

MAJOR OIL & GAS LTD.
361 WILDWOOD DRIVE S.W.
CALGARY, ALBERTA, T3C 3E4

_____, 20____

Attention: _____

RE: CONFIDENTIALITY AGREEMENT

In connection with your analysis of a possible negotiated transaction involving **Major Oil & Gas Ltd.** (the “**Company**”), you have been or may be furnished by the Company or its Representatives certain information that is proprietary, non-public or confidential concerning the Company. In consideration of furnishing you with or providing you access to certain Confidential Information, the Company requires your agreement to the provisions contained herein (the “**Agreement**”). It is understood and acknowledged that, where the terms "you and your" are used in this Agreement, the same shall be construed as including your affiliates and subsidiaries, and you and your affiliates' and subsidiaries' Representatives.

1. ***Defined Terms.***

In this Agreement the following terms shall have the meanings set out below:

(a) “**affiliate**” and “**subsidiary**” have the meanings ascribed thereto in the *Business Corporations Act* (Alberta), as amended from time to time;

(b) “**Confidential Information**” means, except as expressly provided in this Agreement, all information (in any form in which it is provided, which may be in writing, orally, electronically, visually or by any other means and whether or not it is identified as "confidential") relating to the Company or the Company’s business, affairs, financial position, assets, operations, prospects and activities or affairs or to a Transaction including all reports, evaluations, notes, analysis, documents, geological, geochemical, engineering, seismic (either trade or proprietary) geophysical and/or land maps or data, marketing material, trade secrets or any other documents or information pertaining in any way whatsoever to the Company or its business, assets or operations, together with all analysis, evaluations, compilations, notes, studies or other documents prepared by you or your Representatives containing or based upon, in whole or in part, such information or reflecting the review of, or interest in the Company or the Transaction (“**Notes**”) and includes all such information, if any, previously made available to you or your Representatives;

(c) “**Definitive Agreement**” means a final agreement with respect to and documenting a Transaction between the Company and you and executed and delivered by you and each of the other parties thereto. For purposes of this definition as used in this Agreement, the term “Definitive Agreement” does not include an executed letter of intent or any other preliminary written agreement, nor does it include any written or oral offer or bid on your part or any written or oral acceptance thereof;

(d) “**person**” will be interpreted broadly to include, without limitation, any natural person, firm, corporation, body corporate, company, group, partnership, limited liability company, unincorporated association or proprietorship, trust, joint venture, agent of the provincial or federal Crown or other entity or individual;

(e) “**Personal Information**” means information about an identifiable individual but does not include an individual’s name, position, title, business telephone number, business address, business email or business fax number;

(f) “**Representatives**” used with respect to a person, shall include the directors, officers, employees, representatives, associates, agents, lawyers, consultants, accountants, financial and other advisors of such person;

(g) “**Term**” means a period of one (1) year from the date hereof, other than the non-disclosure and non-use provisions hereof and Paragraphs 13 and 14, which shall remain in full force and effect notwithstanding the expiration of such one (1) year period or that the Confidential Information may have been returned or destroyed, as provided for herein;

(h) “**Transaction**” means a possible negotiated asset transaction, merger, farmin/farmout or any other transaction between the Company or its shareholders and you whereby certain assets of the Company may be purchased, exchanged or otherwise acquired, directly or indirectly, by you.

2. ***Use of Confidential Information.*** You are aware and acknowledge that the Confidential Information is sensitive to the Company's business and of importance thereto. Accordingly, the Confidential Information will be used solely for the purpose of evaluating a possible Transaction between you and the Company. Unless and until you have completed a Transaction and consummated a Definitive Agreement, all the Confidential Information will be kept strictly confidential by you and will not be used against the interests of the Company or disclosed to any other persons in any manner; provided that you may disclose the Confidential Information or portions thereof to those of your Representatives who need to know such information for the purpose of assisting you in evaluating a possible Transaction (it being understood that such Representatives shall be informed by you of the confidential nature of the Confidential Information and that you shall require such Representatives to be bound by the terms of this Agreement to the same extent as if they were parties hereto). You agree to be directly responsible for the compliance of your Representatives hereunder and shall be liable to the Company for any breach of this Agreement by any of your Representatives, and for the purposes of this paragraph, you shall remain liable for any Representative for the Term of this Agreement even though the Representative may subsequently no longer be employed by you or is no longer on contract with you. Upon written request of the Company, you shall provide the Company with a list of Representatives who have received the Confidential Information.

3. ***Publicly Available Information.***

(a) For the purposes of this Agreement and subject to subparagraphs 3(b) and (c) below, the term “Confidential Information” will not include any information which: (i) at the time of its disclosure to you is, or thereafter becomes, generally available to, and known by the public (other than as a result of a disclosure directly or indirectly by you or your Representatives); (ii) was available to you on a non-confidential basis from a source other than the Company provided that such source is not and was not, to your knowledge after due inquiry, bound by a confidentiality agreement with the Company to hold or retain such information confidential; or (iii) has been independently

acquired or developed by you without violating any of your obligations under this or any other agreement you may have with any person.

- (b) You acknowledge and agree that for the purposes of classifying information under subparagraph 3(a) above, no information shall be deemed to be in the public domain or in your possession merely because the information is obtainable from general public sources if such information or the information's potential value/relevance would not have been reasonably expected to come to the attention of you absent the disclosure of the Confidential Information to you or your Representatives.
 - (c) You further acknowledge and agree that for the purposes of classifying information under subparagraph 3(a) above, where any of the Confidential Information includes information which indicates that title to any of the Company's property is or may be susceptible to attack (often referred to as a "top lease" opportunity), then even if the various pieces of information necessary to identify the title defect (e.g., lease agreements, production histories, etc.) are available to the public, the existence of such a title defect shall not be considered to be "available to and known by the public" if the existence of such defect is first discovered or learned of by you in connection with the review of the Confidential Information. You agree that you shall not and shall assure that all of your Representatives do not take advantage of or inform any other person of the existence of any such title defect.
4. ***Legally Required Disclosures.*** You shall be entitled to disclose Confidential Information to the extent required by an order issued by a court or regulatory body of competent jurisdiction, or as required by a stock exchange on which your shares are traded, provided that you shall:
- (a) provide to the Company immediate written notice of any such requirement for disclosure, in advance of complying with the same, so that the Company may seek a protective order or other appropriate remedy;
 - (b) consult with the Company on the advisability of taking legally available steps to resist or narrow such order; and
 - (c) take such steps as are reasonably necessary and available to maintain confidentiality with the court, regulatory body or stock exchange.
5. ***Non-disclosure of Possible Transaction.*** Without the prior written consent of the Company, you will not, and will direct and cause your Representatives not to, disclose to any person (i) that Confidential Information has been made available to you, (ii) that discussions or negotiations are or were taking place concerning a possible Transaction between you and the Company, (iii) any opinion or comment with respect to the Confidential Information, or (iv) the terms, conditions or other facts with respect to any possible Transaction, including the status thereof; provided, however, that you may make such disclosure if you have received the written opinion of counsel that such disclosure must be made by you in order that you not commit a violation of law, regulation or rule of any stock exchange and, prior to such disclosure, you promptly advise and consult with the Company concerning the information you propose to disclose.
6. ***Non-Disclosure of Personal Information.*** In addition to any other obligation with respect to the Confidential Information, you shall be responsible for compliance with the applicable privacy laws which govern the collection, use and disclosure of Personal Information, if any, acquired by you in connection with this Agreement. All such Personal Information shall be treated as Confidential Information pursuant to the terms of this Agreement. You shall limit and shall cause

your Representatives to limit the use, collection and disclosure of such Personal Information, if any, to those purposes that relate to this Agreement and shall otherwise limit disclosure of the Personal Information to disclosure required by applicable law. You shall employ security measures to protect the Personal Information against inadequate or accidental disclosure of a standard at least as high as that employed by you in your own business.

7. ***Requests for Information.***

- (a) All requests for Confidential Information shall be addressed to those of the Company's Representatives designated by the Company and you agree that you and your Representatives shall not request Confidential Information from any other Company Representative without the written consent of the Company.
- (b) It is understood that the Company will arrange for any appropriate contacts for due diligence purposes with respect to this Agreement and that all: (i) communications regarding a Transaction; (ii) requests for additional Confidential Information; (iii) requests for facility tours or meetings with management; and (iv) discussions or questions regarding the Confidential Information will be submitted or directed by you to the President of the Company.
- (c) The Company may require that a portion of the Confidential Information be reviewed only at the Company's premises and that access to such premises shall be subject to such restrictions and procedures as the Company may, in the Company's sole discretion, establish.

8. ***Access.*** In the event you desire physical access to any of the Company's properties and the Company in its sole discretion permits such access, you agree to indemnify, defend and hold harmless the Company from and against any and all liabilities, claims and causes of action including those for personal injury, death or property damage occurring on or to such property as a result of your entry onto the premises. You agree to comply fully with all rules, regulations and instructions issued by the Company regarding your actions while upon, entering or leaving the property of the Company.

9. ***Return of Materials.*** Except with the prior consent of the Company, you will not copy or reproduce any of the Confidential Information and you will keep a record of all Confidential Information provided to you and a record of its location. If you decide that you do not wish to proceed with a Transaction with the Company, you will promptly notify the Company of that decision. In that case, or if the Company shall elect at any time to terminate further access by you to the Confidential Information for any reason, you will (i) return promptly to the Company or destroy all copies of the Confidential Information then in your possession or in the possession of any of your Representatives, (ii) destroy all Notes and (iii) upon written request deliver to the Company a certificate executed by one of your duly authorized senior officers indicating that the requirements of this paragraph have been satisfied in full. Notwithstanding the return or destruction of Confidential Information and Notes, you and your Representatives will continue to be bound by your obligations of confidentiality and all other obligations hereunder.

10. ***Contacts with Company Personnel; Solicitation.***

- (a) Until the earliest of (i) the execution by you of a Definitive Agreement, or (ii) the expiry of the Term of this Agreement, you agree not to initiate or maintain contact (except for those contacts made in the ordinary course of business) with any officer, director or employee of the Company regarding its business, assets, operations, prospects or finances, except with the express permission of a duly authorized executive officer of the Company.

- (b) Except as provided in a Definitive Agreement, you agree that until the expiry of the Term of this Agreement, you will not solicit for hire or employment any officer, director or employee of the Company. For the purposes of this paragraph, "solicitation" shall not include solicitation of any officer, director or employee of the Company who is solicited: (i) by advertising in a newspaper or periodical of general circulation; or (ii) indirectly through a personnel search agency engaged by you generally (not specifically in respect of the Company).
11. ***No Representation or Warranty.*** You acknowledge and agree that neither the Company nor any of its Representatives have made or make any representation or warranty, express or implied, as to the accuracy or completeness of the Confidential Information. You agree that neither the Company nor its Representatives shall under any circumstances have any liability to you or to any of your Representatives relating to or resulting from the use, directly or indirectly, of the Confidential Information or any errors therein or omissions therefrom. Only those representations or warranties that are made in a Definitive Agreement when, as and if it is executed, and subject to such limitations and restrictions as may be specified in such Definitive Agreement, will have any legal effect as representations or warranties.
12. ***Definitive Agreement.***
- (a) You also acknowledge and agree that no contract or agreement providing for a Transaction between the Company and you shall be deemed to exist unless and until a Definitive Agreement with respect thereto has been executed and delivered by you and each of the other parties thereto, and you hereby waive, in advance, any claims (including, without limitation, breach of contract) in connection with such Transaction unless and until a Definitive Agreement has been executed and delivered by you and each of the other parties thereto. It is also agreed that unless and until a Definitive Agreement has been executed by the Company and you with respect to a Transaction, none of the Company, its shareholders, or its Representatives has any legal obligation of any kind whatsoever with respect to any such Transaction. You further agree that the entering into this Agreement by the Company does not constitute the agreement of the Company to agree to or to recommend to its shareholders any Transaction.
- (b) Unless and until a Definitive Agreement between the Company, you and each of the other parties thereto has been executed and delivered, you acknowledge and agree that (i) the Company shall conduct the process for a possible Transaction as it in its sole discretion shall determine (including, without limitation, providing information to and/or negotiating with any prospective buyer and entering into definitive agreements without prior notice to you or any other person), (ii) any procedures relating to such possible Transaction may be changed at any time without notice to you or any other persons, and (iii) the Company shall have the right to reject or accept any potential buyer, proposal or offer, for any reason whatsoever, in its sole discretion.
13. ***Liability.*** In addition to any other rights that the Company and its Representatives may have against you arising by reason of any breach of this Agreement, you shall:
- (a) be liable to each of the Company and its Representatives for all claims, liabilities, damages, costs, losses and expenses (including legal, accounting and other professional and advisory costs, expenses, fees and other disbursements, with legal fees on a solicitor-client basis) whatsoever which they may suffer, sustain, pay or incur; and
- (b) indemnify and hold harmless the Company and its Representatives from and against any and all claims, liabilities, damages, costs, losses and expenses whatsoever which may be brought against or suffered by them or which they may suffer, sustain, pay or incur;

in respect of all matters or anything which may arise out of any act or omission, directly or indirectly, related to any breach by you or your Representatives of this Agreement or arising out of or resulting from any unauthorized use or disclosure by you or your Representatives of the Confidential Information. You acknowledge that the Company is constituted as trustee of your covenants under this paragraph for the benefit of the Company's Representatives and that the Company or its Representatives shall be entitled to enforce such covenants on behalf of such persons.

14. **Remedies.** You agree that (i) monetary damages would not be a sufficient remedy for any breach of this Agreement by you or your Representatives, (ii) that, in addition to any other remedies at law or in equity that the Company may have, the Company shall be entitled to equitable relief, including injunction and specific performance, in the event of any breach of the provisions of this Agreement, and (iii) you shall waive, and use your best efforts to cause your Representatives to waive, any requirement for the securing or posting of any bond or security for costs in connection with such remedy. The Company shall be reimbursed for all costs and expenses, including legal fees (on a solicitor-client basis), incurred in enforcing the obligations hereunder.
15. **Title to Confidential Information.** It is understood that neither this Agreement nor the disclosure of any Confidential Information to you or your Representatives shall be construed as granting to you or any of your Representatives any license or other rights, title or interest in respect of any part of the Confidential Information.
16. **Securities Laws.** You acknowledge that you are aware, and that you will ensure your Representatives to whom Confidential Information is disclosed are also aware, of the general nature of applicable securities laws, including, without limitation, all applicable securities laws that may prohibit any person who has material, non-public information concerning the matters which are the subject of this Agreement, from trading in securities of a company which may be a party to a transaction of, or may propose to become a party to, the type contemplated herein or from communicating such information to other persons.
17. **No Waiver – Entire Agreement.** It is further understood and agreed that no failure or delay in exercising any right, power or privilege hereunder will operate as a waiver thereof, nor will any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege hereunder. This Agreement represents the entire understanding of the parties with respect to the matters referred to herein and supersedes all prior understandings, written or oral, between the parties with respect thereto.
18. **Amendments.** All modifications of and amendments to this Agreement or any part hereof must be in writing signed on behalf of you and the Company. Waivers of any terms and provisions of this Agreement shall be in writing.
19. **Severability.** In the event that any provision or portion of this Agreement is determined to be invalid or unenforceable for any reason, in whole or in part, the remaining provisions of this Agreement shall be unaffected thereby and shall remain in full force and effect to the fullest extent permitted by applicable law.
20. **Assignment.** The Company reserves the right to assign all or any of the benefits under this Agreement including, without limitation, the right to enforce any or all of the terms of this Agreement with respect to the unauthorized use or disclosure by you or your Representatives of the Confidential Information to such parties as it deems appropriate including joint venture partners and the acquiror of any assets of the Company pursuant to a Transaction.

21. ***Governing Law and Attornment.*** This Agreement shall be governed by and construed in accordance with the laws of the Province of Alberta. You hereby irrevocably and unconditionally consent to submit to the jurisdiction of the courts of the Province of Alberta for any actions, suits or proceedings arising out of or relating to this Agreement and the transactions contemplated hereby (and you agree not to commence any action, suit or proceeding relating thereto except in such courts), and further agree that service of any process, summons, notice or document by registered mail to you shall be effective service of process for any action, suit or proceeding brought against you in any such court. You hereby irrevocably and unconditionally waive any objection to the laying of venue of action, suit or proceeding arising out of this Agreement or the transaction contemplated hereby in the courts of the Province of Alberta and hereby further irrevocably and unconditionally waive and agree not to plead or claim in any such court that any such action, suit or proceeding brought in any such court has been brought in an inconvenient forum.

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

Please confirm that the foregoing correctly sets forth our agreement by signing this Agreement in the space provided and returning one (1) copy to us for our files. Please retain the second copy for your files.

Yours truly,

MAJOR OIL & GAS LTD.

Brad Bakuska
President

Agreed and Accepted by:

Company Name: _____

Date: _____

Officer's Signature: _____

Officer's Name: _____

Officer's Title: _____

☐ I certify that no changes have been made to this Confidentiality Agreement that have not been clearly marked and initialed.

CONFIDENTIAL INFORMATION DELIVERY OPTIONS: *(please check one)*

_____ **Electronic** *or* _____ **Hard copy (binder)**

NAME OF CONTACT PERSON TO FORWARD INFORMATION

CONTACT ADDRESS

TELEPHONE NUMBER

EMAIL ADDRESS

Option to Attach Business Card Here: