

[REDACTED VERSION]

FOURTH AMENDING AGREEMENT

THIS AGREEMENT dated as of December 15, 2021.

AMONG:

**PRAIRIESKY ROYALTY LTD.
as Borrower**

AND

**THE FINANCIAL INSTITUTIONS PARTY HERETO
IN THEIR CAPACITIES AS LENDERS**

AND

**THE TORONTO-DOMINION BANK
as Agent**

WHEREAS the parties hereto are parties to the Credit Agreement;

AND WHEREAS the parties hereto have agreed to amend and supplement 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), the following terms shall have the meanings set forth below (unless something in the subject matter or context is inconsistent therewith):

- (a) "**Agreement**" means this fourth amending agreement.
- (b) "**Amended Credit Agreement**" means the Credit Agreement as amended by this Agreement.
- (c) "**Credit Agreement**" means the credit agreement dated as of May 15, 2018, among the Borrower, the financial institutions party thereto as lenders, and The Toronto-Dominion Bank, as agent for such lenders, as amended by the first amending agreement dated as of January 29, 2021, the second amending agreement dated as of July 15, 2021 and the third amending agreement dated as of September 29, 2021 and as may be further amended, supplemented, modified or restated from time to time.
- (d) "**Effective Date**" means the first date on which all of the conditions precedent set forth in Section 5 hereof have been satisfied or waived by all of the Lenders.
- (e) "**Heritage Purchase and Sale Agreement**" means the asset sale agreement dated as of November 29, 2021 between the Borrower, as purchaser, and the Heritage Royalty Parties, as vendors.

- (f) **"Heritage Royalty Acquisition"** means the acquisition by the Borrower of certain fee simple lands, lessor interests, royalty interests, miscellaneous interests and associated seismic data in respect of land in Western Canada as set forth in the Heritage Purchase and Sale Agreement.
 - (g) **"Heritage Royalty Parties"** means collectively, Heritage Resource Limited Partnership, Heritage Royalty Resource Corp. and Heritage Manitoba Holdings Inc.
 - (h) **"Lead Arranger"** means The Toronto-Dominion Bank in its capacity as sole lead arranger and bookrunner for the Credit Facilities.
 - (i) **"Purchase and Sale Agreement Representations"** means the representations made by or on behalf of the Heritage Royalty Parties (or any of them) in the Heritage Purchase and Sale Agreement as are material to the interests of the Lenders, but only to the extent that the Borrower has the right (taking into account any applicable cure provisions) to terminate its obligations under the Heritage Purchase and Sale Agreement, or the right not to consummate the Heritage Royalty Acquisition pursuant to the Heritage Purchase and Sale Agreement (in each case, without giving effect to notice or lapse of time or both), as a result of any inaccuracy of such representations or warranties in the Heritage Purchase and Sale Agreement.
 - (j) **"Specified Representations"** means the representations and warranties set forth in Sections 7.1(a), 7.1(b) (excluding paragraph (ii) thereof), 7.1(c), 7.1(i) (solely insofar as it relates to Section 10.1(g)), 7.1(o) and 7.1(q) of the Credit Agreement.
- 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.
- 1.4 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.
- 1.5 This Agreement shall become effective on the Effective Date.

2. AMENDMENTS

Effective on the Effective Date, the Credit Agreement is hereby amended as follows:

- 2.1 By adding the following new definitions to Section 1.1 of the Credit Agreement in their correct alphabetical order:
 - "Fourth Amending Agreement"** means the fourth amending agreement dated as of December 15, 2021 to this Agreement.
 - "Fourth Amendment Effective Date"** means the date on which the Fourth Amending Agreement became effective."
- 2.2 By deleting the last sentence in the definition of "Total Syndicated Facility Commitment" in Section 1.1 of the Credit Agreement and replacing it with "As at the Fourth Amendment Effective Date, the Total Syndicated Facility Commitment is Cdn.\$700,000,000."
- 2.3 By deleting Section 2.10(b) of the Credit Agreement in its entirety and replacing it with the following:

“(b) the Total Syndicated Facility Commitment (as so increased) will not exceed Cdn.\$775,000,000;”.

2.4 By deleting Schedule A of the Credit Agreement in its entirety and replacing it with Exhibit 1 attached hereto.

3. FEES

On or before the Effective Date, the Borrower shall pay to the Agent on behalf of each Lender, an upfront fee of [Redacted.] bps *per annum* calculated on the amount by which each such Lender's Commitment is increased by this Agreement.

4. ADJUSTMENT OF OUTSTANDING LOANS

In order to give effect to the increase in the Syndicated Facility Commitment as contemplated hereby, the Lenders have agreed to take all steps and actions and execute and deliver all agreements, instruments and other documents as may be required by the Agent (including the assignment of interest in, or the purchase of participations in, existing loans) to give effect to such changes in the Syndicated Facility Commitment and to ensure that the aggregate principal amount owing to each Lender is outstanding in proportion to each Lender's Pro Rata Share of the aggregate principal amount owing to all Lenders under the Syndicated Facility after giving effect to such changes. Notwithstanding the foregoing and the changes to the Syndicated Facility Commitment on the Effective Date, each Lender's unamended Pro Rata Share of any Loan made by way of Bankers' Acceptance or LIBOR Loan under the Syndicated Facility which is outstanding on the Effective Date will remain in effect until the maturity date of such Loan. Any new Loan made by way of Bankers' Acceptance or LIBOR Loan under the Syndicated Facility after the Effective Date or any Rollover of such outstanding Bankers' Acceptance or LIBOR Loan after the Effective Date shall be issued in accordance with each Lender's Pro Rata Share after giving effect to the changes to the Commitments provided for herein.

5. CONDITIONS PRECEDENT TO EFFECTIVENESS

This Agreement and the obligation of the Lenders to make available the Drawdown on the Effective Date will become effective upon the following conditions being met (or waived in writing by all of the Lenders):

- (a) receipt by the Agent, for and on behalf of the Lenders, of the following:
 - (i) an executed copy of this Agreement;
 - (ii) a certificate of status in respect of the Borrower issued under the laws of the Province of Alberta;
 - (iii) an Officer's Certificate of the Borrower certifying, or attaching thereto, among other things: (A) copies of the resolutions of the board of directors of the Borrower (or an excerpt thereof) authorizing the execution, delivery and performance of this Agreement including the increase in the Total Syndicated Facility Commitment provided for in this Agreement; (B) the authority and incumbency of officers of the Borrower; (C) copies of all relevant constating documents and by-laws of the Borrower or any amendments, supplements or replacements made thereto since July 15, 2021 (or a certification that no such amendments, supplements or replacements have occurred); (D) a true and complete copy of the Heritage Purchase and Sale Agreement, including the annexes and exhibits thereto and any Material PSA Amendments made thereto; and (E) the Adjusted Consolidated Total Debt to EBITDA Ratio of the Borrower as of September 30, 2021, calculated on a *pro forma* basis and showing reasonable particulars of such calculation and compliance with the financial covenant set forth in Section 8.4(b) of the Credit Agreement (and, if such ratio reflects

a change in the pricing level for the Applicable Pricing Margin, such change shall become effective on the Effective Date); and

- (iv) a legal opinion from the Borrower's counsel in substantially the same form as the legal opinion delivered pursuant to Section 9.1(g) of the Credit Agreement;
- (b) the Heritage Purchase and Sale Agreement shall be in full force and effect and the Heritage Royalty Acquisition shall have been consummated (or substantially simultaneously with the Drawdowns made under the Credit Facilities on or about the Effective Date, shall be consummated) on the terms of the Heritage Purchase and Sale Agreement and without any material amendment, modification or waiver thereof, or material consent thereunder, in each case, if such amendment, modification, waiver or consent would be adverse to the interests of the Lenders in any material respect (collectively, the "**Material PSA Amendments**"), without the consent of the Lead Arranger, which consent shall not be unreasonably withheld, conditioned or delayed, and the Agent shall have received an Officer's Certificate of the Borrower certifying the same;
- (c) on the Effective Date:
- (i) all of the Purchase and Sale Agreement Representations are true and correct in all material respects (or, in the case of any such Purchase and Sale Agreement Representation already qualified by materiality, true and correct in all respects); and
 - (ii) all of the Specified Representations are true and correct in all material respects (or, in the case of any such Specified Representation already qualified by materiality, true and correct in all respects);
- and the Agent shall have received an Officer's Certificate of the Borrower certifying the same;
- (d) payment, or satisfactory arrangements being made for the payment, of the fees referred to in Section 3 hereof; and
- (e) the Effective Date shall have occurred prior to the first to occur of (i) January 31, 2022, (ii) the consummation of the Heritage Royalty Acquisition without use of the Credit Facilities and (iii) the termination of the Heritage Purchase and Sale Agreement in accordance with the terms thereof.

It is acknowledged and agreed by the Agent and the Lenders that the Notice of Drawdown for any Prime Loans which will be used to partially fund the Heritage Royalty Acquisition on the Effective Date may be delivered by the Borrower on the Banking Day immediately preceding the Effective Date.

6. REPRESENTATIONS AND WARRANTIES

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

- 6.1 **Incorporation, Organization and Power.** The Borrower has been duly amalgamated and is validly existing under its governing jurisdiction and is duly registered to carry on business in each jurisdiction in which the nature of any material business carried on by it or the character of any property owned or leased by it makes such registration necessary, and it has full corporate power and capacity to enter into and perform its obligations under this Agreement and the Amended Credit Agreement, and to carry on its business as currently conducted.
- 6.2 **Authorization and Status of Agreements.** This Agreement has been duly authorized, executed and delivered by the Borrower and the execution and delivery hereof and the performance of its obligations hereunder and under the Amended Credit Agreement does not

conflict with or contravene or constitute a default or create an encumbrance, other than a Permitted Lien, under:

- (a) the constating documents or by-laws of, or any resolution of the directors of the Borrower;
- (b) any material agreement or document to which the Borrower is a party or by which the Borrower's property is bound; or
- (c) any Applicable Law.

6.3 **Enforceability.** Each of this Agreement and the Amended Credit Agreement constitutes legal, valid and binding obligations of the Borrower and is enforceable against it in accordance with the terms thereof, except to the extent that enforceability may be limited by applicable bankruptcy, insolvency, reorganization, or similar statutes affecting the enforcement of creditors' rights generally and by general principles of equity.

6.4 **No Default.** No Default or Event of Default has occurred and is continuing.

6.5 **Subsidiaries.** As of the Effective Date, the Borrower does not have any Material Restricted Subsidiaries.

6.6 **Accuracy of Representations.** All of the representations and warranties contained in the Credit Agreement (excluding the representations and warranties which are expressly limited to a specific date) are true and correct in all material respects as if made on the date hereof.

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 the Agent, the Lenders or their counsel. Such representations and warranties shall survive until the Amended Credit Agreement has been terminated.

7. CONFIRMATION OF CREDIT AGREEMENT

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 Amended Credit Agreement is hereby ratified and confirmed and shall from and after the date hereof continue in full force and effect as herein amended and supplemented.

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. LOAN DOCUMENT

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

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 provided in Parts 2 and 3 of the *Personal Information Protection and Electronic Documents Act* (Canada), the *Electronic Commerce Act, 2000* (Ontario), the *Electronic Transactions Act* (British Columbia), 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 caused this Agreement to be duly executed as of the date first above written.

BORROWER:

PRAIRIESKY ROYALTY LTD.

Per: (signed) "Pamela P. Kazeil"
Name: Pamela P. Kazeil
Title: Vice President, Finance & Chief Financial Officer

AGENT:

THE TORONTO-DOMINION BANK, as Agent

Per: (signed) _____

Name:

Title:

Per: (signed) _____

Name:

Title:

LENDERS:

THE TORONTO-DOMINION BANK

Per: (signed) _____

Name:

Title:

Per: (signed) _____

Name:

Title:

ROYAL BANK OF CANADA

Per: (signed) _____

Name:

Title:

Per: (signed) _____

Name:

Title:

ATB FINANCIAL

Per: (signed) _____

Name:

Title:

Per: (signed) _____

Name:

Title:

BANK OF MONTREAL

Per: (signed) _____

Name:

Title:

Per: (signed) _____

Name:

Title:

THE BANK OF NOVA SCOTIA

Per: (signed) _____

Name:

Title:

Per: (signed) _____

Name:

Title:

CANADIAN IMPERIAL BANK OF COMMERCE

Per: (signed) _____

Name:

Title:

Per: (signed) _____

Name:

Title:

NATIONAL BANK OF CANADA

Per: (signed) _____

Name:

Title:

Per: (signed) _____

Name:

Title:

EXHIBIT 1

**Schedule A
to the Credit Agreement**

COMMITMENTS

LENDER	SYNDICATED FACILITY COMMITMENT	OPERATING FACILITY COMMITMENT
The Toronto-Dominion Bank	<i>[Commitments have been redacted]</i>	Cdn.\$25,000,000
Royal Bank of Canada	<i>[Commitments have been redacted]</i>	
Bank of Montreal	<i>[Commitments have been redacted]</i>	
The Bank of Nova Scotia	<i>[Commitments have been redacted]</i>	
Canadian Imperial Bank of Commerce	<i>[Commitments have been redacted]</i>	
National Bank of Canada	<i>[Commitments have been redacted]</i>	
ATB Financial	<i>[Commitments have been redacted]</i>	
Total:	Cdn.\$700,000,000	Cdn.\$25,000,000

Effective Date: December 15, 2021