

**FIRST AMENDING AGREEMENT**

THIS AGREEMENT is made as of June 13, 2023

BETWEEN:

**INPLAY OIL CORP.**, a corporation subsisting under the laws of the Province of Alberta (hereinafter referred to as the "**Borrower**"),

OF THE FIRST PART,

- and -

**ATB FINANCIAL**  
**CANADIAN WESTERN BANK** and  
**BUSINESS DEVELOPMENT BANK OF CANADA** (hereinafter referred to collectively as the "**Lenders**" and individually as a "**Lender**"),

OF THE SECOND PART,

- and -

**ATB FINANCIAL**, as agent of the Lenders (hereinafter, in such capacity, referred to as the "**Agent**"),

OF THE THIRD PART.

WHEREAS the parties hereto have agreed to amend and supplement certain provisions of the Credit Agreement as hereinafter set forth;

NOW THEREFORE THIS AGREEMENT WITNESSES that 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 and the recitals hereto, unless something in the subject matter or context is inconsistent therewith:

"**Agreement**" means this agreement, as amended, modified, supplemented or restated from time to time.

"**Amended Credit Agreement**" means the Credit Agreement as amended by this Agreement.

"**Credit Agreement**" means the fourth amended and restated credit agreement made as of August 10, 2022 between the Borrower, as borrower, ATB Financial, Canadian Western Bank and Business Development Bank of Canada and such other persons as become parties thereto as lenders, as lenders, and ATB Financial, as agent, as amended, supplemented or otherwise modified by an extension letter dated May 8, 2023 (the "**Extension Letter**").

1.2. Capitalized terms used herein without express definition shall have the same meanings herein as are ascribed thereto in the Amended 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. Unless the context otherwise requires, references herein to "Sections" are to Sections 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.

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

1.5. The following Schedule is annexed hereto and is incorporated by reference and deemed to be part hereof:

Schedule A – Lenders and Commitments.

## **2. Amendments and Supplements**

2.1. ***Determination of Borrowing Base.*** The Lenders hereby confirm that, for purposes of the determination of the Borrowing Base to be made by the Lenders by June 15, 2023, pursuant to Section 2.23(2) of the Credit Agreement, the Borrowing Base has been determined to be at Cdn.\$110,000,000.

2.2. ***Amendment to Annual Determination of Borrowing Base.*** Section 2.23(2) of the Credit Agreement is hereby amended by deleting each reference therein to "May 31<sup>st</sup>" and substituting, in each case, "June 30<sup>th</sup>" therefore.

### **2.3. *Extension of Term Out Dates.***

- (a) The definition of "Syndicated Facility Term Out Date" contained in Section 1.1 of the Credit Agreement is hereby amended by deleting the reference therein to "May 30, 2023" (for certainty, as such date was extended from May 30, 2023 to June 15, 2023 pursuant to the Extension Letter) and replacing it with "June 30, 2024".
- (b) The definition of "Operating Facility Term Out Date" contained in Section 1.1 of the Credit Agreement is hereby amended by deleting the reference therein to "May 30, 2023" (for certainty, as such date was extended from May 30, 2023 to June 15, 2023 pursuant to the Extension Letter) and replacing it with "June 30, 2024".
- (c) The parties hereto hereby confirm and agree that the Syndicated Facility Term Out Date and the Operating Facility Term Out Date are each hereby extended to June 30, 2024.

### **2.4. *Decrease to Syndicated Facility.***

- (a) The definition of "Syndicated Facility" contained in Section 1.1 of the Credit Agreement is hereby amended by deleting the reference therein to "Cdn.\$100,000,000" and replacing it with "Cdn.\$95,000,000".
- (b) The parties hereto hereby confirm and agree that the maximum principal amount of the Syndicated Facility is hereby decreased from Cdn.\$100,000,000 to Cdn.\$95,000,000.

2.5. ***Increase to Operating Facility.***

- (a) The definition of "Operating Facility" contained in Section 1.1 of the Credit Agreement is hereby amended by deleting the reference therein to "Cdn.\$10,000,000" and replacing it with "Cdn.\$15,000,000".
- (b) The parties hereto hereby confirm and agree that the maximum principal amount of the Operating Facility is hereby increased from Cdn.\$10,000,000 to Cdn.\$15,000,000.

2.6. ***Amendment to LMR Provisions.***

- (a) Section 1.1 of the Credit Agreement is hereby amended by adding the following defined term in the appropriate alphabetical order:

""LCA" means the licensee capability assessment used by the Alberta Energy Regulator to assess the capabilities of licensees to meet their regulatory and liability obligations across the energy development cycle, as more particularly described in Directive 088: Licensee Life-Cycle Management."

- (b) Section 10.1(e) of the Credit Agreement is hereby amended by:
  - (i) deleting the references to "and" immediately following the last sentence of paragraphs (ix)(B) and (C); and
  - (ii) adding the following new paragraphs immediately following the existing paragraph (ix)(C):
    - "(D) within 60 days of the end of each of its fiscal quarters, details as to the LCA of the Borrower and each of its Subsidiaries; and
    - (E) promptly upon receipt thereof, notice (and reasonable details) of any material directive, order or communication from the applicable Energy Regulator relating to any assessment or reassessment of the LCA of the Borrower or any of its Subsidiaries, together with a true and complete copy of such material directive, order or communication; and"

2.7. ***Amendment to Mandatory Hedging.*** Section 10.1(w)(ii) of the Credit Agreement is hereby amended by (a) deleting the reference therein to "from and after October 1, 2022" and (b) by deleting the reference therein to "50%" replacing it with "65%".

2.8. ***Amendment to Negative Covenant Regarding No Sale-Leasebacks.*** Section 10.2(d) of the Credit Agreement is hereby amended by (a) deleting the reference to "; No Sale-Leasebacks" in the header thereof, and (b) deleting paragraph (ii) in its entirety.

2.9. ***Amendment to Definition of Permitted Distribution.*** The definition of "Permitted Distribution" contained in Section 1.1 of the Credit Agreement is hereby deleted in its entirety and replaced with the following:

""**Permitted Distribution**" means, in respect of the Borrower or any Subsidiary, any one or more of the following:

- (a) a Distribution to the Borrower or a Guarantor;
- (b) a Distribution consisting of (x) the redemption, retraction, purchase, retirement or other acquisition, in whole or in part, of any shares in the capital of the Borrower, or (y) the declaration, payment or setting aside for payment of any dividend or other distribution on or in respect of any shares in the capital of the Borrower, and, in each case, in respect of which the following conditions have been satisfied:
  - (i) such Distribution is permitted pursuant to the bona fide internal policies of the board of directors of the Borrower; and
  - (ii) if at the time of making such Distribution:
    - (A) the Debt to EBITDA Ratio, both before and on a *pro forma* basis after giving effect to such Distribution, would be less than 1.00:1.00, and the Borrower shall have delivered to the Agent an Officer's Certificate of the Borrower confirming the same;
    - (B) the Outstanding Principal under the Credit Facilities, both before and after giving *pro forma* effect to such Distribution, shall be less than 65% of the Total Commitment; and
    - (C) the aggregate amount of such Distribution together with all other Distributions made pursuant to this clause (b) (I) during any fiscal quarter shall not exceed \$7,500,000, and (II) during any fiscal year shall not exceed \$30,000,000,

in each case, provided that no Default, Event of Default or Borrowing Base Shortfall has occurred at the time of any such Distribution or will occur as a result of any such Distribution."

2.10. **Replacement of Schedule A.** Schedule A to the Credit Agreement is hereby deleted in its entirety and replaced with Schedule A attached hereto to, *inter alia*, provide that the Operating Facility Commitment and the Syndicated Facility Commitment of each Lender shall be the amount set forth opposite its name on such new Schedule A.

### **3. Funding of Loans to Reflect Revised Commitments**

3.1. **Funding of Outstanding Loans.** In order to give effect to the revised Syndicated Facility Commitments contemplated hereby, upon, and with effect from, the satisfaction of the conditions precedent set forth in Section 6, the Lenders hereby agree to take all steps and actions and execute and deliver all agreements, instruments and other documents as may be required by the Agent or any of the Lenders (including the assignment of interests in, or the purchase of participations in, existing Loans) to give effect to the decrease in the Syndicated Facility and the increase in the Operating Facility and the revised Commitments and to ensure that the aggregate Obligations owing to each Lender under each Credit Facility are outstanding in proportion to each Lender's Rateable Portion of all outstanding Obligations under each such Credit Facility after giving effect to such revised Commitments; provided that, the foregoing provisions of this Section 3.1 shall not apply to Bankers' Acceptances outstanding on the date on which all of the conditions precedent contained in Section 6 hereof have been satisfied, such Bankers' Acceptances being subject to and dealt with pursuant to Section 3.2 hereof, as the case may be.

3.2. ***Outstanding Bankers' Acceptances.***

- (a) The parties hereby acknowledge that, on the date on which all of the conditions precedent contained in Section 6 hereof have been satisfied, Bankers' Acceptances under the Syndicated Facility having terms to maturity ending after the date on which all of the conditions precedent contained in Section 6 hereof have been satisfied may be outstanding (the "**Outstanding BAs**"). Notwithstanding any provision of the Credit Agreement or this Agreement to the contrary, each Lender shall not, with respect to the revised amounts of their respective Syndicated Facility Commitment, have any right, title, benefit or interest in or to any Outstanding BAs nor any obligation or liability to the other Lenders in respect thereof, it being acknowledged and agreed by the parties hereto that all rights and interests of the Lenders in respect of, and any obligation of the Borrower to pay or reimburse the Lenders in respect of, the Outstanding BAs are solely a risk and for the account of the Lenders based upon their respective Rateable Portions under the Syndicated Facility as in effect prior to and without regard to the applicable provisions of this Agreement.
- (b) Notwithstanding the foregoing, from time to time, as the Outstanding BAs mature and Rollovers and Conversions are made by the Borrower in respect thereof, each of the Lenders shall participate in the Loans effecting such Rollovers and Conversions to the full extent of its Syndicated Facility Commitment and Rateable Portion therein after giving effect to the applicable provisions of this Agreement.

4. **Representations and Warranties**

The Borrower hereby represents and warrants as follows to the Lenders and the Agent and acknowledges and confirms that the Lenders and the Agent are relying upon such representations and warranties:

(a) ***Capacity, Power and Authority***

- (i) It is duly amalgamated and is validly subsisting under the laws of its jurisdiction of amalgamation and has all the requisite corporate capacity, power and authority to carry on its business as presently conducted and to own its property.
- (ii) It has the requisite corporate capacity, power and authority to execute and deliver this Agreement.

(b) ***Authorization; Enforceability***

It has taken or caused to be taken all necessary action to authorize, and has duly executed and delivered, this Agreement, and this Agreement is a legal, valid and binding obligation of it enforceable against it in accordance with its terms, subject to applicable bankruptcy, reorganization, winding up, insolvency, moratorium or other laws of general application affecting the enforcement of creditors' rights generally and to the equitable and statutory powers of the courts having jurisdiction with respect thereto.

(c) ***Compliance with Other Instruments***

The execution, delivery and performance by the Borrower of this Agreement and the consummation of the transactions contemplated herein do not:

- (i) conflict with, result in any breach or violation of, or constitute a default under the terms, conditions or provisions of:
  - (A) its articles, by-laws or other constating documents or any unanimous shareholder agreement relating to the Borrower;
  - (B) any law, regulation, judgment, decree or order binding on or applicable to the Borrower or to which its property is subject; or
  - (C) any other indenture, agreement, undertaking, lease, licence, permit or other instrument to which the Borrower or any of its Subsidiaries is a party or is otherwise bound or by which any of them benefits or to which any of their property is subject; or
- (ii) require the consent or approval of any Governmental Authority or any other party.

(d) ***Credit Agreement Representations and Warranties***

Each of the representations and warranties of the Borrower set forth in Section 9.1 of the Credit Agreement is true and accurate in all respects as of the date hereof, other than any representations and warranties which expressly speak of an earlier date.

(e) ***No Default***

No Default or Event of Default has occurred or is continuing or shall result from or exist immediately after the coming into effect of the amendments and supplements to the Credit Agreement contemplated hereby.

(f) ***Subsidiaries and Material Subsidiaries***

As at the date hereof, (i) the Borrower has no Subsidiaries, (ii) the address for the Borrower's chief executive office is 2000, 350 7th Avenue S.W., Calgary, Alberta T2P 3N9 and (iii) the Borrower's businesses and material real property and tangible personal property and assets are located solely in the Province of Alberta.

(g) ***Solvency***

As of the date hereof, the Borrower is able to pay its debts generally as such debts become due and has not been adjudicated bankrupt or insolvent.

The representations and warranties set out in this Agreement shall survive the execution and delivery of this Agreement and the making of each Drawdown, notwithstanding any investigations or examinations which may be made by or on behalf of the Agent, the Lenders or Lenders' Counsel. Such representations and warranties shall survive until the Credit Agreement has been terminated.

## **5. Fees**

5.1. ***Extension Fee in Respect of the Credit Facilities.*** The Borrower hereby agrees to pay to the Agent, for each Lender, an extension fee in Canadian Dollars in an amount equal to [redacted]% per annum of the aggregate amount of each such Lender's Commitments under the Credit Facilities (after giving effect hereto) for the period from May 30, 2024 to and including June 30, 2025.

5.2. ***Work Fee in Respect of the Credit Facilities.*** The Borrower hereby agrees to pay to the Agent, for each Lender, a work fee in Canadian Dollars in an amount equal to [redacted]% of the aggregate amount of each such Lender's Commitments under the Credit Facilities (after giving effect hereto).

## **6. Conditions Precedent to Effectiveness of Amendments and Supplements**

6.1. The amendments and supplements to the Credit Agreement contained in Section 2 herein shall be effective upon, and shall be subject to, the satisfaction of the following conditions precedent:

- (a) The Borrower shall have paid to the Agent, for any applicable Lender, the fees required to be paid pursuant to Section 5 hereof;
- (b) the Borrower shall have delivered or caused to be delivered to the Agent a fully executed copy of this Agreement;
- (c) each of the representations and warranties set forth in Section 9.1 of the Credit Agreement shall be true and correct in all respects (other than those expressed to be given as of a specific date); and
- (d) no Default or Event of Default shall have occurred and be continuing or shall result from or exist immediately after the coming into effect of the amendments and supplements to the Credit Agreement contemplated hereof.

The foregoing conditions precedent are inserted for the sole benefit of the Lenders and the Agent and may be waived in writing by all of the Lenders, in whole or in part (with or without terms and conditions).

## **7. Confirmation of Credit Agreement and other Documents**

The Credit Agreement and the other Documents to which the Borrower is a party 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 and the Amended Credit Agreement and each of the other Documents to which the Borrower is a party is hereby ratified and confirmed and shall from and after the date hereof continue in full force and effect as herein so amended and supplemented, with such amendments and supplements being effective from and as of the date hereof upon satisfaction of the conditions precedent set forth in Section 6 hereof.

## **8. Further Assurances**

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.

**9. Enurement**

This Agreement shall enure to the benefit of and shall be binding upon the parties hereto and their respective successors and permitted assigns.

**10. Counterparts**

This Agreement may be executed in one or more counterparts (and by different parties hereto in different counterparts), each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Delivery by fax or other electronic transmission of an executed counterpart of a signature page to this Agreement shall be effective as delivery of an original executed counterpart of this Agreement. The words "execution," "execute", "signed," "signature," and words of like import in or related to any document to be signed in connection with this Agreement shall be deemed to include electronic signatures, or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including, without limitation, as in provided Parts 2 and 3 of the *Personal Information Protection and Electronic Documents Act* (Canada), the *Electronic Transactions Act* (Alberta), or any other similar laws based on the Uniform Electronic Commerce Act of the Uniform Law Conference of Canada. The Agent may, in its discretion, require that any such documents and signatures executed electronically or delivered by fax or other electronic transmission be confirmed by a manually-signed original thereof; provided that the failure to request or deliver the same shall not limit the effectiveness of any document or signature executed electronically or delivered by fax or other electronic transmission.

*[Remainder of Page Intentionally Left Blank]*

IN WITNESS WHEREOF the parties hereto have executed this Agreement.

**BORROWER:**

**INPLAY OIL CORP.**

By:  ("Signed")  
Name:  
Title:

By:  ("Signed")  
Name:  
Title:

**LENDERS:**

**ATB FINANCIAL**

By:  ("Signed")  
Name:  
Title:

By:  ("Signed")  
Name:  
Title:

**CANADIAN WESTERN BANK**

By:  ("Signed")  
Name:  
Title:

By:  ("Signed")  
Name:  
Title:

**BUSINESS DEVELOPMENT BANK OF  
CANADA**

By:  ("Signed")  
Name:  
Title:

By:  ("Signed")  
Name:  
Title:

**AGENT:**

**ATB FINANCIAL,**  
in its capacity as the Agent

By:  ("Signed")  
Name:  
Title:

By:  ("Signed")  
Name:  
Title:

**SCHEDULE A**

**LENDERS AND COMMITMENTS**

<b>Lender</b>	<b>Operating Facility Commitment</b>	<b>Syndicated Facility Commitment</b>	<b>Total</b>
ATB Financial	[redacted]	[redacted]	[redacted]
Canadian Western Bank	[redacted]	[redacted]	[redacted]
Business Development Bank of Canada	[redacted]	[redacted]	[redacted]
<b>Total</b>	<b>Cdn.\$15,000,000</b>	<b>Cdn.\$95,000,000</b>	<b>Cdn.\$110,000,000</b>