Form 49
[Rule 13.19]

Clerk's Stamp

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

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 3rd 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 May 19, 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., 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 February 11, 2021, the Honourable Mr. Justice D. B. Nixon granted the Companies' application for an Initial Order (the "**Initial Order**"). 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 "**Initial Martin Affidavit**") and an Affidavit sworn May 17, 2021 (the "**May 17 Affidavit**"). The May 17 Affidavit was filed in support of the Companies' application to be heard on May 25, 2021 (the "**May 25 Application**") seeking, among other things, a Late Filed Claims Order and Creditors Meeting Order (respectively, Schedules "B" and "C" to the May 25 Application). Capitalized terms not otherwise defined herein have the meaning ascribed to them in the May 25 Application.

3. I swear this Affidavit in support of the Applicants' supplemental application to the May 25 Application, for certain ancillary relief pursuant to the CCAA, including:

   (a) a declaration that the Engagement Agreement dated January 14, 2021 between Peters & Co. Limited ("**Peters**") and Triple Five Worldwide Group of Companies (the "**Engagement Agreement**") terminated and, pursuant to the Claims Procedure Order issued by the Court on April 13, 2021 (the "**Claims Procedure Order**"), Peters is forever barred from asserting any claims against the Companies in relation

to the Engagement Agreement

(collectively, the "**Peters Declaration**"); and

(a) an order (the "**Disclaimer Notice Effective Date Order**"):

(i) extending the effective date of proposed disclaimers that the Companies propose to issue for each Disclaimed Agreement (defined below) to the Post-Filing Restructuring Claimants (defined below), pursuant to s. 32 of the CCAA, such that the effective date of the disclaimer is the date any Approval Order (as defined in the Creditors' Meeting Order) is granted; and

(ii) directing that, in the event that an Approval Order is not granted, the Disclaimer Notices issued by the Companies are void and of no force and effect, and the Disclaimed Agreements shall be deemed to not have been disclaimed and shall continue in force as if no Disclaimer Notices had been issued

(the "**Disclaimer Notice Effective Date Order**").

TYPOGRAPHICAL ERROR IN MAY 17 AFFIDAVIT

4. There is a typographical error in my May 17 Affidavit. At paragraph 25 of the May 17 Affidavit, I stated that my understanding was that:

> "at present, Spartan estimates that **48%** of the currently known Affected Creditors (subject to the Claims Procedure and Late Claims Procedure), representing $5,536,313.00 in value, or 49% of the currently known Affected Claims (subject to the Claims Procedure and Late Claims Procedure), have already committed to supporting the Plan" (emphasis added).

5. The reference to "48% of currently known Affected Creditors" was an error. The reference to "48%" should be "40%", which number is consistent with paragraphs 23 and 24, and Exhibit "C" of my May 17 Affidavit.

TERMINATION OF THE ENGAGEMENT AGREEMENT

6. A true copy of the Engagement Agreement is attached as Confidential Appendix "C" to the Second Report of the Monitor, dated March 2, 2021.

7. As detailed in the Initial Martin Affidavit, the Engagement Agreement was entered into pursuant to the Forbearance Agreement dated October 16, 2020, between the Companies and the Companies' primary secured creditor, Crown Capital Partner Funding, LP, by its general partner, Crown Capital LP Partner Funding Inc. ("**Crown Capital**"). A true copy of the Forbearance Agreement is attached hereto and marked as **Exhibit "A"**.

8. Pursuant to the Forbearance Agreement, Crown Capital agreed to forbear on enforcing certain rights as the Companies' primary secured creditor until April 15, 2021, on the terms and conditions set out in the Forbearance Agreement. These terms included a requirement, pursuant to paragraph 6 of the Forbearance Agreement, that the Companies engage a "Sale Advisor" and commence a "Sale Process" for all or substantially all of the Companies' assets (the "**Forbearance Sales Process**"). As part of its efforts to implement the Forbearance Sales Process, the Companies entered into the Engagement Agreement for the purpose of retaining Peters as the "Sale Advisor" mandated by paragraph 6 of the Forbearance Agreement.

9. Both Peters and the Companies understood and agreed that Peters was retained as Sale Advisor pursuant to the Engagement Agreement for the limited purpose of assisting the Companies with the Forbearance Sales Process. However, the Engagement Agreement provided that, in the event that the Companies entered into a Court supervised/monitored process to "effect a sale of its assets or consider, in any fashion, a settlement or compromise of amounts owing to creditors", the Companies would "make all reasonable efforts for Peters & Co. to be re-engaged as an advisor or sales agent through such process" (the "**Best Efforts Re-Engagement Provision**").

10. After entering into the Engagement Agreement, Peters assisted the Companies with implementing the Forbearance Sales Process during the remainder of the month of January 2021. Pursuant to the terms of the Engagement Agreement, the Companies

paid Peters a "Work Fee" in relation to Peters' work as the "Sale Advisor", as required by the Forbearance Agreement during the month of January 2021.

11. In early February, the Companies determined that the Forbearance Sales Process was no longer in the best interest of the Companies or their stakeholders, due to evolving market conditions and Crown sought further restrictive measures on the Companies' operations. As a result, the Companies applied for the Initial Order in the within CCAA Proceedings. In response to the Companies' application for the Initial Order, Crown Capital terminated the Forbearance Agreement on February 8, 2021, and the Forbearance Sales Process was halted.

12. In accordance with the terms of the Engagement Agreement, and consistent with the intentions and expectations of the parties, the Engagement Agreement terminated upon the termination of the Forbearance Agreement and the Forbearance Sales Process (the "**Peters Termination**").

13. Following the issuance of the Initial Order, and consistent with the Peters Termination, the Companies worked diligently and in good faith, in consultation with the Monitor, and without the involvement of Peters, to review and negotiate respecting available restructuring options. One such option was a transaction with Spartan, which had expressed an interest in pursuing a transaction with the Companies many months prior to the Forbearance Sales Process and independent of Peters' involvement. The Companies' efforts to negotiate with Spartan culminated in the Transaction with Spartan and the Plan, all of which are detailed in the May 17 Affidavit.

14. After the Peters Termination, Peters was not paid, and did not seek payment of, any Work Fee.

15. Peters is on the service list for the within CCAA Proceeding and has had notice of all of the application materials and orders filed in the CCAA Proceeding. Despite having such notice, Peters has not requested payment of any fees, asserted any Claims, or reserved any rights in relation to the Engagement Agreement.

16. It is the Companies' understanding that Peters shares the Companies' view that the Engagement Agreement was terminated when the Forbearance Agreement was terminated. However, in order to ensure completeness, transparency and finality in the within CCAA Proceedings, the Companies, in consultation with the Monitor and with Spartan, have determined that it is prudent to obtain the Peters Declaration from the Court.

DISCLAIMER NOTICE EFFECTIVE DATE

17. As discussed in the May 17 Affidavit, one purpose of the May 25 Application is for the Companies to seek the Late Filed Claims Order, which sets out a claims procedure in respect of Late Filed Claims arising as a result of any agreements which have been disclaimed by the Companies pursuant to a Disclaimer Notice issued pursuant to s. 32 of the CCAA (as such terms are defined in the Late Filed Claims Order).

18. In order to effect the Transaction, and enhance the prospects of a viable compromise and arrangement of Claims, the Companies, in consultation with Spartan, have determined that it is necessary to issue Disclaimer Notices to Post-Filing Restructuring Claimants (as defined in the Late Filed Claims Order) in respect of the following agreements:

    (a) 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;

    (b) 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;

(c) Permanent Assignment (Req #: 2019040832), dated December 9, 2019, between Triple Five Intercontinental Group Ltd. and Keyera Partnership;

(d) Permanent Assignment (Req #: 2019040833), dated December 9, 2019, between Triple Five Intercontinental Group Ltd. and Keyera Partnership;

(e) Lease Agreement, dated November 23, 2020, between Triple Five Intercontinental Group Ltd. and Bull Moose Capital Ltd; and

(f) Lease Agreement, dated September 30, 2020, between Triple Five Intercontinental Group Ltd. and Bull Moose Capital Ltd.

(collectively, the "**Disclaimed Agreements**")

19. The Monitor has reviewed and approved of the Companies' issuance of Disclaimer Notices respecting the Disclaimed Agreements.

20. The Disclaimed Agreements all relate to the provision of services or equipment to the Companies, the uninterrupted provision of which are essential to avoid disruption to the ongoing operations of the Companies. However, if the Plan is approved by creditors and sanctioned by the Court, such that the Transaction closes, Spartan has indicated to me that it already has the ability to provide generally equivalent services and equipment to the Companies, such that the Disclaimed Agreements will become duplicative and uneconomic.

21. As such, it is necessary to disclaim the Disclaimed Agreements to effect the Transaction and enhance the prospects of a viable compromise and arrangement, but it is also necessary to ensure that the Disclaimed Agreements remain in force pending creditor approval and Court sanction of the Plan. Further, in the event that the Plan is not approved by the creditors and sanctioned by the Court, it is necessary that the Disclaimed Agreements remain in force so as to avoid disruption to the Companies' operations while further restructuring options for the Companies are explored.

22. In order to give effect to the Late Claims Procedure set out in the Late Filed Claims Order, it is necessary that the Disclaimer Notices be issued shortly after the Late Filed Claims Order is granted. The Late Claims Procedure is intended to occur prior to the Creditors' Meeting. However, pursuant to s. 32(5) of the CCAA, the disclaimer of the Disclaimed Agreements will become effective on the day that is 30 days after the day on which the Disclaimer Notice is issued (the "**Statutory Disclaimer Effective Date**"). If the Disclaimer Notices are issued shortly after the Late Filed Claims Order is granted, the Statutory Disclaimer Effective date will render the disclaimers effective well before the Plan can be approved by creditors and sanctioned by the Court, pursuant to the procedure set out in the Creditors' Meeting Order, creating a risk that the Companies' operations will be disrupted while the Creditors' Meeting Order is in the midst of being implemented.

23. As such, I believe it is necessary for this Court to modify the Statutory Disclaimer Effective Date in the Disclaimer Notice such that the deemed effective date of the disclaimer of the Disclaimed Agreements is the Approval Date (as defined in the Creditors' Meeting Order).

CONCLUSION

24. I swear this Affidavit in support of the Applicants' supplemental application to the May 25 Application as set out above, and for no improper or other purpose.

SWORN BEFORE ME at Calgary, Alberta,)
this 19th day of May, 2021)
)
)
)
)

Colin LaRoche, Student-at-Law)
A Commissioner for Oaths in and for Alberta)

COLIN LAROCHE
A Commissioner for Oaths
in and for Alberta
Student-At-Law, Notary Public

RYAN MARTIN

This is Exhibit "**A**"
Referred to in the Affidavit of Ryan Martin
Sworn before me this 19th day of May, 2021

A Commissioner for Oaths in and for Alberta

COLIN LAROCHE
A Commissioner for Oaths
in and for Alberta
Student-At-Law, Notary Public

FORBEARANCE AND AMENDING AGREEMENT

THIS FORBEARANCE AND AMENDING AGREEMENT ("**Agreement**") is made effective as of October 16, 2020 (the "**Effective Date**").

BY AND AMONG:

CROWN CAPITAL PARTNER FUNDING, LP, by its general partner **CROWN CAPITAL LP PARTNER FUNDING INC.**
as lender (the "**Lender**")

AND:

T5 SC OIL AND GAS LIMITED PARTNERSHIP
as borrower (the "**Borrower**"),

AND:

TRIPLE FIVE INTERCONTINENTAL GROUP LTD. (the "**General Partner**"), **T5 ENERGY PARTNERS LTD.** ("**T5**") and **NADER GHERMEZIAN** ("**Nader**", together with T5, the "**LR Guarantors**")
as guarantors (collectively, the "**Guarantors**")

WHEREAS, the Borrower, as borrower, the Lender (formerly Crown Capital Fund IV, LP by its general partner Crown Capital Fund IV Management Inc.), as lender, and the General Partner, as guarantor, are party to a second amended and restated loan agreement dated October 31, 2019 (as amended, restated, modified or supplemented, the "**Loan Agreement**");

AND WHEREAS as security for the obligations of the Borrower under the Loan Agreement, the Borrower, through the General Partner, granted a fixed and floating charge demand debenture dated August 31, 2018 in favour of the Lender;

AND WHEREAS the General Partner is party to a guarantee and indemnity agreement dated August 31, 2018 (as amended, restated, modified or supplemented, the "**Guarantee**") in favor of the Lender, whereby the General Partner, *inter alia*, guaranteed the payment and performance of the obligations of the Borrower under the Loan Agreement and other Loan Documents;

AND WHEREAS as security for the obligations of the General Partner under the Guarantee, the General Partner granted a fixed and floating charge demand debenture dated August 31, 2018 in favour of the Lender;

AND WHEREAS the LR Guarantors are each party to a limited recourse guarantee and indemnity agreement dated August 31, 2018 (as amended, restated, modified or supplemented, collectively, the "**LR Guarantees**") in favor of the Lender, whereby each LR Guarantor, *inter alia*, guaranteed the payment and performance of the obligations of the Borrower under the Loan Agreement and other Loan Documents subject, in each case, to the limits imposed in the LR Guarantees;

AND WHEREAS as security for the obligations of the LR Guarantors under the LR Guarantees, each LR Guarantor executed a pledge agreement dated August 31, 2018 in favour of the Lender with respect to certain securities held by the LR Guarantors in the Borrower and General Partner (collectively, the "**Pledged Securities**");

AND WHEREAS pursuant to the Loan Agreement, the Lender has advanced a term loan to the Borrower in the principal amount of $27,000,000;

AND WHEREAS the following Events of Default have occurred and, as applicable, are continuing, under the Loan Documents (which list is not intended to be exhaustive): (a) the Borrower has failed to maintain a Current Ratio greater than 1.0:1 as at March 31, 2020 and June 30, 2020, in accordance with Section 9.1(y)(i) of the Loan Agreement, which failure is an Event of Default pursuant to Section 11.1(d) of the Loan Agreement; (b) the Borrower has failed to maintain a Net Debt to TTM EBITDA Ratio equal to or less than 2.5:1 as at March 31, 2020 and June 30, 2020, in accordance with Section 9.1(y)(ii) of the Loan Agreement, which failure is an Event of Default pursuant to Section 11.1(d) of the Loan Agreement; (c) the Borrower has failed to make repayment of $725,000 of the Principal Amount on September 1, 2020, in accordance with Section 3.1(a) of the Loan Agreement, which failure is an Event of Default pursuant to Section 11.1(a) of the Loan Agreement; and (d) the Borrower has failed to make payment of the Production Payment for the month of July 2020 which Production Payment was due on September 4, 2020, in accordance with Section 2.3(a) of the Production Payment Agreement, which failure is an Event of Default pursuant to Section 11.1(b) of the Loan Agreement (and which failure is also a default pursuant to Section 3.2(a)(i) of the Production Payment Agreement) (collectively, the "**Specified Defaults**");

AND WHEREAS the Borrower acknowledges that as a result of the Specified Defaults, the Lender is presently entitled to, *inter alia*, issue a demand for repayment of the Obligations in full to the Borrower and Guarantors, pursuant to the terms and conditions of the Loan Documents;

AND WHEREAS the Lender has agreed to forbear from enforcement of the Loan Documents as a result of the Specified Defaults until April 15, 2021 (the "**Forbearance Term**"), subject to certain conditions as outlined in this Agreement;

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

1. **Interpretation**.

   (a) Capitalized terms used in this Agreement, including in the recitals hereto, will have the meanings attributed to such terms in the Loan Agreement unless otherwise defined herein.

   (b) The recitals to this Agreement are expressly incorporated into and form part of this Agreement.

   (c) The Schedules to this Agreement are attached to and are an integral part of this Agreement. Except as otherwise expressly provided herein, if there is any conflict or inconsistency between a provision of the body of this Agreement and that of a Schedule, the provision of the body of this Agreement shall prevail to the extent of said conflict or inconsistency.

(d) Any matter which is subject to the approval, discretion or consent of the Lender hereunder, except as otherwise expressly provided for herein, shall be determined in the sole, absolute and unfettered discretion of the Lender and be confirmed in writing to the Borrower and/or Guarantors.

(e) In this Agreement: (i) the words "including", "includes" and "include" shall be deemed to be followed by the words "without limitation"; (ii) words in the singular include the plural and vice versa and words in a particular gender include all genders; and (iii) all monetary amounts stated herein shall be deemed to be stated in Canadian Dollars.

2. **Installment Payments**. Subject to the Approved Payables and any cash reserves to be maintained by the Borrower, as may be approved by the Lender from time to time, all remaining available cash of the Borrower received from and after the Effective Date, whether in the Blocked Account (as such term is defined in the BAA) or not, shall be applied in satisfaction of the Obligations through monthly installment payments (the "**Installment Payments**") in accordance with this Section 2. The Installment Payments shall be applied against the Obligations in the following order:

(a) first, against any fees, costs or other amounts due and payable by the Borrower or Guarantors under this Agreement or the Loan Documents;

(b) second, as to the Production Payment;

(c) third, as to accrued and unpaid interest on the Principal Amount in accordance with the Loan Agreement; and

(d) fourth, as to the Principal Amount in an amount not to exceed $725,000 in any one month without the prior consent of the Lender (provided that the Lender shall have discretion to apply all available cash in the Blocked Account, other than cash required for payment of the Approval Payables, towards repayment of the Principal Amount).

In connection with the foregoing, the Borrower and General Partner hereby irrevocably and unconditionally authorize and direct the Lender to transfer the Installment Payments from the Blocked Account at such times and in such amounts as the Lender may determine, subject to the terms and conditions set forth herein. For certainty, the foregoing payment terms shall govern to the extent of any inconsistency with Section 3.1(a) of the Loan Agreement.

3. **Prepayment Fee**. Notwithstanding anything in this Agreement to the contrary, the Prepayment Fee (as outlined in Section 3.2 of the Loan Agreement) shall be applicable to any and all repayments of the Principal Amount made prior to the Maturity Date (or repayments coming due prior to the Maturity Date which are paid after the Maturity Date), exempting only Installment Payments which are applied to the Principal Amount up to the Exempted Amount (as at the date of payment), where the "**Exempted Amount**" is the sum equal to the product of A * B where:

A = $725,000

B = the number of calendar months from September 1, 2020 to the date of the applicable repayment

4. **Blocked Account and Priority Payables**. The Borrower hereby agrees to enter into the blocked account agreement in the form appended hereto as Schedule "A" (the "**BAA**") in respect to the Blocked Account (as defined therein). In accordance with the BAA, the Borrower and the General Partner covenant and agree to deposit all amounts received by the Borrower or the General Partner received from and after the Effective Date into the Blocked Account. The Borrower shall provide

Lender with a list of payables of the Borrower on the 1st and 15th day of each month which list shall be reviewed and approved, or rejected, as applicable, by the Lender in its entirety. If rejected, the list of payables shall be re-submitted to the Lender until ultimately approved (the approved payables, being the "**Approved Payables**"). Within five (5) days after the Approved Payables are established and confirmed in accordance with the procedure described above, the Lender will transfer an amount of funds sufficient to satisfy the Approved Payable from the Blocked Account to an account designated by the Borrower, provided that Lender shall have no liability or other obligation in the event the funds in the Blocked Account are insufficient to satisfy the Approved Payables. The Borrower covenants that any funds made available to it for the satisfaction of the Approved Payables shall promptly, and exclusively, be used for such purposes and for no other purpose. For certainty, pursuant to Section 2 hereof, and the BAA, all cash of the Borrower and General Partner shall be deposited into the Blocked Account and no payables of the Borrower or General Partner (excluding the Obligations) shall be paid or satisfied except in strict accordance with this Section 4 and the BAA.

5. **Reporting Requirements**. Without limiting the Borrower's requirements under the Loan Agreement, the Borrower shall provide the following:

   (a) a 13 week cash flow forecast (the "**Cashflow Forecast**"), with variances to the Cashflow Forecast provided within 5 days of the end of each month, unless waived by the Lender in its sole discretion;

   (b) monthly confirmation and evidence to the Lender that all source deduction payments have been remitted to the Canada Revenue Agency, within 5 days of each month end, commencing on October 31, 2020;

   (c) monthly confirmation and evidence to the Lender that all monthly GST filings have been filed and amounts owing have been remitted to the Canada Revenue Agency, within 5 days of each month end due date, commencing on October 31, 2020, and due on the last day of the month following the applicable reporting month; and

   (d) regular updates on the Borrower's progress or material developments with respect to the Sale Process (as defined below), material business initiatives and any capital raising activities, which updated shall be provided no less than bi-weekly or as otherwise determined by the Lender, acting reasonably.

6. **Milestones**. The Borrower covenants to satisfy and perform the following obligations within the time frames and in the manner set forth below:

   (a) The Borrower will engage a sale advisor (the "**Sale Advisor**") acceptable to the Lender to commence a sales process (the "**Sale Process**") for all or substantially all of the assets of the Borrower (or in respect of a business combination or other similar transaction involving all or substantially all of the equity interests of the Borrower) by no later than December 15, 2020, which engagement shall be on terms acceptable to the Lender, acting reasonably, and shall include, that the Lender shall be entitled to be provided with information and updates directly from the Sale Advisor and the Borrower hereby confirms and agrees that the Sale Advisor is entitled to speak directly to the Lender regarding any offers, the identity of parties engaged in the Sale Process, activity in the data room or any information in respect of the status of the Sale Process, it being acknowledged by the Lender, that the Lender does not have any power or authority hereunder to issue instructions to the Sale Advisor.

(b) The Sale Process shall have the following milestones associated with it which shall, in each case, be completed to the satisfaction of the Lender, acting reasonably:

(i) data room, confidential information memorandum and teaser shall be prepared and issued by the Sale Advisor no later than January 15, 2021;

(ii) deadline for non-binding letters of intent ("**LOI**") from prospective purchasers to be submitted by no later than February 21, 2021;

(iii) LOI to be executed by Borrower with a prospective purchaser no later than February 28, 2021;

(iv) definitive purchase and sale agreement to be executed by March 31, 2021; and

(v) closing of the Sale Process and the full repayment of the Obligations under the Loan Documents shall be completed prior to the end of the Forbearance Term (as defined below).

This Agreement shall terminate upon the full repayment of the Obligations under the Loan Documents.

7. **Operations**. Without limiting any covenants or obligations of the Borrower or General Partner in the Loan Agreement or any other Loan Document, the Borrower covenants and agrees that no Capital Expenditure in respect to its exploration, development and production activities may be made except for the Approved Payables and with the prior written consent of the Lender, which consent may be withheld or otherwise conditioned as the Lender may determine in its discretion.

8. **Payout of Obligations**. By no later than the end of the Forbearance Term, the Borrower shall have repaid in full the entire amount of the Obligations due and owing as of that date to the Lender, unless otherwise agreed or extended.

9. **Amendment to Loan Agreement.** As of the Effective Date, the Loan Agreement is amended as follows:

(a) Section 1.1 of the Loan Agreement is hereby amended by adding the following definitions in their proper alphabetical order:

"**Cumulative EBITDA**" means, as applicable, the cumulative monthly EBITDA for the period commencing October 1, 2020 through until April 30, 2021;

"**Cumulative EBITDA to Cumulative Forecasted EBITDA Ratio**" means, for any period, determined on a Consolidated basis, the ratio of (i) Cumulative EBITDA for such period to (ii) Cumulative Forecasted EBITDA for such period.

"**Cumulative Forecasted EBITDA**" means the cumulative forecasted monthly EBITDA for the period commencing October 1, 2020 through until April 30, 2021 as set forth in Schedule 1.1 of this Agreement.

(b) Section 1.2 of the Loan Agreement is amended by adding a reference to "Schedule 1.1 Cumulative Forecasted EBITDA" in its proper alphabetical order.

(c) Section 8.1(a) of the Loan Agreement is hereby amended by deleting the existing Section 8.1(a) in its entirety and replacing it with the following:

(a) no later than 30 days after each calendar month end, copies of internally prepared Consolidated Financial Statements of the Borrower;

(d) Section 9.1(y) of the Loan Agreement is hereby amended by deleting the existing Section 9.1(y) in its entirety and replacing it with the following:

(y) **Financial Covenants**.

(i) Net Debt to Proved Reserve Value Ratio. The Borrower shall maintain a Net Debt to Proved Reserve Value Ratio equal to or less than 0.50:1 as at the Closing Date and as at each Fiscal Quarter End thereafter.

(ii) LLR/LMR. The Borrower shall maintain a LLR/LMR of not less than 2.5:1 as at the Closing Date and as at each Fiscal Quarter End thereafter.

(iii) Cumulative EBITDA to Cumulative Forecasted EBITDA Ratio. The Borrower shall maintain a Cumulative EBITDA to Cumulative Forecasted EBITDA Ratio of no less than 0.85:1 as at October 31, 2020 and as at each calendar month end thereafter.

All financial ratios shall be determined on a Consolidated basis in accordance with GAAP and shall each be tested and calculated monthly or quarterly (as applicable) as set forth above.

For greater certainty, the ratio in Section 9.1(y)(i) shall be determined with reference to the Proved Reserve Value, which is specified in the most-recently available Independent Engineering Report at the time such ratio is to be determined, provided that upon its availability, any new or updated Independent Engineering Report (and the figures therein) shall retroactively apply to the calculation of the ratio in Section 9.1(y)(i) which relate to a period of time on or after the effective date of such Independent Engineering Report.

(e) Section 9.1(ff) of the Loan Agreement is hereby amended by deleting the existing Section 9.1(ff) in its entirety and replacing it with the following:

(ff) **Hedging Threshold**. On or prior to November 1, 2020, the Obligors shall have hedges for the next 12 months in place with respect to 70% of boe production based on production volumes determined on a trailing twelve month average (the "**Hedging Threshold**"). The Obligors shall report to the Lender on their compliance with the Hedging Threshold, in a form satisfactory to the Lender, acting reasonably, on December 1, 2020 and on the first Business Day of each month thereafter.

(f) Section 9.1 of the Loan Agreement is hereby amended by inserting the following new Section immediately after Section 9.1(ff):

(gg) **Gas Sales**. Commencing in the month of October 2020, and each month thereafter until the Obligations are fully paid and satisfied, the Borrower shall complete monthly gas sales ("**Monthly Sales**"), on commercially reasonable terms, which meet or exceed the covenant threshold denoted in column D of the table set out in Schedule 9.1(gg) hereto. The Borrower shall report on its Monthly Sales in the Compliance Certificate delivered pursuant to Section 8.2(a) which reporting shall also include the provision of a monthly report to the Lender which outlines the Borrower's gas sales for the preceding month (the "**Sales Report**"), which Sales Report shall be in a form and substance satisfactory to the Lender in its sole

discretion, acting reasonably, and appended as Exhibit II to the Compliance Certificate.

10. **Amendment to Schedules**. The Loan Agreement is amended as to (a) delete Schedule 8.2 "Form of Officer's Compliance Certificate" attached thereto in its entirety and replace the same with Schedule 8.2 attached hereto; and (b) add a new Schedule 9.1(gg) immediately after Schedule 8.2 in the form attached hereto as Schedule 9.1(gg).

11. **Amendment Fee**. In consideration of the amendments and other agreements contained herein. Borrower agrees to pay Lender an amendment fee equal to $270,000 (the "**Amendment Fee**"). The Amendment Fee will be added to and become part of the Principal Amount of the Loan owing to Lender under the Loan Agreement and will be fully earned effective as of the Effective Date and repayable on the earlier of the date on which all outstanding Obligations are repaid in full to Lender and the Maturity Date.

12. **Conditions Precedent to Agreement**. This Agreement is subject to the following conditions:

    (a) Borrower shall have executed and delivered, or caused the execution and delivery, of any legal opinions, resolutions or certificates as may be requested by Lender.

    (b) Borrower shall, within a reasonable time after the Effective Date, have amended its limited partnership agreement to include express confirmation that the units issuable thereunder are a "security" for the purposes of the *Securities Transfer Act* (Alberta).

    (c) The General Partner shall have executed and delivered the BAA.

13. **Acknowledgements.**

    (a) The Borrower and the Guarantors each acknowledge and confirm the occurrence and continuance of the Specified Defaults.

    (b) Subject to the terms and conditions hereinafter set out, the Lender agrees to forbear from enforcement of its rights under the Loan Documents until the expiry of the Forbearance Term, unless extended by the Lender, following which the Obligations will become immediately due and payable.

    (c) In consideration of the Lender's forbearance, the Borrower and the Guarantors acknowledge and agree that, if they fail to comply with their obligations under the Loan Documents, except where such obligations have been expressly amended or waived by the Lender, or subject to the conditions as set forth herein, then the Lender will be entitled to immediately commence efforts to enforce its rights under the Loan Documents.

    (d) The Borrower and the Guarantors acknowledge, confirm, and agree that the Security created in favour of the Lender under the Loan Documents has not been discharged, waived, or varied, that it is binding upon the Borrower and the Guarantors, as applicable, and is enforceable against the Borrower or Guarantors in accordance with its terms.

14. **Forbearance Terminating Event**. Notwithstanding anything contained herein, the following constitute terminating events under this Agreement:

    (a) the Borrower or the Guarantors fail to comply with, or otherwise satisfy, their obligations under this Agreement, including the provisions and/or milestones contained in Sections 2 through 8 (inclusive);

(b) the General Partner fails to comply with, or otherwise satisfy, its obligations under the BAA; or

(c) any Pending Event of Default or Event of Default occurs under the Loan Agreement (excluding the Specified Defaults),

(each, a "**Forbearance Terminating Event**").

Upon the occurrence of a Forbearance Terminating Event, the Lender will be entitled to immediately terminate this Agreement, all Obligations shall be and become immediately due and payable and the Lender shall be entitled to proceed to take such steps as it may deem appropriate to realize upon the Collateral and the Pledged Securities.

Notwithstanding anything else in this Agreement to the contrary, nothing herein contained shall in any way impact, preclude or otherwise affect the Lender's right and entitlement to terminate the Production Payment in accordance with Section 3.2 of the Production Payment Agreement which right and entitlement, for certainty, shall be exercisable by the Lender in accordance with its terms, either before or after the occurrence of a Forbearance Terminating Event.

15. **No Waiver**. The Borrower and the Guarantors each acknowledge, confirm, and agree that the existence of the Specified Defaults entitle the Lender to exercise any and all of its rights and remedies provided to it in the Loan Documents, by law or otherwise, and:

(a) the Lender has not waived, and does not intend to waive, any Pending Event of Default or Event of Default, including the Specified Defaults or any right, entitlement, privilege, benefit, or remedy which the Lender may have now or at any time in the future as a result of or in connection with any such Pending Event of Default or Event of Default, and nothing contained herein or the transactions contemplated thereby shall be deemed to constitute such waiver;

(b) no waiver by the Lender of any default, breach, or non-compliance under this Agreement will be effective unless in writing. No waiver will be inferred from or implied by any failure to act or delay in acting by the Lender in respect of any default, breach, or non-observance or by anything done or omitted to be done by the Borrower or the Guarantors. No waiver by the Lender will operate as a waiver of any right of the Lender under this Agreement in respect of any subsequent default, breach, or non-observance (whether of the same or any other nature); and

(c) the Lender hereby provides notice to the Borrower and the Guarantors that the Lender reserves its right at any time to exercise any rights, remedies, power and privileges afforded by law or under the Loan Documents with respect to any Pending Event of Default or Event of Default (excluding only the Specified Defaults during the Forbearance Term); and

(d) without limiting the generality of the foregoing, with specific regard to the Specified Defaults, the Lender expressly reserves its right to require payment of interest on the Principal Amount and the other Obligations at the default rate provided in Section 4.3 of the Loan Agreement at any time, it being acknowledged and agreed by the Lender that no such interest shall be payable for the period up to April 15, 2020.

16. **Release**. In consideration of the Lender agreeing to forbear as set out in this Agreement, the Borrower and the Guarantors, on their own behalf and on behalf of their employees, agents, officers, directors, partners and each of their respective, executors, administrators, personal

representatives, successors and assigns (collectively, the "**Releasors**"), remise, releases, and forever discharges the Lender and its affiliates and their employees, agents, officers, directors, partners and each of their respective, executors, administrators, personal representatives, successors and assigns (collectively, the "**Releasees**") from any and all actions, causes of action, claims, demands, damages, costs, and expenses whatsoever at law or in equity (collectively, "**Claims**") in which the Releasors ever had, now have or which they shall have against the Releasees by reason of any manner, cause, or thing whatsoever (the "**Released Claims**"), provided that this release will not release any person for criminal acts, gross negligence, or willful misconduct. Neither the Borrower nor the Guarantors will make any Claims or take any proceedings against any other person, firm, corporation, or other legal entity who might claim contribution or indemnity against the Lender in respect of any cause, matter, or thing whatsoever arising out of, related to, or in any manner connected with the Released Claims.

17. **Fees**. The Borrower and the Guarantors acknowledge, confirm, and agree that they shall be solely responsible for all reasonable costs and fees of the Lender, including all solicitor and own client fees, incurred in relation to and arising from the preparation and/or enforcement of this Agreement. The Borrower and the Guarantors will reimburse the Lender, as applicable, for all such costs and fees immediately on demand by the Lender.

18. **Entire Agreement**. This Agreement and the other Loan Documents represent the entire agreement among the parties in respect of the matters provided for in this Agreement and the other Loan Documents, and any changes or variations made to this Agreement are only effective if made in writing and signed by all parties. This Agreement shall be a Loan Document.

19. **Conflicts**. The Lender, the Borrower and the Guarantors acknowledge and agree that if any provision of the Loan Documents, this Agreement, the BAA or any other agreement to which the Lender and the Borrower or the Guarantors are parties, conflicts with any provision herein contained, the provisions in this Agreement, to the extent of any such conflict, shall prevail. Notwithstanding the foregoing, any additional obligations and covenants imposed on the Borrower and Guarantors under the Loan Documents or the BAA shall not be considered in conflict with the provisions hereof unless such obligations and covenants are expressly addressed hereunder.

20. **Representations**. The Borrower and the Guarantors agree with and confirm to the Lender that each of the representations and warranties that were made in the Loan Documents were true and accurate as of the date of the Loan Documents (except where such representation or warranty was as of a specific date). The Borrower and the Guarantors hereby also jointly and severally represent and warrant to the Lender that:

    (a) with respect to the Borrower, the General Partner and T5 the execution and delivery of this Agreement and the performance of its obligations hereunder: (i) are within its partnership or corporate powers, as applicable, (ii) have been duly authorized by all necessary partnership or corporate action, as applicable, (iii) have received all necessary governmental approval (if any required), and (iv) do not and will not contravene or conflict with any provision of any Applicable Law or of its constating documents or by-laws;

    (b) this Agreement is a legal, valid, and binding obligation of the Borrower and the Guarantors, enforceable in accordance with its terms;

    (c) the Borrower and the Guarantors fully understand the terms of this Agreement and the consequences of the execution and delivery of this Agreement;

(d) the Borrower and the Guarantors have been given the opportunity to have this Agreement reviewed by independent legal counsel and have either obtained such independent legal advice or waived the opportunity to do so;

(e) the Borrower and the Guarantors have entered into this Agreement and executed the same of their own free will and without threat, duress, or other coercion of any kind by any person; and

(f) other than the Blocked Account and the account used to temporarily holds funds designated for payment of the Approved Payables being the existing account of the Borrower at The Toronto Dominion Bank, neither the Borrower nor General Partner has any other deposit account with any financial institution.

21. **Governing Law**. The parties agree that this Agreement is conclusively deemed to be made under, and for all purposes to be governed by and construed in accordance with, the laws of the Province of Alberta and of Canada applicable therein. There shall be no application of any conflict of law or other rules which would result in any laws other than internal laws in force in the Province of Alberta applying to this Agreement. The parties hereto do hereby irrevocably submit and attorn to the non-exclusive jurisdiction of the courts of the Province of Alberta for all matters arising out of or relating to this Agreement, or any of the transactions contemplated hereby or by any thereof, without prejudice to the rights of the Lender to take proceedings in other jurisdictions.

22. **Invalidity**. If any provision of this Agreement is determined to be invalid or unenforceable in whole or in part, such invalidity or unenforceability shall attach only to such provision or part thereof, and the remaining part of such provision and all other provisions hereof shall continue in full force and effect.

23. **Further Assurances**. The Borrower and the Guarantors will from time to time forthwith at the Lender's request, and of the Borrower or Guarantors own cost and expense, make, execute, and deliver, or cause to be done, made, executed, and delivered, all such further documents, financing statements, security documents, assignments, acts, matters, and things which may be reasonably required by the Lender and as are consistent with the intention of the parties as evidenced herein, with respect to all matters arising under this Agreement.

24. **Time**. Time is of the essence with respect to this Agreement.

25. **Successors and Assigns**. This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective executors, administrators, personal representatives, successors and assigns.

26. **Confirmation**. The Borrower and Guarantors acknowledge and agree that the Loan Documents, and all other documents executed and delivered pursuant thereto or in connection therewith, will be and continue in full force and effect and are hereby confirmed and the rights and obligations of all parties thereunder will not be effected or prejudiced in any manner except as specifically provided herein; there being no novation or merger of the Loan Agreement nor any other Loan Documents nor any liabilities or obligations thereunder. Without limiting the foregoing, each of the Guarantors hereby expressly acknowledges and confirms that its liabilities and obligations created under or pursuant to the Loan Documents shall continue in full force and effect in accordance with their respective terms (except as expressly amended hereby) and that (a) the Guarantee secures and shall continue to secure the General Partner's liabilities and obligations in connection with the Guaranteed Obligations (as defined in the Guarantee) including, for greater certainty, any Guaranteed Obligations created under or resulting from this Agreement; and (b) the LR Guarantees secure and shall continue to secure the LR Guarantors' liabilities and obligations in

connection with the Guaranteed Obligations (as defined in the LR Guarantees) including, for greater certainty, any Guaranteed Obligations created under or resulting from this Agreement.

27. **Notices**. Any notice or other communication required or permitted to be given hereunder shall be in writing and shall be given by hand-delivery, courier or electronic communication as hereinafter provided. Any such notice, if delivered by hand or by courier shall be deemed to have been received at the time it is delivered to the applicable address noted below and, if sent by means of electronic communication, shall be deemed to have been received on the day of sending. Notices of change of address shall also be governed by this Section 27. Notices and other communications shall be addressed as follows:

(a) if to the Borrower or Guarantors:

c/o Triple Five Intercontinental Group Ltd.
3600, 700 – 2nd Street SW
Calgary, Alberta

Attention: Ryan Martin
Email: Ryan.Martin@petroworldenergy.com

(b) with a copy to:

Borden Ladner Gervais LLP
Centennial Place, East Tower
1900, 520 – 3rd Ave S W
Calgary, AB, Canada T2P 0R3

Attention: William C. Guinan
Email: BGuinan@blg.com

(c) if to the Lender:

Crown Capital Partner Funding, LP, c/o Crown Capital Partners Inc.
333 Bay St., Suite 2730
Toronto, Ontario M5H 2R2

Attention: Chief Investment Officer
Email: tim.oldfield@crowncapital.ca

(d) with a copy to:

MLT Aikins LLP
2100, 222 3rd Avenue SW
Calgary, AB T2P 0B4

Attention: Chris Hahn
Email: CHahn@mltaikins.com

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

Each of the parties has signed this Agreement with effect as of the day and year first written above.

T5 SC OIL AND GAS LIMITED PARTNERSHIP, by its general partner TRIPLE FIVE INTERCONTINENTAL GROUP LTD.,
as Borrower

By: _____
Name:
Title

TRIPLE FIVE INTERCONTINENTAL GROUP LTD.
as Guarantor

By: _____
Name: Ryan Martin
Title President.

T5 ENERGY PARTNERS LTD.,
as Guarantor

By: _____
Name:
Title:

_____
(*Witness*)

Name:
Occupation:

_____
NADER GHERMEZIAN
as Guarantor

Each of the parties has signed this Agreement with effect as of the day and year first written above.

T5 SC OIL AND GAS LIMITED PARTNERSHIP, by its general partner TRIPLE FIVE INTERCONTINENTAL GROUP LTD.,
as Borrower

By: _____
Name:
Title

TRIPLE FIVE INTERCONTINENTAL GROUP LTD.
as Guarantor

By: _____
Name:
Title

T5 ENERGY PARTNERS LTD.,
as Guarantor

By: _____
Name: David Ghermezian
Title: President

_____
(*Witness*)

Name:
Occupation:

_____
NADER GHERMEZIAN
as Guarantor

Each of the parties has signed this Agreement with effect as of the day and year first written above.

T5 SC OIL AND GAS LIMITED PARTNERSHIP, by its general partner TRIPLE FIVE INTERCONTINENTAL GROUP LTD.,
as Borrower

By: _____
Name:
Title

TRIPLE FIVE INTERCONTINENTAL GROUP LTD.
as Guarantor

By: _____
Name:
Title

T5 ENERGY PARTNERS LTD.,
as Guarantor

By: _____
Name: David Ghermezian
Title: President

_____
(Witness)

Name: Ray Ghermezian
Occupation: Leasing Agent

_____
NADER GHERMEZIAN
as Guarantor

CROWN CAPITAL PARTNER FUNDING, LP, by its general partner **CROWN CAPITAL LP PARTNER FUNDING INC.**
as Lender

By: _____
Name: C. Johnson
Title CEO

By: _____
Name: Tim Oldfield
Title Chief Investment Officer

Schedule "A"

(*see attached*)

BLOCKED ACCOUNT AGREEMENT
(without a trigger)

THIS AGREEMENT is made as of the 15th day of October, 2020

AMONG: **BANK OF MONTREAL**, in its capacity as the provider of banking services
(hereinafter called the "**Bank**")

AND: **TRIPLE FIVE INTERCONTINENTAL GROUP LTD.**,
(hereinafter called the "**Debtor**")

AND: **CROWN CAPITAL PARTNER FUNDING, LP**, in its capacity as lender under the Loan Agreement (defined below)
(hereinafter called the "**Lender**")

WHEREAS the Debtor, in its own capacity (as guarantor) and in its capacity as general partner of T5 SC Oil and Gas Limited Partnership (as borrower) (the "**Borrower**") has entered into a second amended and restated loan agreement dated October 31, 2019 with, *inter alios*, the Lender (as amended, restated, modified or supplemented, the "**Loan Agreement**") pursuant to which the Lender has made certain loans, and may from time to time provide other financial accommodations, to the Borrower secured by, among other things, all right, title and interest of the Debtor in and to all present and future accounts, contract rights, general intangibles, documents, instruments, chattel paper, deposit and other bank accounts and proceeds of the foregoing (collectively, the "**Collateral**");

AND WHEREAS the Debtor has established Canadian Dollar Account No. 0010 1925-862 (the "**Blocked Account**") with the Bank;

NOW THEREFORE in order for the Debtor to comply with the requirements of the Lender under the financing arrangements with the Borrower, and in consideration of the reciprocal obligations herein provided and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by each of the parties hereto, each of the Bank, the Debtor and the Lender agree as follows:

1. **Establishment of Accounts.** The Bank will maintain the Blocked Account as long as the Debtor is in compliance with the terms of the Bank's account documentation with respect thereto. The Bank will maintain the Blocked Account until the date that the Loan Agreement has been terminated.

2. **Deposits to Blocked Account.** In connection with the Borrower's financing arrangements with the Lender, the Debtor has agreed to deposit all amounts received by the Debtor from time to time in connection with the operation of its business (including as received on behalf of the Borrower) into the Blocked Account.

3. **Security Interest of the Lender.** The Debtor has granted to the Lender a security interest in and lien upon, and pledged to the Lender, the Collateral, which includes cheques, drafts and other instruments received for deposit in the Blocked Account and all amounts at any time in or attributable to the Blocked Account, as security for all existing and hereafter arising obligations, liabilities and indebtedness of the Debtor to the Lender. The Lender acknowledges and agrees that it shall take whatever action it considers appropriate and necessary to protect and enforce its rights respecting the Blocked Account, including completion and registration of any documents or financing statements in order to perfect any security interests in the Blocked Account. The Bank makes no representations and assumes no liability respecting the validity or the enforceability of any security interest the Lender or any other party may have relating to the Blocked Account or the existence of any other liens or other interests respecting the Blocked Account. The Bank assumes no responsibility or liability for maintaining the perfection, registration or validity of the security interest of the Lender in the Blocked Account.

4. **Exclusive Authority.** None of the officers, agents or other representatives of the Debtor or any of their affiliates shall have any authority to withdraw any amounts from, to draw upon or otherwise exercise any authority or powers with respect to the Blocked Account and all amounts held therein. The Blocked Account shall be under the sole dominion and control of the Lender. Accordingly, the Debtor shall not give any instructions with respect to the Blocked Account other than those approved in writing by the Lender.

5. **No Duty to Inquire.** Subject to Section 11, the Bank will not have any duty to inquire whether or not the Lender is entitled to give, and has no duty to question, instructions, certificates or notices pursuant to any of the provisions of this Agreement or any other agreement. Any instructions, certificates or notices given by the Lender will be conclusive authority for the Bank to act in accordance with the instructions, certificates or notices whether or not the Lender is acting in good faith. The Bank is not obliged or required to monitor any requirements or obligations of the Lender or the Debtor pursuant to this Agreement or any other agreement.

6. **Account Transfers.** The parties agree that amounts in the Blocked Account from time to time may only be withdrawn from time to time:

   a) upon the written direction from the Lender, given in substantially the form set out in Schedule "A" to this Agreement; or

   b) upon the Lender withdrawing such amounts by way of the Bank's online banking platform.

7. **Reporting**. At such time or times as the Lender may request, the Bank will promptly report to the Lender the amounts deposited in the Blocked Account and will furnish to the Lender any copies of bank statements, deposit tickets, deposited items, debit and credit advices and other records maintained by the Bank under the terms of its arrangements with the Debtor (as in effect on the date hereof). The Debtor hereby expressly consents to the release of this information by the Bank to the Lender. The Debtor (and failing which, the Lender) will reimburse the Bank for its reasonable expenses in providing such items to the Lender.

8. **Charges and Limited Right of Set-Off.** The Debtor and the Lender shall be and at all times remain jointly and severally liable to the Bank for any and all fees and service charges relating to the Blocked Account and chargebacks for any cheques, drafts and other payment

items dishonoured or otherwise returned to the Bank, in whole or in part, with respect to the Blocked Account (all such fees, service charges and chargebacks being hereinafter referred to, collectively, as "**Charges**").

The Debtor and the Lender hereby acknowledge and agree that the Bank shall be entitled to recover any and all Charges from the Blocked Account and the Bank is hereby authorized to debit the Blocked Account or any account of the Debtor held at any branch of the Bank at any time to recover any and all Charges.

The Bank may exercise its rights of set-off, consolidation and banker's lien to the extent required to satisfy any Charges, provided that the Bank shall not exercise any such rights with respect to other liabilities owed to it by the Debtor.

If there are insufficient funds on deposit in the Blocked Account or in any account of the Debtor held at any branch of the Bank to cover any outstanding Charges, the Debtor shall promptly pay to the Bank the amount of such Charges upon demand by the Bank.

If the Debtor fails to pay such amount within ten (10) days of demand by the Bank, the Lender shall promptly pay to the Bank the amount of all such outstanding Charges upon written notification from the Bank.

9. **Compliance with Court Order.** Notwithstanding any other provision contained herein, the Bank shall have the right to freeze or automatically debit the Blocked Account in accordance with any court order or notice of garnishment received by it, or any other legal requirement with which the Bank reasonably determines it is required to comply.

10. **Indemnity.** The Debtor and the Lender shall jointly and severally indemnify and hold harmless the Bank, its employees, officers, directors from and against any and all loss, liability, damage, cost, claim and expense incurred (including, without limitation, reasonable legal fees and expenses) by the Bank, its employees, officers and directors with respect to the performance of this Agreement, including, without limitation, claims that the Bank was not properly authorized to transfer credit balances from the Blocked Account.

11. **Scope of Duty.** The Bank undertakes to perform only such duties as are expressly set forth in this Agreement and to deal with the Blocked Account with the degree of skill and care that the Bank accords to all accounts and funds maintained and held by it on behalf of its customers. Notwithstanding any other provision of this Agreement, the parties agree that the Bank shall not be liable for any action taken by it or any of its directors, officers or employees in accordance with this Agreement except for its or their own gross negligence or wilful misconduct. In no event shall the Bank be liable for losses or delays resulting from force majeure, computer malfunctions, interruption of communication facilities or other causes beyond the Bank's control or for indirect or consequential damages.

12. **Termination.** During such time as the Debtor has obligations, liabilities and indebtedness to the Lender under the Loan Agreement, the Debtor shall have no right to terminate this Agreement or the account agreements relating to the Blocked Account without the written consent of the Lender. If the Debtor has no obligations, liabilities or indebtedness to the Lender under the Loan Agreement, the Debtor may terminate this Agreement upon thirty (30) days prior notice to the Bank and Lender thereof. The Bank may terminate this Agreement and/or the account agreements relating to the Blocked Account upon thirty (30) days prior notice to the Lender thereof. The Lender may terminate this Agreement upon thirty (30) days prior notice to the Bank thereof. Upon any such termination, the Bank shall

remit the entire balance of the Blocked Account as provided to the Lender, save and except for the amount of any Charges owing to the Bank and subject to the rights and obligations of the Bank set out in Section 8 and Section **Error! Reference source not found.** hereof.

13. **Amendments.** No change or modification of this Agreement is binding upon the parties unless it is in writing and signed by all parties.

14. **Successors and Assigns.** This Agreement shall be binding upon each of the parties and their respective successors and permitted assigns and enure to the benefit of the Bank and the Lender and their respective successors and assigns.

15. **Notices.** Any notices or instructions permitted or required pursuant to this Agreement shall be in writing and shall be delivered to the party for which it is intended by registered mail (postage prepaid), prepaid courier, facsimile or e-mail to the address of such party indicated below, or at such other address as any party hereto may stipulate by notice to the other parties from time to time. Any notice sent by registered mail shall be deemed to be received by the party for which it is intended five (5) business days after mailing. Any notice delivered by prepaid courier shall be deemed to be received by the party for which it is intended on the date of actual delivery thereof if such delivery occurs prior to 5:00 p.m. on such business day and, otherwise, on the next following business day. Any notice sent by facsimile or e-mail shall be deemed to be received by the party for which it is intended on the next business day following transmission. The addresses for notice of the parties are as follows:

the Lender:

333 Bay St., Suite 2730
Toronto, Ontario M5H 2R2

Email: tim.oldfield@crowncapital.ca

the Bank:

Bank of Montreal
595 Burrard St., – 6th floor, Transit #8500
Vancouver, BC V7X 1L7

Fax No.: 1-844-823-9023
Email: TPS CAD Client Service TPSCAD.clients@bmo.com

the Debtor:

c/o 3600, 700 – 2nd Street SW
Calgary, Alberta T2P 2W3

Email: Ryan.Martin@petroworldenergy.com

16. **Severability.** If any provision of this Agreement is determined to be invalid or unenforceable in whole or in part, such invalidity or unenforceability shall attach only to such provision and the remainder of this Agreement shall continue in full force and effect.

17. **Further Assurances.** The parties agree that each of them shall, upon reasonable request of the other, do, execute, acknowledge and deliver such acts, deeds and agreements as may be necessary or desirable to give effect to the terms of this Agreement.

18. **Conflicts.** In the event of any inconsistency between this Agreement and the terms of any other agreement in respect of the Blocked Account, the terms of this Agreement shall prevail.

19. **Counterparts.** This Agreement may be executed in any number of counterparts with the same effect as if all parties hereto had all signed the same document. All counterparts shall be construed together and shall constitute one and the same original agreement.

20. **Governing Law.** This Agreement shall be governed in accordance with the laws of the Province of Alberta and the laws of Canada applicable therein.

21. **Language.** It is the express wish of the parties that this Agreement and any related documents be drawn up and executed in English. *Les parties conviennent que la présente convention et tous les documents s'y rattachant soient rédigés et signés en anglais.*

[Remainder of page intentionally left blank. Execution page to follow.]

TRIPLE FIVE INTERCONTINENTAL GROUP LTD.,
as Debtor

Per: _____
Name: Ryan Martin
Title: President.

_____
Name:
Title:

CROWN CAPITAL PARTNER FUNDING, LP, by its general partner, CROWN CAPITAL LP PARTNER FUNDING INC.,
as Lender

Per: _____
Name: Chris Jones
Title: CFO

_____
Name: Tim Oldfield
Title: Chief Investment Officer.

BANK OF MONTREAL, as Bank

Per: jcuison
Name: Janice Cuison
Title: Manager, Documentation Team

_____
Name:
Title:

SCHEDULE "A"

FORM OF DIRECTION

TO: Bank of Montreal (the "**Bank**")

DATE: [◆]

RE: Blocked Account Agreement dated October ___, 2020 (the "**Blocked Account Agreement**") made between the Bank, Crown Capital Partner Funding, LP (the "**Lender**") and Triple Five Intercontinental Group Ltd.

The Lender hereby directs the Bank to release $[◆] from the Blocked Account (as defined in the Blocked Account Agreement) to the following account:_____.

The amount authorized for release hereunder is in addition to all amounts in respect of which the Lender has previously consented to the release from the Blocked Account.

CROWN CAPITAL PARTNER FUNDING, LP, by its general partner, CROWN CAPITAL LP PARTNER FUNDING INC.,
as Lender

Per: _____
Name:
Title:

_____
Name:
Title:

Schedule 8.2

Form of Officer's Compliance Certificate

TO: **Crown Capital Partner Funding, LP, by its general partner, Crown Capital LP Partner Funding Inc. (collectively, the "Lender")**
c/o Crown Capital Partners Inc.
333 Bay St., Suite 2730
Toronto, Ontario M5H 2R2

Attention: **Tim Oldfield, Chief Investment Officer**
Email: **tim.oldfield@crowncapital.ca**

FROM: **T5 SC Oil and Gas Limited Partnership, by its general partner, Triple Five Intercontinental Group Ltd.**

RE: **Second Amended and Restated Loan Agreement dated as of October 31, 2019, made between the Borrower, the General Partner and the Lender (as amended, modified, revised, restated or replaced from time to time, the "Loan Agreement")**

DATE: **[◆]**

The undersigned, the [◆] of the [◆], hereby certifies, in that capacity for and on behalf of the Obligors, and without personal liability, that:

1. I have read and am familiar with the provisions of the Loan Agreement and have made such examinations and investigations, including a review of the applicable books and records of the Obligors as are necessary to enable me to express an informed opinion as to the matters set out herein. Unless otherwise defined herein terms used herein have the meanings ascribed thereto in the Loan Agreement.

2. I have made or caused to be made such examinations or investigations as are, in my opinion, necessary to furnish this Certificate, and I have furnished this Certificate with the intent that it may be relied upon by the Lender as a basis for determining compliance by the Obligors with their covenants and obligations under the Loan Agreement and the other Loan Documents as of the date of this Certificate.

3. The representations and warranties contained in the Loan Agreement and each other Loan Document are true and correct in all material respects on the date of this Certificate with reference to facts subsisting on such date, with the same effect as if made on such date except for those representations and warranties which speak to a specific date which shall be true in all material respects as of such date **[except _____].[NOTE: IF A REPRESENTATION OR WARRANTY IS NOT CORRECT OR COMPLETE, PLEASE SET FORTH WHAT ACTION HAS BEEN TAKEN OR IS PROPOSED TO BE TAKEN WITH RESPECT THERETO.]**

4. All of the covenants required by the Loan Agreement have been observed, performed or satisfied, as applicable, and no Pending Event of Default or Event of Default has occurred and is continuing on the date of this Certificate **[except _____].[NOTE: IF A COVENANT HAS NOT BEEN COMPLIED WITH, OR A PENDING EVENT OF DEFAULT OR EVENT OF**

DEFAULT EXISTS OR EXISTED, PLEASE SET FORTH WHAT ACTION HAS BEEN TAKEN OR IS PROPOSED TO BE TAKEN WITH RESPECT THERETO.]

5. The attached financial statements for the **[month/Fiscal Year]** ending **[insert date]** fairly present in all material respects the information contained in such financial statements, and such financial statements, and all calculations of financial covenants and presentation of financial information in this Certificate and the Appendices to this Certificate, have been prepared in accordance with GAAP.

6. As of [◆]:

(a) The Net Debt to Proved Reserve Value Ratio was [◆]:1, calculated as follows:

(i) Net Debt [**as further outlined in Exhibit I hereto**] = $◆

(ii) Proved Reserve Value = $◆

(iii) (i) divided by (ii) ◆:◆

(b) The LLR/LMR was [◆]:1 as of [◆].

(c) Cumulative EBITDA to Cumulative Forecasted EBITDA Ratio was [◆]:1, calculated as follows:

(i) Cumulative EBITDA, calculated as follows:

A. Net Income of the Borrower = $◆

B. increased by the sum of (without duplication),

a) Items in (i) of the definition of EBITDA = $◆

b) Items in (ii) of the definition of EBITDA = $◆

c) Items in (iii) of the definition of EBITDA = $◆

d) Items in (iv) of the definition of EBITDA = $◆

e) Items in (v) of the definition of EBITDA = $◆

f) Items in (vi) of the definition of EBITDA = $◆

= a) + b) + c) + d) + e) + f) = $◆

C. decreased by the sum of (without duplication),

g) Items in (vii) of the definition of EBITDA = $◆

h) Items in (viii) of the definition of EBITDA = $◆

i) Items in (ix) of the definition of EBITDA = $◆

	j)	Items in (x) of the definition of EBITDA =	$◆
	=	g) + h) + i) +j) =	$◆
D.	((A) + (B) – (C))	=	$◆
(ii)	Cumulative Forecasted EBITDA =		$◆
(iii)	(i) divided by (ii)		◆:◆

(d) Monthly Sales = ◆ mcf/d **[as further outlined in the Sales Report appended as Exhibit II hereto]**.

7. **[Specify and attach any Material Contracts or Material License entered into since the date of the last Compliance Certificate.]**

Per: _____
Name:
Title:

Schedule 9.1(gg)

Sales Covenant

	A	B	C	D
1		Company PDP Forecast		Covenant Threshold
2		Sales Gas mcf/d		Sales Gas mcf/d
3	Oct-20	13,730		12,357
4	Nov-20	13,177		11,859
5	Dec-20	12,683		11,415
6	Jan-21	12,231		11,008
7	Feb-21	11,839		10,655
8	Mar-21	11,479		10,331
9	Apr-21	11,136		10,022