

CDN. \$15,000,000

**TERM CREDIT FACILITY
SECOND AMENDING AGREEMENT**

AMONG

**TOUCHSTONE EXPLORATION INC.
(as Borrower)**

AND

**CROWN CAPITAL FUND IV, LP
(as Lender)**

Dated as of June 13, 2018

SECOND AMENDING AGREEMENT

THIS AGREEMENT dated as of June 13, 2018.

AMONG:

TOUCHSTONE EXPLORATION INC as borrower (the "**Borrower**")

OF THE FIRST PART

- and -

CROWN CAPITAL FUND IV, LP, as Lender (the "**Lender**")

OF THE SECOND PART

WHEREAS the Borrower and the Lender are parties to the Credit Agreement;

AND WHEREAS the parties hereto have agreed to amend certain provisions of the Credit Agreement as set out herein;

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 conclusively acknowledged by each of the parties hereto, the parties hereto covenant and agree as follows:

1. INTERPRETATION

1.1 In this Agreement (including the recitals hereto), unless something in the subject matter or context is inconsistent therewith:

"**Agreement**" means this second amending agreement;

"**Credit Agreement**" means the credit agreement dated November 7, 2016 among the Borrower and the Lender, as amended by a first amending agreement dated as of May 15, 2017; and

1.2 Capitalized terms used herein without express definition shall have the same meanings herein as are ascribed thereto in the Credit Agreement.

1.3 The division of this Agreement into Sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement. The terms "this Agreement", "hereof", "hereunder" and similar expressions refer to this Agreement and not to any particular Section or other portion hereof and include any agreements supplemental hereto. Unless expressly indicated otherwise, all references to "Section" or "Sections" are intended to refer to a Section or Sections of the Credit Agreement.

2. AMENDMENT

2.1 The definition of "Maturity Date" in Section 1.1 of the Credit Agreement is deleted in its entirety and replaced with the following:

"**Maturity Date**" means six (6) years from the Effective Date;"

2.2 Section 3.4(a) of the Credit Agreement is deleted in its entirety and replaced with the following:

“(a) The principal amount of the Loan shall be repaid on each Quarterly Payment Date in accordance with the following:

- (i) from the Effective Date up to but excluding January 1, 2020: Nil; and
- (ii) commencing January 1, 2020 and on each Quarterly Payment Date thereafter up to and including October 1, 2022: \$810,000;”

2.3 Section 8.1(w)(i) of the Credit Agreement is deleted in its entirety and replaced with the following:

“(i) [Reserved];”

3. EFFECTIVENESS

This Agreement shall become effective upon the later to occur of (a) the execution and delivery of this Agreement, (b) the payment to the Lender by the Borrower of an amendment fee of \$150,000 and (c) execution of an amending agreement in respect of the Production Payment Agreement in form and substance satisfactory to each of the Lender and the Borrower (each acting reasonably) (the "**Effective Date**").

4. CONFIRMATION OF CREDIT AGREEMENT AND OTHER DOCUMENTS

The Credit Agreement and all covenants, terms and provisions thereof, except as expressly amended and supplemented by this Agreement, shall be and continue to be in full force and effect. The Credit Agreement as amended hereby is hereby ratified and confirmed and shall from and after the Effective Date continue in full force and effect as herein amended. Nothing herein contained shall in any way diminish or affect any lien or security created by the Security or by any instrument supplemental or ancillary to or in implement of the Security. All of the Borrower's obligations, and all of the Lender's rights and remedies, shall remain unaltered and in full force, except as specifically modified hereby.

5. MISCELLANEOUS

5.1 This Agreement shall be governed by and construed in accordance with the laws of the Province of Alberta and federal laws of Canada applicable therein.

5.2 The parties hereto shall from time to time do all such further acts and things and execute and deliver all such documents as are required in order to effect the full intent of and fully perform and carry out the terms of this Agreement.

5.3 This Agreement may be executed in any number of counterparts, including by way of facsimile or PDF, each of which shall be deemed to be an original and all of which taken together shall be deemed to constitute one and the same instrument.

5.4 This Agreement shall constitute a Loan Document for the purposes of the Credit Agreement.

5.5 If any provision of this Agreement is or becomes illegal, invalid or unenforceable in any jurisdiction, the illegality, invalidity or unenforceability of that provision will not affect, the legality, validity or enforceability of the remaining provisions of this Agreement or the Credit Agreement

[Remainder of page intentionally left blank]

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

TOUCHSTONE EXPLORATION INC.

By: (signed) "Paul R. Baay"
Name: Paul R. Baay
Title: Chief Executive Officer

By: (signed) "Scott Budau"
Name: Scott Budau
Title: Chief Financial Officer

**CROWN CAPITAL FUND IV, LP, as Lender, by its
general partner, CROWN CAPITAL FUND IV
MANAGEMENT INC.**

By: (signed) "Tim Oldfield"
Name: Tim Oldfield
Title: Chief Investment Officer

By: _____
Name:
Title: