

**RUPERT RESOURCES LTD**  
**AND**  
**COMPUTERSHARE TRUST COMPANY OF CANADA**

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**FIRST SUPPLEMENTAL INDENTURE**

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**Dated as of July 24, 2019**

**Supplemental to the Convertible Secured Debenture Indenture**  
**dated as of September 6, 2016**

**THIS FIRST SUPPLEMENTAL INDENTURE** is made as of the 24<sup>th</sup> day of July, 2019

BETWEEN:

**RUPERT RESOURCES LTD.**, a company existing under the laws of the Province of British Columbia (hereinafter referred to as the "**Corporation**")

- and -

**COMPUTERSHARE TRUST COMPANY OF CANADA**, a trust company existing under the federal laws of Canada (hereinafter referred to as the "**Debenture Trustee**")

**WHEREAS** the Corporation and the Debenture Trustee are party to a convertible secured debenture indenture dated as of September 6, 2016 (hereinafter referred to as the "**Original Indenture**") providing for the issuance of up to \$8,000,000 million aggregate principal amount of 5.00% convertible secured debentures;

**AND WHEREAS** Section 14.1 of the Original Indenture provides that the Corporation and the Debenture Trustee may execute, acknowledge and deliver indentures supplemental to the Original Indenture;

**AND WHEREAS** the Corporation desires to supplement the Original Indenture by amending and replacing certain terms and provisions and schedules contained in the Original Indenture;

**AND WHEREAS** Section 14.1(b) of the Original Indenture provides that modifications may be made to the Original Indenture which are not inconsistent with the Original Indenture as may be necessary or desirable with respect to matters contained therein, including the making of any modifications in the form of the Debentures which do not affect the substance thereof and which in the opinion of the Debenture Trustee relying on an opinion of Counsel will not be prejudicial to the interests of the Debentureholders;

**AND WHEREAS** all necessary acts and proceedings have been performed and taken and all necessary resolutions have been passed to authorize the execution and delivery of this First Supplemental Indenture and to make this First Supplemental Indenture legal, valid, effective and binding upon each of the Corporation and the Debenture Trustee for and on behalf of the Debentureholders in accordance with the terms of the Original Indenture, as amended by this First Supplemental Indenture;

**AND WHEREAS** the foregoing recitals are made as representations and statements of fact by the Corporation and not by the Debenture Trustee;

**NOW THEREFORE THIS AGREEMENT WITNESSES**, for good and valuable considerations (the receipt and sufficiency of which are hereby acknowledged), it is hereby agreed and declared as follows:

**ARTICLE 1  
INDENTURE SUPPLEMENT  
TO THE ORIGINAL INDENTURE**

**1.1 Part of Original Indenture**

This First Supplemental Indenture is hereby declared to be an indenture supplemental to the Original Indenture within the meaning of the Original Indenture. The Original Indenture and this First Supplemental Indenture shall hereafter be read together and this First Supplemental Indenture by this reference shall be incorporated in the Original Indenture and shall together with the Original Indenture have effect, so far as practicable, as if all the provisions of the Original Indenture and this First Supplemental Indenture were contained in one instrument.

## ARTICLE 2 INTERPRETATION

### 2.1 Definitions

In this First Supplemental Indenture, unless there is something in the subject matter or context inconsistent therewith, “**this First Supplemental Indenture**”, “**hereto**”, “**herein**”, “**hereby**”, “**hereunder**”, “**hereof**” and similar expressions refer to this First Supplemental Indenture and not to any particular Article, Section, subsection, clause, subdivision or other portion hereof and include any and every instrument supplemental or ancillary hereto.

### 2.2 Capitalized Terms

All capitalized terms contained in this First Supplemental Indenture (including the recitals hereto), unless otherwise defined herein, shall, for the purposes hereof, have their respective meanings as set out in the Original Indenture, unless expressly stated otherwise or the context otherwise requires.

## ARTICLE 3 AMENDMENTS TO THE ORIGINAL INDENTURE

### 3.1 Amendments to the Original Indenture

The Original Indenture is hereby amended as follows:

- (a) the definition of “Conversion Price” in Section 1.1 of the Original Indenture is deleted in its entirety and is replaced with the following:

““**Conversion Price**” means \$0.85, being the amount for which each Share may be issued from time to time upon the conversion of the Debentures, as adjusted in accordance with the provisions of Article 6;”

- (b) section 2.2(f) of the Original Indenture is deleted in its entirety and is replaced with the following:

“Upon and subject to the provisions and conditions of Article 6 hereof, the holder of each Debenture shall have the right at such holder's option, at any time prior to 4:30 p.m. (Toronto time) on the earlier of: (i) the Maturity Date; and (ii) the last Business Day immediately preceding any Forced Conversion Date specified by the Corporation for forced conversion of such Debentures into Shares, by notice to the holders of Debentures in accordance with Section 6.4 (the earliest of which will be the "Time of Expiry" for the purposes of Article 6 hereof), to convert the whole or any part thereof, of the principal amount of such Debenture, into Shares at the Conversion Price, as may be adjusted in accordance with Section 6.5 hereof. To the extent a conversion is a conversion in part only of the Debentures, such right to convert, if not exercised prior to the applicable Time of Expiry, shall survive as to any Debentures not converted and be applicable to the next succeeding Time of Expiry.

Holders of Debentures that are converted will receive, in addition to the applicable number of Shares, accrued and unpaid interest (less any taxes required to be deducted) in respect of the Debentures surrendered for conversion from the last Interest Payment Date up to, but not including, the Date of Conversion in accordance with Section 6.3(e).

Holders of Debentures surrendered for conversion during the period from the close of business on any regular record date for the payment of interest on the Debentures to the opening of business on the next succeeding Interest Payment Date will receive the semi-

annual interest payable on such Debentures (as set forth in the immediately preceding paragraph) on the corresponding Interest Payment Date notwithstanding the conversion.

The Conversion Price will not be adjusted for accrued interest.

Notwithstanding any other provisions of this Indenture, if any Debentures are surrendered for conversion on an Interest Payment Date, the person or persons entitled to receive Shares in respect of the Debentures so surrendered for conversion shall not become the holder or holders of record of such Shares until the Business Day following such Interest Payment Date.

The Conversion Price in effect on the date hereof for each Share to be issued upon the conversion of Debentures shall be equal to \$0.85, subject to the terms of Section 6.6. Holders converting their Debentures will receive accrued but unpaid interest from the most recently completed Interest Payment Date up to, but not including the Date of Conversion. The Conversion Price applicable to the Shares receivable on the conversion of the Debentures is subject to adjustment pursuant to the provisions of Section 6.5.”

- (c) section 6.4(b) of the Original Indenture is deleted in its entirety and is replaced with the following:

“At any time on or after September 6, 2017 and prior to the Maturity Date, provided that the 30 Trading Day VWAP is equal to or greater than 190% of the Conversion Price, the Debentures shall be convertible into Shares, in whole or in part and from time to time upon filing of a Forced Conversion Notice, at the option of the Corporation (a “**Forced Conversion**”), on the date fixed for conversion by the Corporation in accordance with the provisions of this Section 6.4 (the “**Forced Conversion Date**”).”

- (d) in Schedules “A-1” and “A-2” to the Original Indenture, each reference to the Conversion Price of “\$0.95” be replaced with “\$0.85”.
- (e) in Schedules “A-1”, “A-2” and to the Original Indenture, each reference to the Forced Conversion threshold being “170%” of the Conversion Price be replaced with “190%”.

### 3.2 Other Amendments and Supplements

The Original Indenture is amended as provided herein, and any changes necessary to implement the amendments intended hereby are hereby made to any other provisions of the Original Indenture where necessary, *mutatis mutandis*.

## ARTICLE 4 ADDITIONAL MATTERS

### 4.1 Original Indenture

The Corporation and the Debenture Trustee hereby acknowledge and confirm that, except as specifically supplemented, modified or changed by the provisions of this First Supplemental Indenture, all of the terms and conditions contained in the Original Indenture are and shall remain in full force and effect, unamended, in accordance with the provisions thereof. The matters provided for in this First Supplemental Indenture shall not prejudice any act or thing done prior to the date hereof and do not constitute a novation.

#### **4.2 Further Assurances**

The Corporation and the Debenture Trustee shall, with reasonable diligence, do all such things and provide all such reasonable assurances as may be required to consummate the amendments contemplated by this First Supplemental Indenture, and each party shall provide such further documents or instruments required by the other party as may be reasonably necessary or desirable to effect the purpose of this First Supplemental Indenture and carry out its provisions.

#### **4.3 Acceptance of Trusts**

The Debenture Trustee hereby accepts the trusts in this First Supplemental Indenture declared and provided for and agrees to perform the same upon the terms and conditions herein set forth and subject to the terms and conditions set forth in the Original Indenture.

### **ARTICLE 5 GOVERNING LAW**

#### **5.1 Governing Law**

This First Supplemental Indenture shall be construed, interpreted and enforced in accordance with, and the respective rights and obligations of the parties shall be governed by, the laws of the Province of British Columbia and the federal laws of Canada applicable in that province, and each party irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of the Province of British Columbia and all courts competent to hear appeals therefrom.

### **ARTICLE 6 EXECUTION AND FORMAL DATE**

#### **6.1 Execution**

This First Supplemental Indenture may be simultaneously executed in counterparts, each of which when so executed shall be deemed to be an original and such counterparts together shall constitute one and the same instrument.

#### **6.2 Formal Date**

For the purpose of convenience, this First Supplemental Indenture may be referred to as bearing the formal date of July 24, 2019 irrespective of the actual date of execution hereof.

***[signature page follows]***

**IN WITNESS** WHEREOF RUPERT RESOURCES LTD. has caused this Debenture to be signed by its authorized representatives as of the 24<sup>th</sup> day of July, 2019.

**RUPERT RESOURCES LTD.**

Per: (signed) "Jeffrey Karoly"  
Name: Jeffrey Karoly  
Title: Chief Financial Officer

**COMPUTERSHARE TRUST COMPANY OF  
CANADA**

Per: (signed) "Fiona Koch"  
Name: Fiona Koch  
Title: Corporate Trust Officer

Per: (signed) "Stanley Kwan"  
Name: Stanley Kwan  
Title: Associate Trust Officer