RECIPIENT COMPANY LETTERHEAD

_______________, 20___

SAF Group
c/o Sayer Energy Advisors
1620, 540 - 5th Avenue SW
Calgary, Alberta T2P 0M2

Attention: Tom Pavic

Re: **Confidentiality Agreement**
Lookout Butte/Waterton, Alberta Royalty Interest Divestiture

____________________________________ (the "**Recipient**") has expressed interest in purchasing certain oil and natural gas fee title and royalty interests owned by a SAF Group entity ("**SAF**") in the Lookout Butte/Waterton area of Alberta (the "**Royalty**"). SAF is prepared to provide the Recipient access to certain information relating to the Royalty, including but not limited to land schedules, financial results, marketing materials, geological and geophysical information and other documentation (the "**Confidential Information**"). In consideration of SAF providing the Confidential Information, Recipient agrees as follows:

1. The Recipient acknowledges that all Confidential Information provided to the Recipient is proprietary to SAF and its joint venture partners except for Confidential Information which is set out and described in Clause 5.

2. The Confidential Information shall be kept in the strictest of confidence and shall not be used for any purpose whatsoever other than evaluating a possible transaction between Recipient and SAF with respect to the Royalty. The Confidential Information shall not be disclosed to any person other than Recipient and to such of its directors, employees, agents, consultants, representatives and advisors (the "**Representatives**") who have a need to know such information for the purpose of appraising the Royalty. The Recipient shall take all steps that are necessary to ensure that its Representatives are aware of the terms and conditions of this Agreement and that such terms and conditions are binding upon any and all of its Representatives. Upon request, the Recipient shall provide SAF with a list of the Representatives who have received the Confidential Information.

3. The Recipient agrees that it and its Representatives shall not disclose to any person or publish or disperse in any form any terms, conditions or other facts with respect to any possible transaction relating to the Royalty for which the Confidential Information was disclosed.

4. Notwithstanding the foregoing terms, the Recipient shall be permitted to disclose such Confidential Information that is required to be disclosed pursuant to any law, rule or regulation. In the event that Recipient receives a request or legal directive to disclose Confidential Information, Recipient shall promptly provide written and verbal notification to SAF of such a request. The Recipient shall consult with SAF on the advisability of taking steps to resist or narrow such request or directive. If disclosure is deemed advisable, the Recipient shall cooperate with SAF in any attempt that SAF may make to obtain an order or

other reliable assurance that confidential treatment will be accorded by the requesting or directing party to the information required to be disclosed.

5. The restrictions set forth in Clauses 2 and 3 above shall not apply to any part of the Confidential Information which is:

   (a) now in the public domain or becomes part of the public domain other than through an act of the Recipient or its Representatives;

   (b) in the lawful possession of the Recipient prior to its disclosure by SAF;

   (c) subject to disclosure required by law, rule or regulation provided that SAF are given notice pursuant to Clause 4 prior to such disclosure; or

   (d) made available to the Recipient or its Representatives from a source who may reasonably be believed to legally hold such information and who is not bound to SAF under a confidentiality agreement.

6. The Recipient acknowledges the competitive value of the Confidential Information. Accordingly, without limitation and in addition to any rights of the SAF and its joint venture partners against the Recipient arising by any breach hereof, the Recipient shall:

   (a) be liable to SAF for all losses, costs, damages and expenses whatsoever which they may suffer, sustain, pay or incur; and in addition,

   (b) indemnify SAF against any and all actions, proceedings, claims, demands, losses, costs, damages and expenses whatsoever which may be brought against or suffered by SAF or which SAF may suffer, sustain, pay or incur;

   resulting from disclosure by the Recipient, or its Representatives, of all or any part or parts of the Confidential Information.

7. At any time, at the request of SAF, the Recipient shall immediately return or cause to be returned to SAF all of the Confidential Information which may have been released to the Recipient. The Recipient shall not retain any copies or other reproductions or extracts of the Confidential Information. Furthermore, the Recipient shall, if so requested by SAF, provide certification from an officer of the Recipient to SAF that the terms and conditions of this Clause have been complied with. The Recipient will return all requested Confidential Information, except to the extent that computer systems are backed up or archived. The Recipient may retain a copy of any analysis of Confidential Information in respect of a possible transaction with SAF for internal management and/or board of directors recommendations or approvals.

8. The Recipient understands and agrees that no contract or agreement providing for the sale of the Royalty shall be deemed to exist between the Recipient and SAF unless and until a definitive offer to purchase has been accepted in writing by SAF. For greater clarity, the Recipient acknowledges that this Agreement does not constitute a definitive offer to purchase. The Recipient hereby waives, in advance, any claims (including, without limitation, breach of contract) in connection with the sale of the Royalty unless and until a definitive offer to purchase from Recipient has been accepted in writing by SAF.

9. This Confidentiality Agreement shall remain in force for a period of one year from the date hereof, or until such time as all of the Confidential Information becomes part of the public

domain through conventional processes and through no violation of this Agreement, whichever comes first.

10. The Recipient understands that in providing access to the Confidential Information, SAF makes no representation or warranty as to the accuracy or completeness of the Confidential Information. The Recipient agrees that neither SAF nor anyone representing SAF shall have any liability to the Recipient or any of its Representatives as a result of the use of the information by it or its Representatives.

11. This Agreement shall be construed and determined according to the laws of the Province of Alberta.

12. The Recipient acknowledges and agrees that SAF may be irreparably injured by a breach of this Confidentiality Agreement that could not be adequately compensated for by damages. SAF and its joint venture partners shall be entitled to equitable relief, including injunctive relief and specific performance, in the event of a breach of any of the provisions of this Confidentiality Agreement. Such remedies shall be in addition to all other remedies available at law or in equity.

13. The Recipient understands and agrees that:

    (a) SAF shall be free to conduct the process for the sale of the Royalty in its sole discretion and shall determine, without limitation, the course and nature of negotiations with any prospective buyer and the acceptance of a definitive offer to purchase without prior notice to the Recipient, its Representatives or any other person or corporate entity; and

    (b) the Recipient shall not have any claims whatsoever against SAF or any of its directors, officers, stockholders, owners, affiliates, representatives, advisors or agents arising out of or relating to the sale of the Royalty other than as a party to a definitive offer to purchase accepted in writing by SAF and then only against SAF and in accordance with the terms of said offer to purchase.

14. The Recipient hereby acknowledges that it is aware and that it will advise its Representatives privy to the Confidential Information that applicable security laws prohibit any person who has received from an issuer material, non-public information concerning the matters which are the subject of this Agreement from purchasing or selling securities of such issuer or from communicating such information to any other person, under circumstances in which it is reasonably foreseeable that such person is likely to purchase or sell such securities.

15. The Recipient shall not initiate or arrange, directly or indirectly, or maintain contact regarding SAF's business operations, prospects or finances (except as contemplated herein and for those contacts made in the ordinary course of business unrelated to the possible transaction) with any officer, director, employee, consultant or other representative of SAF, or with any customer, supplier, sales representative, or competitor of SAF except with the express written permission of SAF. SAF may revoke any such permission at any time.

16. If any provision of this agreement is wholly or partially unenforceable for any reason, such unenforceability shall not affect the enforceability of the balance of this Confidentiality Agreement.

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

The Recipient accepts the Confidential Information to be provided relating to the Royalty subject to the terms and conditions set forth in this Confidentiality Agreement.

Yours truly,

____
COMPANY NAME

______________________________ ______________________________
OFFICER'S SIGNATURE OFFICER'S PRINTED NAME & TITLE

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

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:

Accepted by SAF this ___ day of _____________, 20___.

____
Aaron Bunting
Chief Financial Officer