PURCHASE AND SALE AGREEMENT

This Agreement made this 22nd day of April, 2020.

BETWEEN:

[Name of Transferor redacted], a general partnership, formed under the laws of the Province of Alberta and having an office in the City of Calgary, in the Province of Alberta

(hereinafter referred to as "Transferor")

- and -

ROK RESOURCES INC., a body corporate registered to carry on business in the Province of Saskatchewan and having an office in the City of Regina, in the Province of Saskatchewan

(hereinafter referred to as "Transferee")

WHEREAS Transferor wishes to sell and Transferee wishes to purchase the entire interest of Transferor in and to the Assets, and therefore the Parties agree as follows:

1. <u>Incorporation of Property Transfer Procedure</u>

This agreement is a Head Agreement, as defined in the 2000 CAPL Property Transfer Procedure (the "Property Transfer Procedure"), and the Parties agree that the complete transaction between them with respect to the sale of the Assets by Transferor to Transferee is governed by the Property Transfer Procedure, as amended by the elections and amendments to the Property Transfer Procedure as set out in Schedule "B" attached hereto and by the provisions of this Head Agreement.

2. <u>Definitions</u>

Each capitalized term used in this Head Agreement will have the meaning given to it in the Property Transfer Procedure. In addition:

a) "Closing Date" means June 30, 2020 or such other date as may be agreed upon by the Parties;

b) "Deposit Escrow Agreement" means the Deposit Escrow Agreement entered into concurrently herewith by Transferor, Transferee and Escrow Agent;

c) "Effective Date" means June 1, 2020;

d) "Emulsion and Water Handling Agreement" means the processing agreement for the Transferor's [legal description of interest redacted] Battery in the form attached as Schedule "G";

e) "Escrow Agent" means [name of escrow agent redacted];

f) "Partner Seismic Data" means Transferor's right, title and interest in and to the proprietary seismic data in which Transferor owns less than a 100% proprietary interest as set forth and described in Schedule "E";

g) "Proprietary Seismic Data" means Transferor's right, title and interest in and to the seismic data set forth and described in Schedule "E" but only if and to the extent Transferor owns a 100% proprietary interest therein;

h) "Proprietary Seismic License" means a license granting Transferee a perpetual, non-exclusive, royalty free license to use the Proprietary Seismic Data in the form attached as Schedule "F";

i) “Purchase Price” means the aggregate consideration payable by Transferee to Transferor as set forth in Section 4;

j) “Seismic Data” means all of the seismic identified on Schedule “E”;

k) “SMER” means Saskatchewan Ministry of Energy and Resources and any predecessor thereof or successor thereto; and

l) “Whitemap Area” means the area outlined in red on the map attached as Schedule “I”.

3. <u>Schedules</u>

The following Schedules are attached hereto and made part of this Agreement:

a) Schedule “A” which is the Land Schedule and identifies: (i) the Lands; (ii) the Leases; (iii) any other agreements, documents or data that are to be excluded from the Miscellaneous Interests under that definition; (iv) any encumbrances, Rights of First Refusal, production sales agreements, other agreements, penalties or other items required to be included in the Land Schedule under the definition of Permitted Encumbrances or the definition of Title and Operating Documents; (v) any Facilities required to be included in the Land Schedule under the definition of Facilities, any other Tangibles described in Paragraph (c) of the definition of Tangibles and any assets otherwise falling within the definition of Tangibles that are specifically excluded therefrom; and (vi) the Wells;

b) Schedule “B” which is the Elections and Amendments Form to the Property Transfer Procedure;

c) Schedule “C” which is the form of General Conveyance that is to be delivered by Transferor and Transferee at Closing;

d) Schedule “D” which is the form of the Representations and Warranties Certificates that are to be delivered by Transferor and Transferee at Closing;

e) Schedule “E” which describes the Seismic Data;

f) Schedule “F” which is the form of Proprietary Seismic License Agreement that will be entered into by Transferor and Transferee at Closing;

g) Schedule “G” which is the form of Emulsion and Water Handling Agreement that will be entered into by Transferor and Transferee at Closing;

h) Schedule “H” which is the wire transfer instructions of Transferor;

i) Schedule “I” which is the Whitemap Area; and

j) Schedule “J” which is the Deposit Escrow Agreement.

4. <u>Purchase and Sale</u>

Transferee agrees to purchase the Assets from Transferor and Transferor agrees to sell the Assets to Transferee on the terms and conditions set forth in this Agreement. Subject to the modifications that may be made under the Property Transfer Procedure, the consideration payable by Transferee to Transferor for the Assets is Seventy Thousand CDN Dollars ($70,000.00) and is allocated among the Assets as follows:

a)	To Petroleum and Natural Gas Rights	$ 40,000.00
b)	To Tangibles	$ 9,999.00
c)	To Seismic Data	$ 20,000.00
d)	To Miscellaneous Interests	$ 1.00
	TOTAL	$ 70,000.00

Plus: 5% GST on Tangibles, Seismic Data and Miscellaneous Interests $ 1,500.00

5. Deposit

a) Fifty Thousand CDN Dollars ($50,000.00) (the "Deposit"), representing an earnest money deposit, shall be paid by Transferee to the Escrow Agent on the date of the execution of this Head Agreement in accordance with the terms of the Deposit Escrow Agreement;

b) If Closing occurs at the Closing Date, the Deposit shall be released by the Escrow Agent to Transferor and applied towards the Purchase Price;

c) If Closing does not occur at the Closing Date, then the provisions outlined in Clause 12 of the Property Transfer Procedure shall apply in respect of the Deposit.

6. Whitemap Area

a) The Parties acknowledge that although Transferor has prepared, and Transferee has reviewed, the schedules attached hereto, they recognize that there may be unintended omissions or errors. As such, the Parties acknowledge and agree that it is their intention that, in addition to those Assets included and specified in the schedules hereto, the Assets shall include Transferor's entire interest in and to all Petroleum and Natural Gas Rights, Tangibles, Wells and Miscellaneous Interests which fall within the Whitemap Area and all obligations and liabilities associated therewith, all of which the Purchase Price includes consideration for.

b) To the extent any Petroleum and Natural Rights, Tangibles, Wells or Miscellaneous Interests are identified by either Party after the Closing Date, the Parties shall use all reasonable efforts to specifically convey such interests to Transferee.

c) Notwithstanding the foregoing, to Transferor's knowledge there are no material unscheduled assets, obligations or liabilities that have not been disclosed to Transferee.

7. Treatment of Income for Tax Purposes

Transferee shall be under no obligation to provide Transferor with an adjustment for the income taxes that shall be payable by Transferor on the revenue from the Assets on and after the Effective Date up to and including the Closing Date.

8. Seismic Data

a) At Closing, Transferor and Transferee shall enter into the Proprietary Seismic License Agreement set forth in Schedule "F", whereby Transferor grants Transferee a Proprietary Seismic License for the Proprietary Seismic Data only. Any copying costs associated with the Proprietary Seismic License shall be the sole cost and expense of Transferee;

b) Transferor and Transferee shall cooperate to ensure that the sale to Transferee of the Partner Seismic Data that is, as of the date hereof, jointly owned by Transferor with one or more third parties is effected in compliance with any agreements that govern Transferor's interest in such Partner Seismic Data. Following the Closing:

i. Transferor and Transferee shall each use commercially reasonable efforts (which, for certainty, may include the joint engagement of a seismic data broker) to: (A) obtain required consents or waivers for the sale of the Partner Seismic Data to Transferee; and (B) to confirm fees or other amounts payable to any third party, if any as soon as practicable; and

ii. any fees or other amounts payable to third parties in respect of the sale to Transferee of such Partner Seismic Data shall be paid by Transferee; provided that, Transferee shall not be required to pay any further consideration to Transferor in connection with the sale of the Partner Seismic Data other than the amounts specifically contemplated by this Head Agreement.

c) Notwithstanding any other provision in this Head Agreement, Transferor shall have no liability to Transferee if sale of the Partner Seismic Data as contemplated herein cannot be effected in accordance with the agreements relating to Transferor's interest in such Partner Seismic Data;

9. <u>Permit Transfers</u>

(a) The Parties agree that forthwith following Closing, Transferor will make all reasonable efforts to transfer the Wells, Pipelines and Facilities to Transferee.

(b) If the SMER requires Transferee to make a deposit or furnish any other form of security in order to approve the transfer of the Wells, Pipelines or Facilities, Transferee shall immediately either (i) make such deposit; or (ii) furnish such other form of security as the SMER requires.

(c) If, following Closing:

(i) Transferor is unable to transfer the Wells, Pipelines and Facilities to Transferee due to objections from affected stakeholders during any required notification processes or any other reasons beyond Transferee's reasonable control; or

(ii) Transferee does not furnish the deposit or security required pursuant to section (b) herein because it is greater than One Million Five Hundred Thousand CDN Dollars ($1,500,000.00) and as a result the Wells, Pipelines and Facilities are not transferred; or

(iii) The SMER provides notice that it will not accept the transfer of the Wells, Pipelines or Facilities ("SMER Notice");

Then, within five (5) days of receipt of the SMER Notice or confirmation of (i) or (ii) above, Transferee will re-convey the Assets to Transferor. Transferor shall not be entitled to retain the Deposit in the event of such reconveyance of the Assets and the Deposit shall be returned to Transferee forthwith.

10. <u>Amendments to the Property Transfer Procedure</u>

The following amendments to the following clauses as referenced in the Property Transfer Procedure shall apply to this Head Agreement:

a) the definition of "Assets" is deleted and replaced with the following:

> "Assets" means, subject to Clauses 1.02 and 1.05, the Petroleum and Natural Gas Rights within the Whitemap Area, the Tangibles, the Miscellaneous Interests (including, without limitation, the Wells within the Whitemap Area), the Seismic Data and any sulphur comprising part of a base pad or storage block that forms part of the Assets under Paragraph 4.01(e).

b) the definition of "General Conveyance" contained in Subclause 1.01(L) is deleted in its entirety and replaced with the following definition:

> "General Conveyance" means a document delivered at Closing, substantially in the form of Schedule "C" attached to the Head Agreement, through which Transferor conveys the Assets to Transferee.

c) Clause 3.02 is deleted in its entirety and replaced with the following:

> "Provided Closing occurs and subject to all other provisions of this Agreement, possession, risk and beneficial ownership in and to the Assets shall pass from Transferor to Transferee as of the Closing Date."

d) Clause 8.02 Subclause B, Alternate 2 shall be deleted in its entirety and replaced with the following:

> "Insofar as the Title Defects described in the notices in the preceding Subclause have not been cured to Transferee's reasonable satisfactions on or before the Closing Date, Transferee will, on or before the Closing Date, give Transferor notice of the Title Defects that Transferee is not prepared to waive. Transferee will include in that notice the value reasonably attributed to each affected interest by Transferee. The Parties will proceed with Closing, without adjustments to the Purchase Price due to those uncured Title Defects, unless the total value attributed by Transferee to a singular instance in that notice exceeds $70,000.00 or the total combined value attributed by Transferee exceeds $140,000.00. If the total value of a singular instance within the Title Defects exceeds that amount, Transferee may elect, by notice to Transferor on or before the Closing Date, to do one of the following:
>
> (a) delay the Closing Date to such later date as is agreed by the Parties, to provide the Transferor with additional time to cure the remaining Title Defects, at which point this Subclause will again apply to any then uncured Title Defects; or
>
> (b) waive the uncured Title Defects and proceed with Closing."

e) Clause 10.02 is amended to include:

> (e) Transferee shall have entered into, or reached an agreement in principal with respect to, [name of agreement and counterparty redacted];
>
> (f) Transferee shall have performed the necessary due diligence and shall be satisfied with such due diligence prior to June 15, 2020; and
>
> (g) Transferor shall have shut-in the [legal description redacted] Battery and associated production at Transferor's sole cost and expense.

f) Clause 12.01 shall be deleted in its entirety and replaced with the following:

> "If a party (the "Defaulting Party") fails to comply with an obligation under the Agreement and Closing does not occur as a result, the other Party (the "Injured Party") may, by notice to the Defaulting Party treat the Agreement as terminated by reason of the non-fulfilment of the obligations of the Defaulting Party and the Injured Party's remedy for that default shall be limited to the handling of the Deposit on the basis set forth herein. If the Defaulting Party is Transferee, the Deposit and the interest accrued thereon, if any, will be forfeited to Transferor as a genuine pre-estimate of liquidated damages and not as a penalty. If the Defaulting Party is Transferor, the Deposit and the interest accrued thereon, if any, under subclause 2.02B will be refunded to Transferee forthwith. The Injured Party, by accepting the forfeit or return of the Deposit as the case may be, shall be deemed to have waived all other remedies that may otherwise have been

available to it at law or equity for that default."

11. Lease Rental Payments and other Transitional Matters

Unless otherwise directed by Transferee:

Transferor shall, where it is the payor of such rentals and royalty payments, pay on behalf of Transferee all rentals and shut-in royalty payments for Crown and freehold mineral and surface leases which are due and payable on or before the end of the second calendar month following Closing Date and Transferee shall be responsible for such payments after such date;

Transferor will be responsible for production and royalty accounting for the production months on or before the end of the calendar month in which Closing occurs and Transferee shall be responsible for production accounting after such date; and

Transferor will be responsible for marketing all production to the last day of the second calendar month following the Closing Date. Transferor shall be entitled to market all such production in accordance with its current marketing policies and agreements pertaining to the Assets, if any. Transferee shall be responsible for marketing of production after such date.

12. Electronic Signatures

The Parties agree that all Specific Conveyances to be delivered and/or executed in connection with Closing under this Head Agreement and the transactions contemplated herein, except for the General Conveyance, records that create or transfer interests in land or that are registrable at a Land Titles Office, documents of title and such other documents excluded by section 7 of the *Electronic Transactions Act,* RSA 2001, c E-5.5, as amended from time to time (the "ES Conveyance Documents"), shall be executed by use of electronic signatures (the "Electronic Signatures"). Prior to Closing, the Parties shall exchange a listing of one another's individual representatives which listing shall include the subject individual's name, title and sample Electronic Signature. The Electronic Signatures of the individuals set out in such listing and which appear on any ES Conveyance Documents shall be sufficient to cause such ES Conveyance Documents to be valid and binding obligations of the Party represented by such individuals, without need for original signatures to appear thereon and shall be of the same legal effect, validity or enforceability as a manually executed signature, provided that the Electronic Signature(s) of the individual(s) shall not be applied to such ES Conveyance Documents without the express written consent of the Party represented by such individual(s). The Parties shall receive and use the Electronic Signatures solely for the purpose of embedding the same into the ES Conveyance Documents and for no other purpose whatsoever, and neither Party shall be entitled to use Electronic Signatures of the other Party at any time after sixty (60) days from the Closing Time, unless expressly consented to by such Party.

13. Execution in Counterpart and by Facsimile or Electronic Means

This Agreement may be executed in separate counterparts and when a counterpart has been executed and delivered by each Party all counterparts, when taken together, will constitute one agreement and will have the same force and effect as if all of the persons executing such counterparts had executed and delivered the same Agreement. A facsimile copy or an e-mail or other electronic copy of an executed document or of an executed counterpart in each case faxed or emailed to the facsimile number or e-mail address, respectively, set forth in Schedule "B" hereto will be acceptable as if it were an originally executed document or counterpart.

14. Securities Act Disclosure

At any time prior to Closing or in the two (2) year period following Closing, should Transferee require an audited operating statement with respect to the Assets pursuant to the Regulations including any disclosure requirements under securities' legislation, for a period during which the Assets were owned by Transferor, then:

a) Transferor shall provide access during normal business hours to the records of Transferor relevant to preparation of such an operating statement during such period;

b) the audit shall be performed by Transferor’s auditor, or if such auditor is unable or unwilling to perform such audit, by a firm of independent auditors selected by Transferor, and Transferee shall be responsible for all costs incurred in connection with the audit and the preparation of any statements or reports and Transferor shall not be required to provide direct access to Transferor’s records to Transferee or its representatives; and

c) if the auditor requires the assistance of Transferor’s personnel to find, collect or interpret the necessary information from Transferor’s records, Transferor shall cause such assistance to be provided and Transferee shall pay reasonable hourly costs to Transferor as compensation for the time devoted by such personnel.

Notwithstanding the generality of the foregoing, Transferee hereby acknowledges that:

d) all information provided by Transferor to Transferee pursuant to this Clause is provided on the express condition that Transferor and its representatives assume no liability, whatsoever, to Transferee or any other person in respect of such information, or the accuracy or sufficiency thereof or in connection with any claim in respect of such information; and

e) Transferor and its representatives make no representation or warranty regarding such information and expressly disclaim any implied or constructive representation or warranty.

IN WITNESS WHEREOF the Parties have duly executed this Agreement.

[name of counterparty redacted]

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ROK RESOURCES INC.

____
Jared Lukomski
Vice President, Land

SCHEDULE “A”

[schedules redacted]