaiming or resiliating any agreements between the COGL Group and third parties pursuant to section 32 of the CCAA, or any claims associated with the Excluded Contracts;
- (ggg) "**Pre-Filing Liabilities**" has the meaning set forth in the Claims Procedure Order;
- (hhh) "**Purchase Price**" means \$37,500,000 of cash consideration;
- (iii) "**Recipient**" has the meaning set forth in Section 4.3;
- (jjj) "**Required Approvals**" means all consents, approvals, orders, notifications or waivers from, and filings with, Third Parties (including any Governmental Authority) or the Court as may be required to effect the Transactions, including those required by the terms of the Contracts, the Permits or pursuant to the CCAA Proceedings;

- (kkk) "**Representatives**" means, with respect to a Party, the officers, directors, advisors, employees, representatives and agents of such Party or any of its Affiliates;
- (lll) "**Returns**" shall mean all reports, filings, notices, schedules, estimates, elections, designations, forms, declarations of estimated tax, information statements and returns including any amendments, attachments or appendices and exhibits thereto, made, prepared or filed or required to be filed with a Governmental Authority in connection with, any Taxes;
- (mmm) "**Sanction Order**" means an Order of the Court sanctioning the Plan in form and substance satisfactory to Spartan, subject to the Monitor's Approval;
- (nnn) "**Securities Act**" means the *Securities Act* (Alberta);
- (ooo) "**Spartan Board**" means the board of directors of Spartan;
- (ppp) "**subsidiary**" means, with respect to a specified entity, any:
- (i) body corporate of which more than 50% of the outstanding shares ordinarily entitled to elect a majority of the board of directors thereof (whether or not shares of any other class or classes shall or might be entitled to vote upon the happening of any event or contingency) are at the time owned directly or indirectly by such specified entity or indirectly by or for the benefit of such specified entity;
  - (ii) entity which is not a body corporate, of which more than 50% of the voting or equity interests of such entity (including, for a partnership other than a limited partnership, the voting or equity interests in such partnership) are owned, directly or indirectly, by such specified entity or indirectly by or for the benefit of such specified entity and, in the case of a limited partnership, of which such specified entity, or a subsidiary of such specified entity, is a general partner; or
  - (iii) issuer that would constitute a subsidiary as defined in the Securities Act;
- (qqq) "**Syndicate Partners Board**" means the board of directors of Syndicate Partners;
- (rrr) "**T5 AFEs**" means authorities for expenditure, cash calls, operations notices, amounts budgeted pursuant to joint operating agreements, unit agreements, mail ballots and similar notices and calls for funds pertaining to any of the T5 Assets;
- (sss) "**T5 Assets**" means all of the assets, properties, Permits, rights or other privileges (whether contractual or otherwise) of the COGL Group and, for greater certainty, includes the T5 Leases, the T5 Interests and the Assumed Contracts and excludes the Excluded Contracts;
- (ttt) "**T5 Financial Instruments**" means the hedges, swaps or other financial instruments or like transactions of the COGL Group;
- (uuu) "**T5 Interests**" means the right of the Syndicate Partners, T5 or COGL, for and on behalf of T5, in and to the T5 Leases, any and all reservations, Permits, licences, unit agreements, assignments, trust declarations, operating agreements, royalty agreements, gross overriding royalty agreements, agreements for the construction, ownership and operation of facilities, contract operating agreements, participation

agreements, farm-in agreements, sale and purchase agreements, pooling 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) acquire any of the rights described in items (i) to (iii) of this definition; together with all related tangibles and miscellaneous interests; including interests and rights known as working interests, leasehold interests, royalty interests, overriding royalty interests, gross overriding royalty interests, production payments, profits interests, net profits interests, revenue interests, net revenue interests, economic interests and fee simple interests, including fractional or undivided interests in any of the foregoing;

- (vvv) "**T5 Leases**" means leases, Permits, concessions, concession agreements, contracts, subleases, reservations or other agreements, by virtue of which any member of the COGL Group is entitled to drill for, win, take, own or remove the petroleum substances, or by virtue of which the holder thereof is deemed to be entitled to a share of petroleum substances removed from the lands, and includes, if applicable, all renewals and extensions of such documents and all documents issued in substitution therefor;
- (www) "**T5 Units**" means limited partnership units of T5;
- (xxx) "**Tax**" or "**Taxes**" means all taxes, duties, fees, premiums, assessments, imposts, levies and other charges of any kind whatsoever imposed by any Governmental Authority, together with all interest, penalties, fines, additions to tax or other additional amounts imposed in respect thereof, including those levied on, or measured by, or referred to as, income, gross receipts, profits, capital, large corporation, capital gain, alternative minimum, transfer, land transfer, sales, goods and services, harmonized sales, use, value-added, excise, stamp, withholding, business, franchising, property, employer health, payroll, employment, health, social services, education and social security taxes, all surtaxes, all customs duties and import and export taxes, all employment insurance, health insurance and Canada and other Governmental Authority pension plan and workers compensation premiums or contributions including any interest, fines or penalties for failure to withhold, collect or remit any tax and any liability for such taxes imposed by law with respect to any other person arising pursuant to any tax sharing, indemnification or other agreements or any liability for taxes of any predecessor or transferor entity and whether disputed or not;
- (yyy) "**Tax Act**" means the *Income Tax Act* (Canada);
- (zzz) "**Tax Pools**" means undepreciated capital cost of any particular class of depreciable property, earned depletion base, cumulative Canadian exploration expense, cumulative Canadian development expense, cumulative Canadian oil and gas property expense, foreign exploration and development expense, capital losses, non-capital losses, cumulative eligible capital, share issue costs and investment tax credits, all as defined in the Tax Act, and financing expenses referred to in paragraph 20(1)(e) of the Tax Act;
- (aaaa) "**Terminating Party**" has the meaning set forth in Section 5.4(b);
- (bbbb) "**Termination Notice**" has the meaning set forth in Section 5.4(b);

(cccc) "**Third Party**" means any Person other than the Parties and their respective Representatives;

(dddd) "**Transferred Information**" has the meaning set forth in Section 4.3; and

(eeee) "**Transactions**" has the meaning set forth in the preamble of this Agreement.

## **1.2 Interpretation Not Affected by Headings, etc.**

The division of this Agreement into articles, sections and subsections is for convenience of reference only and does not affect the construction or interpretation of this Agreement. The terms "this Agreement", "hereof", "herein" and "hereunder" and similar expressions refer to this Agreement (including the Schedules hereto) and not to any particular article, section, schedule or other portion hereof and include any agreement or instrument supplementary or ancillary hereto. Unless something in the subject matter or context is inconsistent therewith, references herein to Articles, Sections and Schedules are to Articles and Sections of and Schedules to this Agreement.

## **1.3 Number, etc.**

Words importing the singular number include the plural and vice versa and words importing the use of any gender include all genders.

## **1.4 Date for Any Action**

If any date on which any action is required to be taken hereunder by any of the Parties is not a Business Day, such action is required to be taken on the next succeeding day which is a Business Day.

## **1.5 Entire Agreement**

This Agreement, the COGL Disclosure Letter, the Confidentiality Agreement and the Deposit Escrow Agreement, all as amended from time to time, together with the agreements and documents herein and therein referred to, constitute the entire agreement between the Parties pertaining to the subject matter hereof and supersede all prior agreements, understandings, negotiations and discussions, whether oral or written, among the Parties with respect to the subject matter hereof, including, without limitation, the Original Agreement.

## **1.6 Currency**

All sums of money which are referred to in this Agreement are expressed in lawful money of Canada.

## **1.7 Accounting Matters**

Unless otherwise stated, wherever in this Agreement reference is made to a calculation to be made or an action to be taken in accordance with IFRS, such reference will be deemed to be to the IFRS, as applicable, from time to time approved by the Canadian Accounting Standards Board or any successor institute, and applicable as at the date on which such calculation or action is made or taken or required to be made or taken.

## **1.8 Disclosure in Writing**

Reference to "disclosure in writing" or similar references herein shall mean actually disclosed in writing by COGL Group to Spartan or its Representatives in the COGL Disclosure Letter.

## **1.9 References to Legislation**

References in this Agreement to any statute or sections thereof shall include such statute as amended or substituted and any regulations promulgated thereunder from time to time in effect.

## **1.10 Enforceability**

All representations, warranties, covenants and opinions in or contemplated by this Agreement as to the enforceability of any covenant, agreement or document are subject to enforceability being limited by applicable bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and other laws relating to or affecting creditors' rights generally, and the discretionary nature of certain remedies (including specific performance and injunctive relief and general principles of equity).

## **1.11 Knowledge**

Where any representation or warranty contained in this Agreement is expressly qualified by reference to the knowledge of a Party, it refers to the actual knowledge (having made due inquiry) of the senior officers of such Party and in each case in their capacities as officers of Spartan or each of the entities comprising the COGL Group, as applicable, and not in their personal capacities and does not include the knowledge or awareness of any other individual or any constructive, implied or imputed knowledge.

## **1.12 Interpretation Not Affected by Party Drafting**

The Parties acknowledge that their respective legal counsel have reviewed and participated in negotiating, drafting and settling the terms of this Agreement, and the Parties agree that any rule of construction to the effect that any ambiguity is to be resolved against the drafting party will not be applicable in the interpretation of this Agreement.

## **1.13 Schedules**

The following Schedules attached hereto are incorporated into and form an integral part of this Agreement:

Schedule "A" – Excluded Contracts

Schedule "B" – Assumed Contracts

## **ARTICLE 2 PLAN, SUBSCRIPTION, COURT APPROVAL AND RELATED MATTERS**

### **2.1 The Plan**

The Parties shall use reasonable commercial efforts to finalize the Plan as soon as practicable following the date hereof. The Transactions shall close in conjunction with the implementation of the Plan which shall give effect to and be consistent with the terms and conditions of this Agreement and otherwise be in form and substance satisfactory to Spartan. The Purchase Price paid by Spartan for the T5 Units shall be used by T5 in full, without deduction, to fund distributions contemplated in the Plan for the benefit of all Debtors under the Plan.

## **2.2 Subscription for T5 Units**

On the Closing Date, Spartan shall subscribe for and purchase, and T5 shall issue and cause to be sold to Spartan as part of the Plan, 37,500,000 Class A Units of T5 in consideration for the Purchase Price.

## **2.3 Payment of Purchase Price**

Spartan shall pay the Purchase Price in accordance with Section 2.4 on the Closing Date as follows:

- (a) by the application of a deposit in the amount of \$7,500,000 (the "**Deposit**") previously paid by Spartan in accordance with the Deposit Escrow Agreement, which is hereby amended to permit the application of the Deposit in accordance with this Agreement; and
- (b) by the payment of \$30,000,000 in cash.

In addition, T5 will retain the Post-Filing Liabilities and Assumed Contracts from and after the Closing Date.

## **2.4 Payments**

Any reference in this Agreement or any other document delivered pursuant to this Agreement to payment means cash payment to the order of the Monitor, in trust for the benefit of the COGL Group or its creditors, by wire transfer in immediately available funds to an account designated by the Monitor, in trust for the benefit of the COGL Group or their creditors.

## **2.5 Plan and Meeting**

As promptly as practicable after a request from Spartan, COGL Group shall cause to be filed with the Court a motion seeking an Order of the Court accepting the filing of the Plan and authorizing, and setting any procedures for, the calling and holding of a meeting of creditors of the COGL Group to consider and approve the Plan, such Order to be in form and substance satisfactory to Spartan, subject to the Monitor's approval (the "**Meeting Order**"). During the course of the preparation of such documents, COGL Group shall provide Spartan and counsel to Spartan a reasonable opportunity to review and comment on such documents, and in the event of a disagreement between Spartan and COGL Group regarding the content of such documents, such disagreement shall be resolved in good faith. In accordance with the Meeting Order, COGL Group shall cause all required documents to be sent to the creditors of the COGL Group affected by the Plan and any other Persons as may be required by the Meeting Order, the Court or under Applicable Laws, and the COGL Group shall call and hold, or cause to be called and held, a meeting of the affected creditors of the COGL Group as set out in the Plan for the purposes of considering and approving the Plan. COGL Group shall not adjourn, postpone or cancel (or propose to adjourn, postpone or cancel) the meeting, except with Spartan's prior written consent or as required by the Court, Monitor or for quorum purposes. COGL Group shall provide reasonable advance notice to Spartan of the meeting and allow Spartan and its representatives to attend and be present at the meeting.

## **2.6 Sanction Order**

As promptly as practicable following the approval of the Plan, the COGL Group shall cause to be filed with the Court a motion, in form and substance acceptable to Spartan and subject to the Monitor's approval, seeking issuance of the Sanction Order. Any amendment or variation to such motion or to the form of Sanction Order shall be subject to the prior written approval of Spartan.

## **2.7 Motions and Orders Generally**

- (a) COGL Group and Spartan shall cooperate in filing the motions and obtaining the Orders contemplated in this Article 2, and obtaining entry of such Orders, and COGL Group shall deliver to Spartan prior to filing, and as early in advance as is practicable to permit adequate and reasonable time for Spartan and Spartan's counsel to review and comment, copies of all proposed pleadings, motions, notices, statements, schedules, applications, reports and other material to be filed by the COGL Group in connection with such motions and Orders.
- (b) If the Sanction Order or any other Order of the Court relating to the Transactions shall be appealed or otherwise challenged by any Person, COGL Group shall take all commercially reasonable steps, and use its commercially reasonable efforts, to defend against such appeal or challenge.
- (c) COGL Group shall, at the request of Spartan and subject to the Monitor's consent, promptly request and diligently pursue such further Order or Orders from the Court as Spartan determines to be required in order to give full effect to the Transactions, including any further Orders regarding the issuance of the T5 Units to Spartan free and clear of all Liens and the compromise or release of all Pre-Filing Liabilities, Post-Filing Restructuring Claims and Excluded Contracts of the COGL Group. The terms of any such requested Orders shall be satisfactory to Spartan, subject to the Monitor's approval.

## **2.8 Distribution**

The Parties acknowledge and agree that the Monitor shall distribute the Purchase Price after the Closing Date, in accordance with the Plan and the Sanction Order.

## **2.9 T5 Assets**

Upon the terms and subject to the conditions contained in this Agreement, the Plan and the Sanction Order, on the Closing Date:

- (a) T5 shall have and hold, free and clear of all Liens (other than Permitted Liens), good and marketable right, title and interest in and to the T5 Assets; and
- (b) the Assumed Contracts shall be transferred to Spartan.

## **2.10 Liabilities**

The Plan, Sanction Order and all other Orders or documents or instruments relating to the Plan will, among other things, extinguish and forever bar any and all Pre-Filing Liabilities and Post-Filing Restructuring Claims related to T5 as of the Closing Date, subject to statutory restrictions set forth in the CCAA. For greater certainty, it is a condition precedent to the obligations of Spartan to complete the Transactions that, as a result of the implementation of the Plan and Sanction Order, on and immediately after the Closing Date, T5 shall have no Pre-Filing Liabilities and Post-Filing Restructuring Claims outstanding whatsoever. Notwithstanding any provision in this Agreement to the contrary, as of the Closing Date, neither Spartan nor T5 will assume or have any obligation to discharge, perform or fulfill any liabilities, debts, obligations, commitments or claims, direct or indirect, whether present or future, absolute, accrued or contingent of any kind whatsoever in respect of the Excluded Contracts.

### ARTICLE 3 COVENANTS

#### 3.1 Covenants of Spartan

From the date hereof until the earlier of the completion of the transactions contemplated hereby and the termination of this Agreement in accordance with Article 8, except with the prior written consent of COGL Group, and except as otherwise expressly permitted or specifically contemplated by this Agreement or as otherwise required by Applicable Laws:

- (a) Spartan shall not take any action that would render, or may reasonably be expected to render, any representation or warranty made by Spartan in this Agreement untrue in any material respect at any time prior to completion of the transactions contemplated by this Agreement or termination of this Agreement, whichever first occurs;
- (b) Spartan will use its reasonable commercial efforts to satisfy or cause the satisfaction of the conditions set forth in Section 5.1 and Section 5.3 as soon as reasonably practicable, to the extent the satisfaction of the same is within the control of Spartan;
- (c) Spartan shall ensure that it has available funds to make, within the time periods contemplated herein and shall take all such actions as may be necessary to ensure that it maintains such availability to ensure that it is able to pay such amounts when required;
- (d) Spartan shall use its reasonable commercial efforts to obtain all necessary consents, approvals, authorizations and filings as are required to be obtained or made by Spartan under any Applicable Laws and to satisfy any condition provided for under this Agreement; and
- (e) Spartan shall support motions of the COGL Group in Court and provide affidavits, as required, to evidence such support.

#### 3.2 Covenants of COGL Group

From the date hereof until the earlier of the completion of the transactions contemplated hereby and the termination of this Agreement in accordance with Article 8, except with the prior written consent of Spartan, and except as otherwise expressly permitted or specifically contemplated by this Agreement or as required by Applicable Laws, COGL Group covenants and agrees that:

- (a) the COGL Group shall conduct its business only in the usual and ordinary course of business consistent with past practice (for greater certainty, where it is an operator of any property, it shall operate and maintain such property in a proper and prudent manner in accordance with good industry practice and the agreements governing the ownership and operation of such property) and COGL Group shall:
  - (i) consult with Spartan in respect of its ongoing business and affairs and keep Spartan apprised of all material developments relating thereto; and
  - (ii) consult with Spartan, and obtain Spartan's prior consent, but subject to the CCAA Orders, with regard to all operations and operational decisions and expenditures in respect of the T5 Assets, including, without limitation, prior approval with regard to all drilling, development, equipping and completion techniques and activities.



- (b) the COGL Group shall not, directly or indirectly, do or permit to occur any of the following, subject to the CCAA Orders and the Monitor's agreement:
- (i) amend their constating documents;
  - (ii) declare, set aside or pay any dividend or other distribution or payment (whether in cash, shares or property) in respect of the outstanding T5 Units or any equity interests of the COGL Group;
  - (iii) issue, grant, sell or pledge or agree to issue, grant, sell or pledge any T5 Units or equity interests of the COGL Group, or securities convertible into or exchangeable or exercisable for, or otherwise evidencing a right to acquire, T5 Units or equity interests of the COGL Group;
  - (iv) redeem, purchase or otherwise acquire any of the outstanding T5 Units or other securities of the COGL Group, including under any normal course issuer bid;
  - (v) split, combine or reclassify any of their securities;
  - (vi) take any action, refrain from taking any action, permit any action to be taken or not taken, inconsistent with this Agreement, which might directly or indirectly interfere with or adversely affect the consummation of the transactions contemplated by this Agreement;
  - (vii) make any changes to its existing accounting policies other than as required by Applicable Laws or IFRS;
- (c) the COGL Group shall not, directly or indirectly, except for expenditures considered necessary by the COGL Group, acting reasonably and subject to the CCAA Orders and the Monitor's consent, to preserve or protect the health or safety of individuals or to preserve or protect property or the Environment and except in relation to such capital expenditures agreed to by the Parties prior to the date hereof:
- (i) sell, pledge, dispose of or encumber any assets, other than production in the ordinary course of business;
  - (ii) expend or commit to expend any amount with respect to any capital expenditures, including Crown lease purchases and freehold lease acquisitions, having an individual cost in excess of \$25,000 or an aggregate cost in excess of \$50,000;
  - (iii) acquire any assets;
  - (iv) except in connection with the CCAA Proceedings, incur any amount of indebtedness for borrowed money or any other material liability or obligation or issue any debt securities or assume, guarantee, endorse or otherwise become responsible for, the obligations of any other person, or make any loans or advances, except:
    - (A) in respect of fees payable to legal, financial and other advisors in the ordinary course of business or in connection with the CCAA

Proceedings or in respect of the transactions contemplated hereunder;  
or

- (B) as otherwise contemplated in this Agreement;
  - (v) authorize, recommend or propose any release or relinquishment or any material contract right;
  - (vi) waive, release, grant or transfer any material rights of value or modify or change in any material respect any existing material license, lease, contract, production sharing agreement, government land concession or other material document;
  - (vii) abandon or fail to diligently pursue any application for any material leases or Permits or take any action or, fail to take any action, that could lead to termination of such leases or Permits;
  - (viii) enter into any agreement or understanding with regards to any lease for real property;
  - (ix) enter into any non-arm's length transactions including with any directors or any officers, directors, employees or consultants of the COGL Group, except as expressly contemplated in this Agreement;
  - (x) enter into any agreements for the sale of production having a term of more than 30 days;
  - (xi) enter into any consulting or contract operating agreement that cannot be terminated on 30 days' or less notice without penalty or farm-in agreement; or
  - (xii) authorize or propose any of the foregoing, or enter into or modify any contract, agreement, commitment or arrangement to do any of the foregoing;
- (d) the COGL Group shall not:
- (i) hire or terminate the services of any executive officer, director, employee or consultant;
  - (ii) increase the compensation or benefits in any form of any executive officer, director, employee or consultant, including the award of bonuses;
  - (iii) take any action with respect to the amendment of any "change of control", separation payments, severance or termination pay policies or arrangements for any executive officers, employees or directors;
  - (iv) grant any advance or any loan to any officer, employee or director or any other party; or
  - (v) adopt or amend or make any contribution to any COGL Employee Plan, or any employee benefit, profit sharing, deferred compensation, insurance or other similar plan, agreement, fund or arrangement for the benefit of officers or directors;

- (e) the COGL Group shall cause their current insurance (or re-insurance) policies not to be cancelled or terminated or any of the coverage thereunder to lapse, unless simultaneously with such termination, cancellation or lapse, replacement policies underwritten by insurance or re-insurance companies of nationally recognized standing providing coverage equal to or greater than the coverage under the cancelled, terminated or lapsed policies for substantially similar premiums are in full force and effect and shall pay all premiums in respect of such insurance policies that become due prior to the Closing Date and COGL Group shall consult with Spartan with respect to all such matters prior to taking any action in respect thereof;
- (f) Unless required pursuant to an order of the Court, the COGL Group shall not take any action, refrain from taking any action, permit any action to be taken or not taken by it, inconsistent with this Agreement, which would affect the consummation of the transactions contemplated hereby, subject to the discretion of the Court and the CCAA Orders, or that would render, or may reasonably be expected to render, any representation or warranty made by COGL Group in this Agreement untrue in any material respect at any time prior to completion of the transactions contemplated hereby or termination of this Agreement, whichever first occurs;
- (g) COGL Group shall promptly notify Spartan in writing of any material change (actual, anticipated, contemplated or, to the knowledge of COGL Group, threatened, financial or otherwise) in the business, operations, affairs, assets, capitalization, financial condition, Permits, rights, privileges or liabilities, whether contractual or otherwise, of the COGL Group, or of any change in any representation or warranty provided by COGL Group in this Agreement which change is or may be of such a nature to render any representation or warranty misleading or untrue in any material respect and COGL Group shall in good faith discuss with Spartan any change in circumstances (actual, anticipated, contemplated, or to the knowledge of COGL Group threatened) which is of such a nature that there may be a reasonable question as to whether notice needs to be given to Spartan pursuant to this provision;
- (h) COGL Group will use its reasonable commercial efforts to satisfy or cause the satisfaction of the conditions set forth in Sections 5.1 and 5.2 as soon as reasonably practicable, to the extent the satisfaction of the same is within the control of COGL Group;
- (i) COGL Group shall use its reasonable commercial efforts to obtain all necessary consents, approvals, authorizations and filings as are required to be obtained or made by COGL Group under any Applicable Laws and to satisfy any condition provided for under this Agreement (including, without limitation, obtaining and assisting Spartan with obtaining the Required Approvals);
- (j) Except for non-substantive communications with the holders of securities of the COGL Group, and communications that COGL Group is required to keep confidential pursuant to Applicable Laws, COGL Group shall furnish promptly to Spartan or Spartan's counsel, a copy of each notice, report, schedule or other document delivered, filed or received by COGL Group from Governmental Authorities in connection with: (i) the Transactions; (ii) any filings under Applicable Laws; and (iii) any dealings with Governmental Authorities in connection with the transactions contemplated by this Agreement; and
- (k) (i) subject to subsection (ii), the COGL Group shall:

- (A) duly and timely file all Returns required to be filed by it on or after the date hereof but prior to the Closing (including, without limitation, all applicable Returns for its most recent financial year end) and ensure that all such Returns are true, complete and correct in all material respects;
  - (B) timely pay all material Taxes that are due and payable prior to the Closing (other than those that are being contested in good faith and in respect of which reserves have been provided in the COGL Financial Statements);
  - (C) not make a request for a Tax ruling or enter into any agreement with any taxing authorities;
  - (D) not settle or compromise any claim, action, suit, litigation, proceeding, arbitration, investigation, audit or controversy relating to a material amount of Taxes;
  - (E) not change in any material respect any of its methods of reporting income, deductions or accounting for income tax purposes from those employed in the preparation of its Returns for the taxation year ending December 31, 2020 and prior to the date hereof, except as may be required by Applicable Laws;
  - (F) properly reserve (and reflect such reserves in its books and records and financial statements) in accordance with past practice and in the ordinary course of business, for all material Taxes accruing in respect of the COGL Group which are not due or payable prior to the Closing Date;
  - (G) not, directly or indirectly, reduce the amount or amend the characterization of any of its individual categories of Tax Pools or any other tax attributes, except as may be required by Applicable Laws; and
  - (H) not make any Tax filings outside the ordinary course of business, including making, amending or rescinding any Return, election or designation, without the consent of Spartan, such consent not to be unreasonably withheld.
- (ii) COGL Group shall consult with Spartan in respect of all actions contemplated in subsections (i)(A), (i)(B) and (i)(F) above and shall not complete any such action without the prior written consent of Spartan, subject to the CCAA Orders and the Monitor's approval. COGL Group shall cooperate with Spartan, with regard to the implementation and reorganization determined by Spartan to be necessary or desirable in connection with the completion of the transactions contemplated by this Agreement, including, without limitation, the filing or re-filing of any Returns.
- (l) **Syndicate Partners, COGL and T5 shall enter into such agreements as may be necessary or desirable to effect the transfer on the Closing Date of any T5 Assets held for and on behalf of T5 by Syndicate Partners or COGL, as applicable, to a newly formed general partner that shall be a wholly-owned subsidiary of Spartan.**

### 3.3 Mutual Covenants

From the date hereof until the earlier of the completion of the transactions contemplated by this Agreement and the termination of this Agreement in accordance with Article 8, each Party shall:

- (a) use its reasonable commercial efforts to complete the transactions contemplated by this Agreement, on July 23, 2021 or as soon thereafter as reasonably practicable and, in any event, by no later than the Outside Date;
- (b) use its reasonable commercial efforts to satisfy (or cause the satisfaction of) the conditions precedent to its obligations hereunder and to take, or cause to be taken, all other action and to do, or cause to be done, all other things necessary, proper or advisable under Applicable Laws to complete the transactions contemplated by this Agreement, including using its reasonable commercial efforts to:
  - (i) obtain all necessary consents, assignments, waivers and amendments to or terminations of any instruments and take such measures as may be appropriate to fulfill its obligations hereunder and to carry out the transactions contemplated by this Agreement; and
  - (ii) upon reasonable consultation with the other Parties, oppose, lift or rescind any injunction, restraining or other order, decree or ruling seeking to restrain, enjoin or otherwise prohibit or adversely affect the consummation of the transactions contemplated by this Agreement; and
- (c) use its reasonable commercial efforts to cooperate and coordinate with the other in connection with the performance by the other of their obligations under this Section 3.3 including, without limitation: (i) to maintain ongoing communications as between representatives of the Parties, subject in all cases to the Confidentiality Agreement; (ii) to provide each Party with advance draft copies and reasonable opportunity to comment on all draft notices, filings, submissions and information to be supplied to or filed with any Governmental Authority, considering in good faith any comments provided by the other Parties, and to provide final copies of such notices, filings, submissions and information supplied to or filed with any Governmental Authority (including notices, filings, submissions and information which a Party, acting reasonably, considers highly confidential and sensitive which may be provided on a confidential and privileged external legal counsel only basis to external legal counsel of the other Party); (iii) to promptly inform each Party of any communication with any Governmental Authority; (iv) to provide to each Party all notices and correspondence received from any Governmental Authority; and (v) where not prohibited by the Governmental Authority, provide each Party with the opportunity to participate in all communications (whether in writing, by telephone, videoconference or otherwise) with any Governmental Authority in connection with the transactions contemplated by this Agreement.

### 3.4 Covenants of COGL Group Regarding Non-Solicitation

- (a) Subject to the CCAA Orders and the discretion of the Court, COGL Group shall immediately cease and cause to be terminated all existing solicitations, discussions and negotiations (including, without limitation, through any of its Representatives), if any, with any third parties other than Spartan, initiated on or before the date of this Agreement with respect to any actual or potential Acquisition Proposal. COGL Group shall immediately discontinue, and shall cause its Representatives to discontinue,

access to any of their confidential information and not allow or establish access to any of their confidential information, or any data room, virtual or otherwise and shall promptly request the return or destruction of all confidential information regarding the COGL Group provided to any third party in connection with a potential or actual Acquisition Proposal to the extent that such information has not previously been returned or destroyed, and shall use all commercially reasonable efforts to ensure that such requests are honored in accordance with the terms of any confidentiality agreement governing such information. COGL Group agrees that it shall not terminate, waive, release, amend, modify or otherwise forbear from the enforcement of, and agrees to take all necessary actions to actively prosecute and enforce, any agreement containing standstill provisions and any provision of any existing confidentiality agreement or any standstill agreement to which it is a party.

- (b) Subject to the CCAA Orders and the discretion of the Court, COGL Group shall not, directly or indirectly, do or authorize or permit any of its Representatives to do any of the following:
  - (i) solicit, initiate, encourage or facilitate any inquiries, proposals or offers, whether publicly or otherwise, regarding an actual or potential Acquisition Proposal;
  - (ii) withdraw, amend, modify or qualify, or propose to withdraw, amend, modify or qualify, in any manner adverse to Spartan, the approval of the transactions contemplated by this Agreement by the Syndicate Partners Board;
  - (iii) encourage or participate in any negotiations or discussions with any other person regarding an actual or potential Acquisition Proposal, or furnish information or provide access to any other person any information with respect to the COGL Group 's securities, business, properties, operations or condition (financial or otherwise) in connection with, or in furtherance of, an actual or potential Acquisition Proposal; or
  - (iv) accept, recommend, approve, agree to endorse or propose to accept, recommend, approve, agree to endorse or enter into an agreement to implement any Acquisition Proposal or otherwise take any action that could reasonably be expected to lead to an Acquisition Proposal,
- (c) Subject to the CCAA Orders and the discretion of the Court, neither COGL Group nor the applicable board of directors thereof shall withdraw, or qualify, amend or modify in a manner adverse to Spartan, the approval or recommendation of the transactions contemplated by this Agreement by the Syndicate Partners Board.
- (d) Subject to the CCAA Orders and the discretion of the Court, COGL Group shall ensure that its Representatives and the Monitor are aware of the provisions of this Section 3.3(c), and any violation of or the taking of any action which is inconsistent with any of the restrictions set forth in this Section 3.3(c) by any Representative shall be deemed to constitute a breach of this Section 3.3(c) by its Representatives.

### **3.5 Access to Information**

- (a) From and after the date hereof until the earlier of the Closing or the termination of this Agreement, COGL Group shall, subject to compliance with Applicable Laws and the terms of any contracts, upon reasonable prior notice, provide Spartan and its

Representatives access, during normal business hours, to COGL Group's premises, books, contracts, records, computer systems, properties, employees and management personnel and shall use its reasonable commercial efforts to furnish to Spartan such information concerning its business, properties and personnel as Spartan may reasonably request in order to permit Spartan to be in a position to expeditiously and efficiently integrate the COGL Group's business and operations immediately upon, but not prior to, the Closing Date. COGL Group agrees to use reasonable commercial efforts to keep Spartan fully apprised in a timely manner of every circumstance, action, occurrence or event occurring or arising after the date hereof that would be relevant and material to a prudent operator of the business and operations of the COGL Group including, but not limited to, promptly providing Spartan with any and all monthly activity reports.

- (b) COGL Group agrees to:
  - (i) give the legal and professional representatives and agents of Spartan reasonable access during normal business hours to the COGL Group's books, records and documents as Spartan may reasonably request, provided that COGL Group is satisfied, acting reasonably, that the confidentiality of the subject matter of the disclosure can be maintained in accordance herewith; and
  - (ii) endeavour to not knowingly withhold any information which would make anything contained in the information delivered erroneous or misleading.
- (c) The Parties acknowledge and agree that all information provided by COGL Group to Spartan or by Spartan to COGL Group pursuant to this Section 3.5 shall remain subject to the provisions of the Confidentiality Agreement.
- (d) Nothing in the foregoing shall require COGL Group to disclose information which they are prohibited from disclosing pursuant to a written confidentiality agreement or confidentiality provision of an agreement with a third party or information which, in the opinion of COGL Group, acting reasonably, is competitively sensitive.

#### **ARTICLE 4 REPRESENTATIONS AND WARRANTIES**

##### **4.1 Representations and Warranties of Spartan**

Spartan hereby makes the representations and warranties set forth in this Section 4.1 to and in favour of COGL Group and acknowledges that COGL Group is relying upon such representations and warranties in connection with the matters contemplated by this Agreement.

- (a) Spartan is a corporation duly organized and validly subsisting under the Applicable Laws of its jurisdiction of incorporation and Spartan has the requisite power and authority to carry on its business as it is now being conducted and to own, lease and operate its properties and assets.
- (b) Spartan is duly registered to do business and is in good standing in each jurisdiction in which the character of its properties, owned, leased, operated, licensed or otherwise held, or the nature of its activities make such registration necessary under Applicable Laws, except where the failure to be so registered or in good standing would not, individually or in the aggregate, have a Material Adverse Effect on Spartan.

- (c) Spartan has the requisite corporate power and authority to enter into this Agreement and to carry out its obligations hereunder. The execution and delivery of this Agreement and the consummation by Spartan of the transactions contemplated by this Agreement have been duly authorized by the Spartan Board and, no corporate proceedings on the part of Spartan are or shall be necessary to consummate the transactions contemplated by this Agreement. This Agreement has been duly executed and delivered by Spartan and constitutes a legal, valid and binding obligation of Spartan enforceable against Spartan in accordance with its terms, subject to bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and other Applicable Laws relating to or affecting creditors' rights generally and to general principles of equity.
- (d) Subject to the receipt of Required Approvals and compliance with all applicable corporate and securities laws, neither the execution and delivery of this Agreement by Spartan, the consummation by Spartan of the transactions contemplated by this Agreement nor compliance by Spartan with any of the provisions hereof will:
  - (i) violate, conflict with, or result in breach of any provision of, require any consent, approval or notice under, or constitute a default (or an event which, with notice or lapse of time or both, would constitute a default) or result in a right of termination or acceleration under, result in a payment under, or result in the creation of any Lien, claim, trust, royalty or carried, participation, net profits or other third party interest, option, right of first refusal, right or privilege and any agreement or arrangement (whether by law, contract or otherwise) capable of becoming any of the foregoing, upon any of the properties or assets of Spartan under, any of the terms, conditions or provisions of (A) the articles, bylaws or other constating documents of Spartan, or (B) any note, bond, mortgage, indenture, loan agreement, deed of trust, agreement, lien, contract or other instrument or obligation to which Spartan is a party or to which it, or its properties or assets, may be subject or by which Spartan is bound; or
  - (ii) violate any judgment, ruling, order, writ, injunction, determination, award, decree, statute, ordinance, rule or regulation in Canada applicable to Spartan (except, in the case of each of clauses (i) and (ii), for such violations, conflicts, breaches, defaults or terminations which, or any consents, approvals or notices which if not given or received, would not have any Material Adverse Effect on Spartan); or
  - (iii) cause a suspension or revocation of any authorization, consent, approval or license currently in effect which would have a Material Adverse Effect on Spartan.
- (e) Other than in connection with or in compliance with the provisions of Applicable Laws in relation to the completion of the transactions contemplated by this Agreement including receipt of Required Approvals or which are required to be fulfilled post-Closing:
  - (i) there is no legal impediment to Spartan's consummation of the transactions contemplated by this Agreement; and
  - (ii) no filing or registration with, or authorization, consent or approval of, any Governmental Authority is necessary by Spartan in connection with the consummation of the transactions contemplated by this Agreement, except for



such filings or registrations which, if not made, or for such authorizations, consents or approvals, which, if not received, would not materially impede the ability of Spartan to consummate the transactions contemplated by this Agreement.

- (f) Spartan has the required funds to make full payment of the Purchase Price.

#### **4.2 Representations and Warranties of COGL Group**

COGL Group hereby makes the representations and warranties set forth in this Section 4.2 to and in favour of Spartan and acknowledges that Spartan is relying upon such representations and warranties in connection with the matters contemplated by this Agreement.

- (a) All members of the COGL Group are duly organized and validly subsisting under the Applicable Laws of its jurisdiction of creation and each member of the COGL Group has the requisite power and authority to carry on its business as it is now being conducted and to own, lease and operate its properties and assets.
- (b) Each member of the COGL Group is duly registered to do business and is in good standing in each jurisdiction in which the character of its properties, owned, leased, operated, licensed or otherwise held, or the nature of its activities make such registration necessary under Applicable Laws, except where the failure to be so registered or in good standing would not, individually or in the aggregate, have a Material Adverse Effect on the COGL Group.
- (c) COGL Group has no direct or indirect subsidiaries, other than the other members of the COGL Group.
- (d) COGL Group has no interest in any partnership, corporation or other business or organization, other than the other members of the COGL Group.
- (e) COGL Group has the requisite corporate power and authority to enter into this Agreement and to carry out its obligations hereunder. The execution and delivery of this Agreement and the consummation by COGL Group of the transactions contemplated by this Agreement have been duly authorized by the Syndicate Partners Board and no other corporate proceedings on the part of COGL Group are or shall be necessary to consummate the transactions contemplated by this Agreement. This Agreement has been duly executed and delivered by COGL Group and constitutes a legal, valid and binding obligation of COGL Group enforceable against COGL Group in accordance with its terms, subject to bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and other Applicable Laws relating to or affecting creditors' rights generally and to general principles of equity.
- (f) The execution, delivery and performance of this Agreement does not and will not result in the restriction of any member of the COGL Group from engaging in its business or from competing with any Person or in any geographical area.
- (g) Other than in connection with or in compliance with the provisions of Applicable Laws in relation to the completion of the transactions contemplated by this Agreement, including receipt of Required Approvals, or which are required to be fulfilled post-Closing:

- (i) there is no legal impediment to GOGL Group's consummation of the transactions contemplated by this Agreement, except for the CCAA Proceedings; and
  - (ii) no filing or registration with, or authorization, consent or approval of, any Governmental Authority is necessary by COGL Group in connection with the consummation of the transactions contemplated by this Agreement, except for such filings or registrations which, if not made, or for such authorizations, consents or approvals, which, if not received, would not materially impede the ability of COGL Group to consummate the transactions contemplated by this Agreement.
- (h) Other than as disclosed in the COGL Disclosure Letter, subject to receipt of Required Approvals, neither the execution and delivery of this Agreement by COGL Group, the consummation by COGL Group of the transactions contemplated by this Agreement nor compliance by COGL Group with any of the provisions hereof, will require any material consents or trigger any material fees or material termination rights, other than the Post-Filing Restructuring Claims and potential claims related to the Excluded Contracts.
- (i) T5 is authorized to issue an unlimited number of Class A Units, Class B Units and Class C Units. As at the date hereof, 10,000 T5 Units, comprised of 9,999 Class A Units and 1 Class B Unit, are issued and outstanding. There are no other outstanding securities of T5 or options, warrants, rights of conversion or exchange privileges or other securities entitling anyone to acquire any securities of T5 or any other rights, agreements or commitments of any character whatsoever requiring the issuance, sale or transfer by T5 of any securities. All outstanding T5 Units have been duly authorized and are validly issued as fully paid and non-assessable limited partnership units and, other than pursuant to the COGL Credit Facility, are not subject to, nor have they been issued in violation of, any pre-emptive rights.
- (j) There are no outstanding stock appreciation rights, phantom equity, profit sharing plan or similar rights, agreements, arrangements or commitments payable to any employee of the COGL Group and which are based upon the revenue, value, income or other attribute of such member of the COGL Group.
- (k) There are no outstanding rights of first refusal or other pre-emptive rights of purchase which entitle any person to acquire any of the material rights, title, interests, property, licenses or assets of the COGL Group that will be triggered or accelerated by the completion of the transactions contemplated by this Agreement.
- (l) As at the date hereof, the outstanding amounts owing by T5 under the COGL Credit Facility are set forth in the COGL Disclosure Letter.
- (m) No member of the COGL Group is a party to any shareholder rights plan or any other form of plan, agreement, contract or instrument that shall trigger any rights to acquire T5 Units or other securities of the COGL Group or rights, entitlements or privileges in favour of any person upon the entering into of this Agreement or completing the transactions contemplated by this Agreement.
- (n) To the knowledge of the COGL Group, none of the T5 Units or any other securities of the COGL Group are the subject of any escrow, voting trust or other similar agreement.

- (o) The COGL Financial Statements fairly present, in accordance with IFRS, consistently applied, the consolidated financial position and condition of the COGL Group at the dates thereof and the results of the operations of the COGL Group for the periods then ended and reflect, in accordance with IFRS, consistently applied, all material assets, liabilities or obligations (absolute, accrued, contingent or otherwise) of the COGL Group, as at the dates thereof.
- (p) COGL Group has not received notice of (nor is it aware of) any material violation of or investigation relating to any Applicable Law with respect to the T5 Assets or the business and operations of the COGL Group, and the COGL Group holds all Permits, licenses and other authorizations which are required under Applicable Law relating to the T5 Assets and business or operations of the COGL Group except as would not have a Material Adverse Effect on the COGL Group. The T5 Assets have at all times been (and currently are) operated and maintained by it in compliance with all terms and conditions of Applicable Laws, Permits, licenses and authorizations in all material respects.
- (q) T5 has no reason to believe that the COGL Reserves Report was not accurate in all material respects as at the date of such report and, except for any impact of changes in commodity prices and production since the date of the COGL Reserves Report, T5 has no knowledge of a Material Adverse Change in the production, costs, price, reserves or estimates of future net production revenues from that disclosed in the COGL Reserves Report. T5 has provided to Sproule Associates Limited all material information concerning land descriptions, well data, facilities and infrastructure, ownership and operations, future development plans and historical technical and operating data respecting the principal oil and natural gas assets of the COGL Group, as at the effective date of such report, and, in particular, all material information respecting the interests of the COGL Group in its principal oil and natural gas assets and royalty burdens and net profits interest burdens thereon and such information was accurate and correct in all material respects as at the respective dates thereof and did not omit any information necessary to make any such information provided not misleading as at the respective dates thereof and there has been no Material Adverse Change in any of the material information so provided since the date thereof.
- (r) Other than as disclosed in the COGL Disclosure Letter, except to the extent that any matter referenced to in this subparagraph does not, and would not, reasonably be expected to have a Material Adverse Effect on the COGL Group, all rentals, royalties, overriding royalty interests, production payments, net profits, interest burdens, payments and obligations due and payable, or performable, as the case may be, on or prior to the date hereof under, with respect to, or on account of, any direct or indirect assets of the COGL Group, in all material respects: (i) duly paid; (ii) duly performed; or (iii) provided for prior to the date hereof and all costs, expenses and liabilities payable on or prior to the date hereof under the terms of any contracts and agreements to which the COGL Group is directly or indirectly bound have been properly and timely paid, except for such expenses that are being currently paid prior to delinquency in the ordinary course of business, except for the Pre-Filing Liabilities and the Post-Filing Restructuring Claims.
- (s) Except to the extent that any violation or other matter referred to in this subparagraph does not have a Material Adverse Effect on the COGL Group :
  - (i) the COGL Group is not in violation of any Environmental Laws;

- (ii) the COGL Group has operated its business at all times and has received, handled, used, stored, treated, shipped and disposed of all Hazardous Substances without violation of Environmental Laws;
  - (iii) there have been no spills, releases, deposits or discharges of Hazardous Substances into the Environment by the COGL Group that have not been remedied;
  - (iv) no orders, directives, demands or notices have been issued and remain outstanding pursuant to any Environmental Laws relating to the COGL Group's business or the T5 Assets and COGL Group is not aware of any fact or circumstance which, if known to any Governmental Authority, could reasonably be expected to lead to such orders, directives, demands or notices;
  - (v) the COGL Group has not failed to report to the proper Governmental Authorities, the occurrence of any event which is required to be so reported by any Environmental Law;
  - (vi) the COGL Group holds all Permits required under any Environmental Laws in connection with the operation of their business and the ownership and use of the T5 Assets, all such Permits are in full force and effect, and except for notifications and conditions of general application to assets of reclamation obligations under any jurisdiction in which it conducts its business, the COGL Group has not received any notification pursuant to any Environmental Laws that any work, repairs, constructions or capital expenditures are required to be made by it as a condition of continued compliance with any Environmental Laws, or any license, Permit or approval issued pursuant thereto, or that any license, Permit or approval referred to above is about to be reviewed, made subject to limitation or conditions, revoked, withdrawn or terminated; and
  - (vii) full and accurate particulars of or, in the case of a document, a copy of all environmental or health and safety assessments, audits, reviews or investigations, whether in draft or final form, which concern in whole or in part (directly or indirectly) the current or previous operations of the COGL Group and which are in the possession or control of the COGL Group as of the date hereof have been made available to Spartan.
- (t) Any and all operations of the COGL Group (and to its knowledge, all operations of third parties) on or in respect of the T5 Assets have been conducted in compliance with good oilfield practices in all material respects.
- (u) Although it does not warrant title to the T5 Assets, COGL Group does not have reason to believe that any member of the COGL Group does not have title to or the irrevocable right to produce and sell its petroleum, natural gas and related hydrocarbons that comprise a part of the T5 Assets, and does represent and warrant that except for the Permitted Liens and, except as would not have a Material Adverse Effect on the COGL Group :
- (i) except as set forth in the COGL Disclosure Letter, the T5 Assets are free and clear of Liens, security interests or mortgages, adverse claims, or any royalties, production payments, working interest reductions or other similar encumbrances, except for the Permitted Liens;

- (ii) except as set forth in the COGL Disclosure Letter, it has not assigned, mortgaged or in any way alienated or encumbered any of its interests in the T5 Assets;
  - (iii) it holds the T5 Assets under valid and subsisting leases, Permits, concessions, concession agreements, contracts, subleases, reservations or other agreements;
  - (iv) to the knowledge of COGL Group, there are no defects, failures or impairments in the title of the T5 Assets;
  - (v) except as set forth in the COGL Disclosure Letter, it has not received notice from (and is not otherwise aware of) any third party claiming an interest in and to any of the T5 Assets adverse to the interest of the COGL Group;
  - (vi) none of the T5 Assets are subject to reduction by reference to payout of or production penalty on any well or otherwise or to change to an interest of any other size or nature by virtue of or through any right or interest granted by, through or under the COGL Group;
  - (vii) subject to the rents, covenants, conditions and stipulations in the applicable title and operating documents, T5 is entitled to continue to hold and enjoy its oil and gas assets for the residue of the terms of the applicable leases and licenses and all renewals or extensions thereof for its own use and benefit, without any lawful interruption by any person claiming or to claim by, through or under the COGL Group; and
  - (viii) except as set forth in the COGL Disclosure Letter, there are no transportation, processing or marketing agreements to which a member of the COGL Group is a party, except for agreements terminable by such member without bonus, penalty or other costs on not more than 30 days' notice.
- (v) COGL has a liability management ratio that is not less than 33 as at April 3, 2021.
- (w) T5's average production (field estimated average production) for the month ended March 31, 2021 was not less than 2,333 boe/d, consisting of 11.547 mmcf/d of natural gas and 408 bbl/d of crude oil and liquids production.
- (x) T5's net developed and undeveloped land position, as at the date hereof, is not less than the amount disclosed in the COGL Disclosure Letter.
- (y) The COGL Disclosure Letter sets out a materially complete and accurate description of the T5 Assets (including the wells, facilities and lands of the COGL Group ), as at the date hereof.
- (z) Except as set forth in the COGL Disclosure Letter, there are no Contracts to which any member of the COGL Group is a party or by which any member of the COGL Group is bound.
- (aa) To COGL Group's knowledge and except as set forth in the COGL Disclosure Letter, no royalty or joint venture audits have been demanded or are underway pursuant to any of the applicable title and operating documents in respect of any of the T5 Assets.

- (bb) Except as set forth in the COGL Disclosure Letter, no member of the COGL Group has not received any written notices pertaining to any of the T5 Assets in respect of, and none of the T5 Assets are subject to, any offset obligations (including obligations to drill wells, surrender rights or pay compensatory royalty) which have not been satisfied.
- (cc) There is no order, agreement, commitment or understanding, written or oral, binding upon the COGL Group or upon any director, officer or employee of the COGL Group, that would now (as a result of entering into this Agreement, completing the transactions contemplated by this Agreement or otherwise) or hereafter, in any way, limit the business or operations of the COGL Group in any material respect, including any order, agreement, commitment or understanding that includes a non-competition restriction, area of mutual interest, right of first refusal, right of first offer, exclusivity or other similar provision that has or would reasonably be expected to have the effect of prohibiting, restricting or impairing the transactions contemplated by this Agreement or any business practices of the COGL Group in any material respect.
- (dd) No member of the COGL Group has received notice of (nor is it aware of) any default in respect of any of the T5 Assets or under any title or operating documents or any other agreement or instrument pertaining to its oil and natural gas assets to which it is a party or by which it or any such assets are bound or subject, except to the extent such defaults would not in the aggregate have a Material Adverse Effect on the COGL Group.
- (ee) Except for the Permitted Liens, none of the T5 Assets are subject to reduction by reference to payout of or production penalty on any well or otherwise or to change to an interest of any other size or nature by virtue of or through any right or interest granted by, through or under the COGL Group.
- (ff) None of the wells in which the COGL Group holds an interest is being produced in excess of applicable production allowables imposed by any Applicable Law or any Governmental Authority and COGL Group does not have any knowledge of any impending change in production allowables imposed by any Applicable Law or any Governmental Authority that may be applicable to any of the wells in which any of them holds an interest, other than changes of general application in the jurisdiction in which such wells are situate.
- (gg) No member of the COGL Group has received notice of any production penalty or similar production restriction of any nature imposed by any Governmental Authority and none of the wells in which it holds an interest are subject to any such penalty or restriction.
- (hh) To the best of the knowledge, information and belief of T5, all wells located on any lands in which T5 has an interest, or lands with which such lands have been pooled or unitized, which have been abandoned have been abandoned in all material respects in accordance with all Applicable Laws regarding the abandonment of wells.
- (ii) The tangible depreciable property used or intended for use in connection with (and comprising part of) the T5 Assets:
  - (i) for which a member of the COGL Group was or is operator, was or has been constructed, operated and maintained in accordance with good and prudent oil and natural gas industry practices in Canada and all Applicable Law during all periods in which such member was operator thereof;

- (ii) for which a member of the COGL Group was not or is not operator, to the knowledge of COGL Group, was or has been constructed, operated and maintained in accordance with good and prudent oil and natural gas industry practices in Canada and all Applicable Laws during all periods in which such member had an interest therein;
  - (iii) is not subject to any sale-leaseback arrangements; and
  - (iv) is not leased or rented (other than as disclosed in the COGL Disclosure Letter).
- (jj) Other than as disclosed in the COGL Disclosure Letter: (i) no member of the COGL Group has, at the date of this Agreement, received any advance payments for petroleum or services not already delivered or provided prior to receipt of payment; and (ii) no member of the COGL Group is obligated by virtue of a prepayment, gas balancing, take or pay, or other arrangement under any contract to make any production payment, refund of production payment or delivery of petroleum substances produced from the T5 Assets to any person at some future time without receiving in due course (and being entitled to retain) full payment therefor at current market prices or contract prices.
- (kk) Except as set forth in the COGL Disclosure Letter, there are no outstanding T5 AFEs or any other commitments, approvals or authorizations pursuant to which an expenditure may be required to be made in respect of such T5 Assets.
- (ll) Except as set forth in the COGL Disclosure Letter, COGL Group has not retained any financial advisor, broker, agent or finder, or paid or agreed to pay or have Spartan pay any financial advisor, broker, agent or finder on account of this Agreement, any transaction contemplated hereby or thereby or any transaction presently ongoing or contemplated. COGL Group has delivered to Spartan true and current copies of all agreements between COGL Group and any financial advisor, broker, agent or finder which could give rise to the payment of any fees to such persons and such agreements accurately reflect the fees payable to such persons.
- (mm) The corporate records and minute books, books of account and other records of the COGL Group (whether of a financial or accounting nature or otherwise) have been maintained in accordance with, in all material respects, all applicable statutory requirements and prudent business practice and will be complete and accurate in all material respects as at the Closing Date.
- (nn) No member of the COGL Group has entered into any agreements or understandings in respect of COGL Change of Control Payments.
- (oo) COGL Group has no COGL Employee Plans.
- (pp) A complete and accurate list of the directors, officers, employees and independent contractors of the COGL Group, including any employment agreements, retention and bonus on commission arrangements is disclosed in the COGL Disclosure Letter.
- (qq) No member of the COGL Group is a party to any collective agreement nor does COGL Group reasonably anticipate being party to a collective agreement in the next three years.

- (rr) Each member of the COGL Group is and has been operated in all material respects in compliance with all Applicable Laws relating to COGL employees.
- (ss) There is no proceeding, action, suit or claim pending or, to the knowledge of COGL Group, threatened involving any COGL Group employee with respect to the COGL Group.
- (tt) Except for as contemplated by this Agreement, in connection with the COGL Credit Facility or in respect of indemnity agreements with its directors and officers as contemplated by the by-laws of each member of the COGL Group and Applicable Laws, and other than standard indemnity provisions in financial services agreements, underwriting and agency agreements, asset purchase and sale agreements and in the ordinary course provided to service providers, transfer agents and industry partners, no member of the COGL Group is a party to or bound by any agreement, guarantee, indemnification or endorsement or like commitment of the obligations, liabilities (contingent or otherwise) or indebtedness of any person.
- (uu) Tax Matters.
  - (i) To the knowledge of T5, all royalties, ad valorem, property, production, severance and similar taxes and assessments based on or measured by the ownership of property or the production of its hydrocarbon substances, or the receipt of proceeds therefrom, payable in respect of its oil and natural gas assets prior to the date hereof have been properly and fully paid and discharged, and there are no unpaid Taxes or assessments which could result in a Lien or charge on its oil and natural gas assets.
  - (ii) Each member of the COGL Group has (A) withheld from each payment made to any of its present or former employees, officers and directors, and to all persons who are non-residents of Canada for the purposes of the Tax Act, all amounts required by law and shall continue to do so until the Closing Date and has remitted and will continue to remit until the Closing Date such withheld amounts within the prescribed periods to the appropriate Governmental Authority, (B) remitted and will continue to remit until the Closing Date all Canada Pension Plan contributions, unemployment insurance premiums, employer health taxes and other taxes payable by it in respect of its employees and has or shall have remitted such amounts to the proper Governmental Authority within the time required by Applicable Law, and (C) charged, collected and remitted and will continue to charge, collect and remit until the Closing Date on a timely basis all Taxes as required by Applicable Law on any sale, supply or delivery whatsoever, made by such member.
  - (iii) (A) all Returns required to be filed by or on behalf of the COGL Group for periods ended on and prior to the date of this Agreement have been duly filed on a timely basis and such Returns are complete and correct in all material respects. All Taxes shown to be payable on such Returns or on subsequent assessments with respect thereto have been paid in full on a timely basis, and no other material Taxes are payable by such member with respect to items or periods covered by such Returns; (B) the COGL Group has paid or has withheld and remitted to the appropriate Tax authority all material Taxes, including any instalments or prepayments of Taxes, that are due and payable, or, where payment is not yet due, T5 has established adequate accruals in conformity with IFRS in the COGL Financial Statements for the period covered



by such financial statements for any material Taxes, including income taxes and related future taxes, if applicable, that have not been paid. T5 has, in all material respects, made adequate provision or disclosure in its books and records for any Taxes accruing in respect of any period subsequent to the period covered by such financial statements, whether or not shown as being due on any Return; (C) no material deficiencies have been asserted in writing by any Governmental Authority with respect to Taxes of the COGL Group that have not yet been settled; (D) no member of the COGL Group is a party to any tax sharing, tax indemnity or tax allocation agreement or arrangement and does not have any material liabilities or obligations in respect of Taxes under any such tax sharing, tax indemnity or tax allocation agreement; (E) each member of the COGL Group is resident in Canada for the purposes of the Tax Act; (F) no member of the COGL Group is a party to any action or proceeding for assessment or collection of a material amount of Taxes, nor, to the knowledge of T5, has such an event been asserted in writing by any Governmental Authority or threatened in writing against the COGL Group or any of its assets; (G) no waiver or extension of any statute of limitations is in effect with respect to material Taxes or material Returns of the COGL Group; (H) no audit, action, claim, proceeding, investigation, assessment or reassessment by any Tax authority of the COGL Group is in progress or to the knowledge of T5, pending or threatened.

- (iv) No claim has ever been made by a Tax authority that the COGL Group is or may be subject to Taxes in a jurisdiction in which the COGL Group does not file Returns.
- (v) The COGL Group has not claimed or received any subsidies, government assistance or refunds in respect of Taxes, including, for greater certainty, under section 125.7 or subsection 153 (1.02) of the Tax Act.
- (vi) There are no circumstances existing which could result in the application to any member of the COGL Group of section 17 or sections 78 to 80.04 (inclusive) of the Tax Act or any analogous provision of any Applicable Law of any province or territory of Canada.
- (vii) No member of the COGL Group has acquired property from a Person not dealing at arm's length (for purposes of the Tax Act) with it in circumstances that would result in T5 becoming liable to pay Taxes of such Person under subsection 160(1) of the Tax Act or any analogous provision of any Applicable Law of any province or territory of Canada.
- (viii) No member of the COGL Group has any outstanding obligations to incur and/or renounce any Canadian exploration expenditures or Canadian development expenditures to any purchaser of T5 Units or other equity interests of the COGL Group that have not yet been fully expended and renounced.
- (ix) The COGL Group's Tax Pools at December 31, 2020 are as set forth in the COGL Disclosure Letter, and no member of the COGL Group has taken any action, or entered into any transaction, outside of the ordinary course of business that would have the effect of materially reducing any amount set forth therein, other than in connection with transactions contemplated by this Agreement.

- (vv) No director, officer, insider or other non-arm's length party to the COGL Group (or any associate or affiliate thereof) has any right, title or interest in (or the right to acquire any right, title or interest in) any royalty interest, carried interest, participation interest or any other interest whatsoever which are based on production from or in respect of any properties of the COGL Group.
- (ww) No director, officer, insider or other non-arm's length party of the COGL Group is indebted to the COGL Group.
- (xx) Policies of insurance are in force as of the date hereof naming T5 (or the applicable member of the COGL Group ) as an insured, that adequately cover all risks as are customarily covered by oil and gas producers in the industry in which T5 (or the applicable member of the COGL Group ) operates and such policies remain in full force and effect and shall not be cancelled or otherwise terminated as a result of the transactions contemplated by this Agreement.
- (yy) Except for the T5 Financial Instruments, no member of the COGL Group is a party to or subject to any hedges, swaps or other financial instruments or like transactions and, except has been specifically disclosed in the COGL Financial Statements, no member of the COGL Group has been a party to or subject to any other hedges, swaps or other financial instruments or like transactions.
- (zz) No member of the COGL Group has waived or released the applicability of any "standstill" or other provisions of any confidentiality or other similar agreements entered into by such member that would otherwise have been in effect as of the date of this Agreement, and no such waiver or release may occur under any such agreement without such member's consent. No member of the COGL Group has negotiated or engaged in any discussions in respect of any proposal of the nature described in the definition of Acquisition Proposal with any Person that has not entered into a confidentiality agreement with such member that includes customary standstill provisions, which provisions do not provide for any waiver or release thereof other than with such member's consent.
- (aaa) No member of the COGL Group is a reporting issuer (or equivalent thereof) in any of the provinces of Canada.
- (bbb) T5 has a system of internal accounting controls sufficient to provide reasonable assurances that:
  - (i) transactions are executed in accordance with management's general or specific authorization;
  - (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with IFRS, and to maintain accountability for assets;
  - (iii) access to assets is permitted only in accordance with management's general or specific authorization; and
  - (iv) the recorded accountability for assets is compared with existing assets at reasonable intervals and appropriate action is taken with respect to any differences.

- (ccc) The operations of COGL Group are and have been conducted at all times in compliance with applicable financial recordkeeping and reporting requirements of the money laundering statutes of all applicable jurisdictions, the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any Governmental Authority to which COGL Group is subject (collectively, the "**Money Laundering Laws**") and no action, suit or proceeding by or before any Governmental Authority or arbitrator involving COGL Group with respect to Money Laundering Laws is pending, or, to the best knowledge of COGL Group, threatened.
- (ddd) Neither COGL Group nor its directors or officers nor, to the knowledge of COGL Group, any agent, employee or affiliate of COGL Group is aware of or has taken any action, directly or indirectly, that could result in a violation by such Persons of the *Corruption of Foreign Public Officials Act* (Canada), the Foreign Corrupt Practices Act of 1977 (U.S.), or any other anticorruption law to which COGL Group may be subject (collectively, the "**Anti-Corruption Laws**"), including, without limitation, making any bribe, rebate, payoff, influence payment, kickback or other unlawful payment or making use of the mails or any means or instrumentality of interstate commerce in furtherance of an offer, payment, promise to pay or authorization of the payment of any money, or other property, gift, promise to give, or authorization of the giving of anything of value or benefit to any "foreign official" or "public official" (as such terms are defined in the applicable Anti-Corruption Laws) or any foreign political party or official thereof or any candidate for foreign political office, or any third party or any other Person to the benefit of the foregoing, in contravention of the Anti-Corruption Laws, and COGL Group and its affiliates have conducted their businesses in compliance with the Anti-Corruption Laws.
- (eee) The COGL Net Debt is not greater than \$42 million as of the date hereof and the particulars of the COGL Net Debt are set forth in the COGL Disclosure Letter.
- (fff) The COGL Group has T5 AFEs and other like commitments with respect to the T5 Assets, the estimated outstanding portion of which, in an aggregate amount, does not exceed \$190,000 and all such authorizations and commitments are set forth in the COGL Disclosure Letter.
- (ggg) COGL Group has not withheld from Spartan any material information or documents concerning the COGL Group or the assets or liabilities of the COGL Group during the course of the review by Spartan of the COGL Group and its assets that COGL Group reasonably believes may be material to Spartan in connection with the matters contemplated herein.

#### 4.3 Privacy Issues

- (a) For the purposes of this Section 4.3, "**Transferred Information**" means the personal information (namely, information about an identifiable individual other than their business contact information when used or disclosed for the purpose of contacting such individual in that individual's capacity as a representative of an organization and for no other purpose) to be disclosed or conveyed to one Party or any of its Representatives or agents (for purposes of this Section 4.3, "**Recipient**") by or on behalf of the other Party (for purposes of this Section 4.3, "**Disclosing Party**") as a result of or in conjunction with the transactions contemplated herein, and includes all such personal information disclosed to the Recipient prior to the execution of this Agreement.

- (b) Each Disclosing Party covenants and agrees to, upon request, use its reasonable commercial efforts to advise the Recipient of the purposes for which the Transferred Information was initially collected from or in respect of the individual to which such Transferred Information relates and the additional purposes where the Disclosing Party has notified the individual of such additional purpose, and where required by law, obtained the consent of such individual to such use or disclosure.
- (c) In addition to its other obligations hereunder, each Recipient covenants and agrees to:
  - (i) prior to the completion of the transactions contemplated herein, collect, use and disclose the Transferred Information solely for the purpose of reviewing and completing the transactions contemplated herein, including for the purpose of determining to complete such transactions;
  - (ii) after the completion of the transactions contemplated herein,
    - (A) collect, use and disclose the Transferred Information only for those purposes for which the Transferred Information was initially collected from or in respect of the individual to which such Transferred Information relates or for the completion of the transactions contemplated herein, unless (I) the Disclosing Party or Recipient has first notified such individual of such additional purpose, and where required by law, obtained the consent of such individual to such additional purpose, or (II) such use or disclosure is permitted or authorized by Applicable Law, without notice to, or consent from, such individual; and
    - (B) where required by Applicable Law, promptly notify the individuals to whom the Transferred Information relates that the transactions contemplated herein have taken place and that the Transferred Information has been disclosed to Recipient;
  - (iii) return or destroy the Transferred Information, at the option of the Disclosing Party, and to not thereafter use or disclose any of the Transferred Information, should the transactions contemplated herein not be completed; and
  - (iv) notwithstanding any other provision herein, where the disclosure or transfer of Transferred Information to Recipient requires the consent of, or the provision of notice to, the individual to which such Transferred Information relates, to not require or accept the disclosure or transfer of such Transferred Information until the Disclosing Party has first notified such individual of such disclosure or transfer and the purpose for same, and where required by Applicable Law, obtained the individual's consent to same and to only collect, use and disclose such information to the extent necessary to complete the transactions contemplated herein and as authorized or permitted by Applicable Laws.

## ARTICLE 5 CONDITIONS PRECEDENT

### 5.1 Mutual Conditions Precedent

The respective obligations of the Parties to consummate the transactions contemplated by this Agreement are subject to the satisfaction, on or before the Closing Date or such other time specified,

of the following conditions, any of which may be waived by the mutual written consent of such Parties without prejudice to their right to rely on any other of such conditions:

- (a) the Closing Date shall have occurred on or before July 30, 2021 (the "**Outside Date**");
- (b) all Required Approvals shall have been obtained on terms and conditions satisfactory to the Parties, each acting reasonably;
- (c) in addition to the approvals contemplated in Section 5.1(a), all other third party waivers or Permits required in connection with the consummation of the transactions contemplated by this Agreement shall have been provided or obtained on terms and conditions acceptable to the Parties, acting reasonably, at or before the Closing; and
- (d) no Governmental Authority shall have enacted, issued, promulgated, applied for (or advised any of the Parties in writing that it has determined to make such application), enforced or entered any Applicable Law (whether temporary, preliminary or permanent) that makes illegal, restrains, enjoins or otherwise prohibits consummation of, or dissolves the transactions contemplated by this Agreement.

The foregoing conditions are for the mutual benefit of the Parties and may be asserted by either Party regardless of the circumstances and may be waived by either Party (with respect to such Party) in their sole discretion, in whole or in part, at any time and from time to time without prejudice to any other rights which such Party may have.

## **5.2 Additional Conditions to Obligations of Spartan**

The obligations of Spartan to consummate the transactions contemplated by this Agreement are subject to the satisfaction of the following conditions precedent:

- (a) T5 shall have delivered to Spartan a certificate representing 37,500,000 Class A Units of T5, free and clear of all Liens, registered in the name Spartan;
- (b) the Assumed Contracts shall have been assigned by T5 to Spartan and COGL Group shall have furnished Spartan with any specific assignments and/or assumption agreements, notices or consents that may be required under any of the Assumed Contracts and will seek Court approval of any assignments, if required;
- (c) all covenants of COGL Group under this Agreement to be performed on or before the Closing (without giving effect to, applying or taking into consideration any Material Adverse Effect, Material Adverse Change or other materiality qualifications already contained in such covenants) shall have been duly performed by COGL Group, in all material respects; and Spartan shall have received a certificate of COGL Group addressed to Spartan dated the Closing Date, signed on behalf of COGL Group by a senior executive officer of COGL Group (on COGL Group's behalf and without personal liability), confirming the same as at the Closing;
- (d) the representations and warranties of COGL Group set forth in this Agreement shall be true and correct (for representations and warranties qualified as to Material Adverse Effect, Material Adverse Change or other materiality qualification, true and correct in all respects, and for all other representations and warranties, true and correct in all respects, except to the extent that the failure or failures of such representations and warranties to be so true and correct, individually or in the aggregate, would not have a Material Adverse Effect on the COGL Group ) as of the date of this Agreement and as

of the Closing, as though made on and as of the Closing (except for representations and warranties made as of a specified date, the accuracy of which shall be determined as of that specified date); provided that the representations in Section 4.2(i) shall be true and correct in all but de minimis respects as of the applicable dates referred to above. Spartan shall have received a certificate of COGL Group addressed to Spartan and dated the Closing Date, signed on behalf of COGL Group by a senior executive officer of COGL Group (on COGL Group's behalf and without personal liability), confirming the above as at the Closing;

- (e) COGL Group shall have furnished Spartan with certified copies of the resolutions duly passed by the Syndicate Partners Board approving this Agreement and the consummation of the transactions contemplated by this Agreement;
- (f) COGL Group shall have furnished Spartan with an executed copy of the Monitor's Certificate;
- (g) the Meeting Order and the Sanction Order shall have become Final Orders and shall not have been stayed, modified or amended in any way;
- (h) Spartan shall be satisfied that, as of the Closing Date, no obligations in respect of the Excluded Contracts shall continue with T5 or Spartan;
- (i) Spartan shall be satisfied that, as of the Closing Date, neither it nor T5 will have any obligation to assume, discharge, perform or fulfill any liabilities, debts, obligations, commitments or claims, direct or indirect, whether present or future, absolute, accrued or contingent of any kind whatsoever in respect of the Excluded Contracts;
- (j) Spartan shall be satisfied that, as of the Closing Date, the COGL Group will not be liable for any of the Pre-Filing Liabilities and Post-Filing Restructuring Claims and that neither Spartan nor its Affiliates will be deemed to have assumed any Pre-Filing Liabilities and Post-Filing Restructuring Claims against of the COGL Group as a result of entering into, or taking actions contemplated by, this Agreement or the Transactions;
- (k) no Material Adverse Change respecting COGL Group shall have occurred after the date hereof;
- (l) no claims, actions, enquiries, applications, suits, demands, arbitrations, charges, indictments, hearings or other civil, criminal, administrative or investigative proceedings, or other investigations or examinations (whether, for greater certainty, by a Governmental Authority or any other person) shall be commenced, pending or threatened and no Applicable Law shall have been proposed, enacted, promulgated or applied, in either case:
  - (i) seeking to cease trade, restrict, enjoin, prohibit, materially delay or impose material conditions on the transactions contemplated herein or any of the material terms and conditions of any transaction contemplated by this Agreement or seeking to obtain from COGL Group any material damages directly or indirectly in connection with the transactions contemplated by this Agreement;
  - (ii) seeking to cease trade, restrict, enjoin, prohibit, materially delay or impose material conditions on the rights of Spartan to own, hold or exercise full rights of ownership over the T5 Units upon the completion of the transactions

contemplated by this Agreement or conduct the business conducted by COGL Group;

- (iii) seeking to prohibit or restrict the completion of the transactions contemplated by this Agreement in accordance with the terms hereof or otherwise relating to the transactions contemplated by this Agreement;
- (iv) seeking to prohibit or limit the ownership or operation by T5, Spartan or any of their respective affiliates of any material portion of the business or T5 Assets or to compel Spartan or any of its affiliates to dispose or divest of or hold separate any material portion of the business or T5 Assets; or
- (v) seeking to prohibit Spartan or any of its affiliates from effectively controlling in any material respect the business or operations of T5,

that would, if successful, in the judgment of Spartan, be reasonably likely to have a Material Adverse Effect on the COGL Group;

- (m) Spartan shall be satisfied, acting reasonably, that there are no outstanding claims or rights or securities which could become claims or rights to T5 Units, and COGL Group shall have provided to Spartan a certificate of a senior officer certifying (without personal liability) such facts on the Closing Date;
- (n) Spartan shall be satisfied, acting reasonably, that there are no outstanding claims or rights or securities which could become claims or rights to T5 Units, and COGL Group shall have provided to Spartan a certificate of a senior officer certifying (without personal liability) such facts on the Closing Date;
- (o) Spartan shall have received a certificate of COGL Group providing particulars of the COGL Net Debt as at the date hereof and as of the Closing Date and such other evidence as may be requested by Spartan, acting reasonably, addressed to Spartan and dated the Closing Date, signed on behalf of COGL Group by a senior executive officer of COGL Group (on COGL Group's behalf and without personal liability), confirming the above as at such dates; and
- (p) COGL Group shall have delivered to Spartan an executed payout letter from Crown setting forth the aggregate amount outstanding under the COGL Credit Facility as at the Closing Date, which is required to repay in full all obligations, liabilities and indebtedness of T5 under the COGL Credit Facility and which payout letter shall contain a release and discharge of all liens and security interests granted by COGL Group in connection with the COGL Credit Facility and a termination of the COGL Credit Facility, including, without limitation, the termination of any gross overriding royalty granted to Crown, and all documents related thereto, which releases, discharges and termination shall be conditional solely upon receipt by Crown of the amounts referenced in the payout letter by Spartan.

The conditions in this Section 5.2 are for the exclusive benefit of Spartan and may be asserted by Spartan regardless of the circumstances or may be waived by Spartan its sole discretion, in whole or in part, at any time and from time to time without prejudice to any other rights which Spartan may have.

### **5.3 Additional Conditions to Obligations of COGL Group**

The obligations of T5 hereunder are subject to the satisfaction of the following conditions precedent:

- (a) at the Closing, Spartan shall have paid the Purchase Price in accordance with Article 2;
- (b) the Assumed Contracts shall have been assumed by Spartan;
- (c) all covenants of Spartan under this Agreement to be performed on or before the Closing (without giving effect to, applying or taking into consideration any Material Adverse Effect, Material Adverse Change or other materiality qualifications already contained in such covenants) shall have been duly performed by Spartan in all material respects; and COGL Group shall have received a certificate of Spartan addressed to COGL Group dated the Closing Date, signed on behalf of Spartan by two senior executive officers of Spartan (on Spartan's behalf and without personal liability), confirming the same as at the Closing;
- (d) the representations and warranties of Spartan set forth in this Agreement shall be true and correct (for representations and warranties qualified as to Material Adverse Effect, Material Adverse Change or other materiality qualification, true and correct in all respects, and for all other representations and warranties, true and correct in all respects, except to the extent that the failure or failures of such representations and warranties to be so true and correct, individually or in the aggregate, would not have a Material Adverse Effect on Spartan) as of the date of this Agreement and as of the Closing, as though made on and as of the Closing (except for representations and warranties made as of a specified date, the accuracy of which shall be determined as of that specified date). COGL Group shall have received a certificate of Spartan addressed to COGL Group and dated the Closing Date, signed on behalf of Spartan by two senior executive officers of Spartan (on Spartan's behalf and without personal liability), confirming the above as at the Closing; and
- (e) Spartan shall have furnished COGL Group with certified copies of the resolutions duly passed by the Spartan Board approving this Agreement and the consummation of the transactions contemplated by this Agreement.

The conditions in this Section 5.3 are for the exclusive benefit of COGL Group and may be asserted by COGL Group regardless of the circumstances or may be waived by COGL Group its sole discretion, in whole or in part, at any time and from time to time without prejudice to any other rights which COGL Group may have.

#### **5.4 Notice and Effect of Failure to Comply with Conditions**

- (a) Each Party shall give prompt notice to the other of the occurrence, or failure to occur, at any time from the date hereof until the earlier to occur of the termination of this Agreement and the Closing, of any event or state of facts which occurrence or failure would, or would be likely to:
  - (i) cause any of the representations or warranties of such Party contained herein to be untrue or inaccurate in any material respect on the date hereof or at the Closing; or
  - (ii) result in the failure to comply with or satisfy any covenant, condition or agreement to be complied with or satisfied by either Party hereunder prior to the Closing.
- (b) Spartan may not exercise its right to terminate this Agreement pursuant to Section 8.1(a)(iii)(A), and COGL Group may not exercise its right to terminate this



Agreement pursuant to Section 8.1(a)(iv), unless the Party seeking to terminate the Agreement (the "**Terminating Party**") has delivered a written notice (the "**Termination Notice**") to the other Party (the "**Breaching Party**") specifying in reasonable detail all breaches of covenants, representations and warranties or other matters which the Terminating Party asserts as the basis for the termination right. If any such notice is delivered, provided that the Breaching Party is proceeding diligently to cure such matter and such matter is capable of being cured prior to the Outside Date (it being agreed that matters arising out of breach of this Agreement that is a consequence of either of the following are not capable of being cured: (i) a fraudulent act; or (ii) an act undertaken by the breaching Party with the actual knowledge that the taking of such act would, or would be reasonably expected to, cause a breach of this Agreement), the Party seeking to terminate may not exercise such termination right until the earlier of (iii) the Outside Date, and (iv) the date that is 10 Business Days following receipt of such Termination Notice by the Breaching Party, if such matter has not been cured by such date.

## **ARTICLE 6 AGREEMENT AS TO REMEDIES**

### **6.1 Injunctive Relief and Remedies**

Each Party agrees that irreparable harm would occur for which money damages would not be an adequate remedy at law in the event that any of the provisions of this Agreement were not performed by the other Party in accordance with their specific terms or were otherwise breached. It is accordingly agreed that each Party shall be entitled to seek injunctive relief to restrain any breach or threatened breach by the other Party of the covenants or agreements set forth in this Agreement or otherwise to obtain specific performance of any of such act, covenants or agreements, without the necessity of posting bond or security in connection therewith, this, subject to Section 8.1(c)(ii), being in addition to any other remedy to which such Party may be entitled at law or in equity. For greater certainty, there will be no remedy for any of the Parties to this Agreement if the Court does not sanction the Plan associated with this Agreement provided that the Parties have taken commercially reasonable efforts to perform their respective covenants as set out in this Agreement.

## **ARTICLE 7 AMENDMENT**

### **7.1 Amendment**

This Agreement may be amended by mutual agreement between the Parties. This Agreement may not be amended except by an instrument in writing signed by the appropriate officers on behalf of each of the Parties. The Parties agree that, provided that the aggregate consideration paid by Spartan does not change, Spartan may, in its sole and absolute discretion, alter the transaction structure contemplated by this Agreement to address any economic, commercial, tax, accounting or securities law objectives of Spartan, and COGL Group shall cooperate with Spartan to amend this Agreement to reflect any such changes.

### **7.2 Waiver**

COGL Group, on the one hand, and Spartan, on the other hand, may:

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

- (b) waive compliance with any of the other's agreements or the fulfillment of any conditions to its own obligations contained herein; or
- (c) waive inaccuracies in any of the other's representations or warranties contained herein or in any document delivered by the other;

provided, however, that any such extension or waiver shall be valid only if set forth in an instrument in writing signed on behalf of such Parties and, unless otherwise provided in the written waiver, will be limited to the specific breach, covenant or condition waived.

## ARTICLE 8 TERMINATION

### 8.1 Termination

- (a) This Agreement may be terminated at any time prior to the Closing:
  - (i) by mutual written agreement of the Parties;
  - (ii) by either Party:
    - (A) if the Closing has not occurred on or prior to the Outside Date, except that the right to terminate this Agreement under this clause shall not be available to either Party whose failure to fulfill any of its obligations in this Agreement has been the cause of, or resulted in, the failure of the Closing to occur on or prior to such date; or
    - (A) if the Court in the CCAA Proceedings or any Applicable Law makes the consummation of the transactions contemplated by this Agreement or the transactions contemplated by this Agreement illegal or otherwise prohibited, and such Applicable Law has become final and non-appealable.
  - (iii) by Spartan:
    - (A) subject to Section 5.4, if COGL Group breaches any of its representations, warranties, covenants or agreements contained in this Agreement, which breach or breaches would or would reasonably likely, individually or in the aggregate, give rise to the failure of a condition set forth in Section 5.1 or Section 5.2, except that the right to terminate this Agreement under this clause shall not be available to Spartan if its failure to fulfill any of its obligations in this Agreement has been the cause of, or resulted in, the failure of any of the conditions in Section 5.1 or Section 5.2;
    - (B) COGL Group breaches any of its covenants or agreements in any material respect in Section 3.4. For greater certainty and for purposes of this Section 8.1, COGL Group shall be deemed to have breached Section 3.4 of this Agreement if such breach is as a result of the terms of the CCAA Orders or the exercise of discretion by the Court; or
    - (C) there occurs a Material Adverse Effect in respect of COGL Group;

- (iv) by any one of the entities comprising the COGL Group, subject to Section 5.4, if Spartan breaches any of its representations, warranties, covenants or agreements contained in this Agreement, which breach or breaches would or would reasonably likely, individually or in the aggregate, give rise to the failure of a condition set forth in Section 5.1 or Section 5.3, except that the right to terminate this Agreement under this clause shall not be available to each of the entities comprising the COGL Group, as the applicable terminating party, if its failure to fulfill any of its obligations in this Agreement has been the cause of, or resulted in, the failure of any of the conditions in Section 5.1 or Section 5.3.
- (b) In the event of the termination of this Agreement in the circumstances set forth in paragraphs (i) through (iv) of this Section 8.1, this Agreement shall forthwith become void and of no further force and effect and no Party shall have any liability or further obligation to the other hereunder, except that the obligations set forth in or as otherwise specified in Sections 1.5, 1.12, 3.5, 4.3, 8.1, 9.1, 10.1, 10.4, 10.5, 10.6 and 10.8 and each Party's obligations under the Confidentiality Agreement, shall survive such termination.
- (c) In the event of the termination of this Agreement:
  - (i) in the circumstances set forth in paragraph (i) or (iii) of this Section 8.1, or if Spartan terminates this Agreement pursuant to paragraph (ii) of this Section 8.1, COGL Group or Monitor shall direct the release of the entirety of the Deposit to Spartan; or
  - (ii) in the circumstances set forth in paragraph (iv) of this Section 8.1, COGL Group shall be entitled to retain the Deposit as liquidated damages and not as a penalty, representing the Parties' genuine pre-estimate of the aggregate quantum of damages that will have been sustained by COGL Group as a result of the failure to complete the transactions contemplated hereby, and in consideration for the forfeiture of the Deposit (plus any interest accrued thereon, if any), COGL Group waives and releases Spartan from any and all rights and remedies that may be available to COGL Group, at law or in equity, as a result of Closing not occurring in such circumstances.
- (d) Except as set forth in Section 8.1(c)(ii), the exercise by either Party of any right of termination hereunder shall be without prejudice to any other remedy available to such Party (including the Terminating Party's right to pursue all legal remedies, which shall survive the termination of the Agreement unimpaired) and for greater certainty nothing in this Section 8.1, except for Section 8.1(c)(ii), shall relieve either Party from liability for any breach by it of this Agreement that occurred prior to the date of termination.

## **ARTICLE 9 NOTICES**

### **9.1 Notices**

All notices which may or are required to be given pursuant to any provision of this Agreement are to be given or made in writing and served personally or sent by email transmission and in the case of:

(a) Spartan, addressed to:

Suite 500, 207 9th Ave S.W.  
Calgary, Alberta T2P 1K3

Attention: Fotis Kalantzis, President and Chief Executive Officer  
E-mail: fkalantzis@spartandeltacorp.com

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

and to:

Stikeman Elliott LLP  
Suite 4300, 888 - 3rd Street SW  
Calgary, Alberta T2P 5C5

Attention: Sony Gill  
Email: sgill@stikeman.com

(b) COGL Group, addressed to:

c/o Calgary Oil and Gas Intercontinental Group Ltd.  
Suite 3600, 700 2<sup>nd</sup> Street SW  
Calgary, Alberta T2P 2W2

Attention: Ryan Martin  
E-mail: ryan.martin@petroworld.com

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

Borden Ladner Gervais LLP  
Centennial Place, East Tower  
520 3<sup>rd</sup> Ave SW, Suite 1900  
Calgary, Alberta T2P 0R3

Attention: Steven G. Pearson  
E-mail: spearson@blg.com

or such other address as the Parties may, from time to time, advise to the other Party by notice in writing. The date or time of receipt of any such notice shall be deemed to be the date of delivery or the time such email transmission is received.

## ARTICLE 10 GENERAL

### 10.1 Assignment and Enurement

This Agreement shall be binding upon and enure to the benefit of the Parties and their respective successors and assigns. This Agreement may not be assigned by Spartan without the prior consent of COGL Group, except that Spartan may assign all or a portion of its rights under this Agreement to any subsidiary of Spartan, but no assignment shall relieve Spartan of any of its obligations hereunder. This Agreement may not be assigned by COGL Group without the prior consent of Spartan.

## **10.2 Public Communications**

Each Party shall receive the prior consent, not to be unreasonably withheld, of the other Party prior to issuing or permitting any director, officer, employee or agent to issue, any press release or other written statement with respect to this Agreement or the transactions contemplated hereby. Notwithstanding the foregoing, if any Party is required by Applicable Law to make any disclosure relating to the transactions contemplated herein, such disclosure may be made, but that Party will use reasonable commercial efforts to consult with the other Party as to the wording of such disclosure prior to its being made; provided that the Parties agree that the condition in Section 5.2(g) of this Agreement is integral to the completion of the Transactions and, as such, no press release shall be issued until such condition has been satisfied.

## **10.3 Confidentiality**

Except for disclosure, as necessary, to the Monitor and the Court pursuant to the CCAA Proceedings, the Parties shall keep strictly confidential and shall not, without the prior written consent of each other party, disclose the contents of this Agreement. For greater certainty, the existence of this Agreement and the Purchase Price, but not the other terms hereof, can be disclosed publicly in the CCAA Proceedings. The Confidentiality Agreement between T5 and Spartan shall continue to apply in accordance with its terms. The Parties agree that common interest privilege applies to the contents of discussions or negotiations or the terms, conditions or other facts with respect to any contemplated proceedings in the CCAA Proceedings and the discussions between the Parties to consummate the transactions contemplated herein.

## **10.4 Costs**

Except as contemplated herein, each Party covenants and agrees to bear its own fees, costs and expenses in connection with the transactions contemplated by this Agreement.

## **10.5 Severability**

If any term or provision of this Agreement should be or become invalid, illegal or unenforceable in any respect in any jurisdiction, the remaining terms and provisions contained herein shall remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any Party. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the Parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in an acceptable manner to the end that the transactions contemplated hereby are fulfilled to the fullest extent possible.

## **10.6 Further Assurances**

Each Party shall, from time to time and at all times hereafter, at the request of the other Party, but without further consideration, do all such further acts and things, and execute and deliver all such further documents and instruments and provide all such further assurances as may be reasonably required in order to fully perform and carry out the terms and intent hereof.

## **10.7 Time of Essence**

Time shall be of the essence of this Agreement.

**10.8 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 and the Parties hereto irrevocably attorn to the jurisdiction of the courts of the Province of Alberta.


**10.9 Counterparts**

This Agreement may be executed in two or more counterparts and, each of which shall be deemed an original, and all of which together constitute one and the same instrument. The Parties shall be entitled to rely upon the delivery of an executed facsimile or similar executed electronic copy of this Agreement, and such facsimile or similar executed electronic document shall be legally effective to create a valid and binding agreement between the Parties.

*[Remainder of page intentionally blank – signature page follows]*

**IN WITNESS WHEREOF** the Parties have caused this Agreement to be executed as of the date first above written by their respective officers thereunto duly authorized.

**SPARTAN DELTA CORP.**

Per:   
\_\_\_\_\_  
Name: Fotis Kalantzis  
Title: President and Chief Executive Officer

**CALGARY OIL AND SYNDICATE PARTNERS LTD.**

Per: \_\_\_\_\_  
Name: Marc Berzins  
Title: President

**CALGARY OIL AND GAS INTERCONTINENTAL GROUP LTD.**

Per: \_\_\_\_\_  
Name: Ryan Martin  
Title: President

**T5 SC OIL AND GAS LIMITED PARTNERSHIP, by its general partner, CALGARY OIL AND GAS INTERCONTINENTAL GROUP LTD**

Per: \_\_\_\_\_  
Name: Ryan Martin  
Title: President

**IN WITNESS WHEREOF** the Parties have caused this Agreement to be executed as of the date first above written by their respective officers thereunto duly authorized.

**SPARTAN DELTA CORP.**

Per: \_\_\_\_\_  
Name: Fotis Kalantzis  
Title: President and Chief Executive Officer

**CALGARY OIL AND SYNDICATE PARTNERS LTD.**

Per: \_\_\_\_\_  
Name: Marc Berzins  
Title: President

**CALGARY OIL AND GAS INTERCONTINENTAL GROUP LTD.**

Per: \_\_\_\_\_  
Name: Ryan Martin  
Title: President

**T5 SC OIL AND GAS LIMITED PARTNERSHIP, by its general partner, CALGARY OIL AND GAS INTERCONTINENTAL GROUP LTD**

Per: \_\_\_\_\_  
Name: Ryan Martin  
Title: President



**IN WITNESS WHEREOF** the Parties have caused this Agreement to be executed as of the date first above written by their respective officers thereunto duly authorized.

**SPARTAN DELTA CORP.**

Per: \_\_\_\_\_  
Name: Fotis Kalantzis  
Title: President and Chief Executive Officer

**CALGARY OIL AND SYNDICATE PARTNERS LTD.**

Per: \_\_\_\_\_  
Name: Marc Berzins  
Title: President

**CALGARY OIL AND GAS INTERCONTINENTAL GROUP LTD.**

Per:  \_\_\_\_\_  
Name: Ryan Martin  
Title: President

**T5 SC OIL AND GAS LIMITED PARTNERSHIP, by its general partner, CALGARY OIL AND GAS INTERCONTINENTAL GROUP LTD**

Per:  \_\_\_\_\_  
Name: Ryan Martin  
Title: President

**SCHEDULE "A"**  
**EXCLUDED CONTRACTS**

1. Service Agreement dated December 11, 2015, between Triple Five Intercontinental Group Ltd. and NOVA Gas Transmission Ltd., the Billing Commencement Letter dated December 14, 2017, including all firm service contracts (2019398939, 2019398940, 2019398941, 2019398942, 2019398943, 2019398944, 2019398945, 2019398946, 2019398947, 2019398948, 2019398949, 2019398950, 2019398951, 2019398952, 2019398953, 2019398954) and all transaction confirmations, schedules of service, exhibits, addendums and like instruments, as the case may be, entered into pursuant to such agreement.
2. Master Agreement dated December 18, 2017, between Triple Five Intercontinental Group Ltd. and NOVA Gas Transmission Ltd. and all transaction confirmations, schedules of services, exhibits, addendums and like instruments, as the case may be, entered into pursuant to such agreement.
3. Permanent Assignment (Req #: 2019040832) dated December 9, 2019 between Triple Five Intercontinental Group Ltd. and Keyera Partnership.
4. Permanent Assignment (Req #: 2019040833) dated December 9, 2019 between Triple Five Intercontinental Group Ltd. and Keyera Partnership.
5. Lease Agreement dated November 23, 2020, between Triple Five Intercontinental Group Ltd. and Bull Moose Capital Ltd.
6. Lease Agreement dated September 30, 2020, between Triple Five Intercontinental Group Ltd. and Bull Moose Capital Ltd.
7. Engagement Letter dated January 14, 2021, between T5 SC Oil and Gas Limited Partnership and Peters & Co. Limited.

**SCHEDULE "B"**  
**ASSUMED CONTRACTS**

1. Joint Venture Agreement dated May 5, 2014, as amended December 13, 2018, among Sunchild Oil & Gas Ltd., Triple Five Intercontinental Group Ltd. and Sunchild First Nation.
2. Gross Overriding Royalty Agreement dated June 2014 between Triple Five Intercontinental Group Ltd. and Sunchild Oil and Gas Ltd.
3. Royalty Agreement dated July 27, 2016, between Triple Five Intercontinental Group Ltd. and Maple Leaf 2015 Oil & Gas Corp.
4. Gas Handling Agreement dated December 1, 2016, between Triple Five Intercontinental Group Ltd. and Keyera Partnership, as amended October 26, 2020, and all transaction confirmations, schedules of services, exhibits, addendums and like instruments, as the case may be, entered into pursuant to such agreement.
5. Process Equipment Master Rental Agreement dated February 1, 2020 between Triple Five Intercontinental Group Ltd. and Black Iron Compression Ltd.
6. Process Equipment Master Rental Agreement (Unit #1) dated May 15, 2020 between Triple Five Intercontinental Group Ltd. and Black Iron Compression Ltd.
7. Process Equipment Master Rental Agreement (Unit #2) dated May 15, 2020 between Triple Five Intercontinental Group Ltd. and Black Iron Compression Ltd.
8. Standard Rental Agreement for Unit # E001242 dated December 17, 2018, between Triple Five Intercontinental Group Ltd. and Enerflex Ltd.
9. Lease Agreement dated July 13, 2015, between Triple Five Intercontinental Group Ltd. and Collicutt Energy Services Corp. and executed by Triple Five Intercontinental Group Ltd. on March 14, 2019.
10. GasEDI Base Contract for Sale and Purchase of Natural Gas dated November 15, 2019, between T5 SC Oil and Gas Limited Partnership and Macquarie Energy Canada Ltd., transaction confirmations HH\_52448376, HH\_52448407, HH\_52448410, HH\_52448429, HH\_52448531 and all additional transaction confirmations, schedules of services, exhibits, addendums and like instruments, as the case may be, entered into pursuant to such agreement.