

# PURCHASE AND SALE AGREEMENT

This Agreement dated as of the 29th day of May, 2014,

## BETWEEN:

**MOSAIC ENERGY LTD.**, a body corporate, having an office in  
Calgary, Alberta  
(hereinafter called "**Vendor**" or "**Transferor**")

- and -

**MAPLE LEAF 2013 OIL & GAS INCOME LIMITED  
PARTNERSHIP**, a limited partnership, having an office in  
Vancouver, British Columbia  
(hereinafter called "**Purchaser**" or "**Transferee**")

**WHEREAS** the Vendor wishes to sell to the Purchaser and the Purchaser wishes to purchase from the Vendor the Assets.

**NOW THEREFORE THIS AGREEMENT WITNESSETH** that, in consideration of the mutual covenants and agreements herein contained, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the Parties, the Parties agree as follows:

## 1. DEFINITIONS

Each capitalized term used in the Head Agreement will have the meaning given to it in the Property Transfer Procedure. In addition:

- (a) "Closing Date" means 10:00 a.m. on May 29, 2014 or such other time and date as may be agreed upon by the Parties;
- (b) "Effective Date" means 12:01 a.m. on April 1, 2014; and
- (c) "Property Transfer Procedure" means the 2000 Canadian Association of Petroleum Landmen Property Transfer Procedure.

## 2. SCHEDULES

The following Schedules are attached hereto and made part of this Agreement:

Schedule "A" which is the Land Schedule and identifies: (i) the Title and Operating Documents; (ii) the Lands; (iii) the Title and Operating Document Encumbrances; (iv) the Transferor's Interest; and (v) the Wells.

Schedule "B" which is the Property Transfer Procedure, with elections and amendments, as noted, and includes Exhibit "A" that is the form of the General Conveyance; and

Schedule "C" which is the form of the Representations and Warranties Certificate.

### 3. PURCHASE AND SALE

- (a) The Purchaser agrees to purchase the Assets from the Vendor and the Vendor agrees to sell the Assets to the Purchaser on the terms and conditions set forth in this Agreement. Subject to the provisions of this Agreement, the consideration payable by the Purchaser to the Vendor for the Assets is Three Hundred Eighty Thousand Canadian Dollars (CDN\$380,000.00), allocated as follows:

Petroleum and Natural Gas Rights	\$ 379,999.00
Miscellaneous Interests	\$ <u>1.00</u>
Total	\$ 380,000.00

- (b) Pursuant to Clause 3.03 B (a) of the Property Transfer Procedure, at Closing, the Purchaser will pay to the Vendor, the Purchase Price, less or plus, as the case may be, any net adjustments apportioned pursuant to Article 4 of the Property Transfer Procedure.

### 4. ADDITIONAL REPRESENTATIONS AND WARRANTIES

The Transferor makes the following additional representations and warranties under Subclause 6.02 (w) of the Property Transfer Procedure:

- (a) Third Party Interests: The Transferor has not received notice from any third party claiming an interest in and to the Assets adverse to the interest of the Transferor and the Transferor has no reason to believe that any such claim may be made.
- (b) Receipt of Production Revenue: To the Transferor's knowledge, it has been receiving the share of net proceeds of production from the Assets attributable to its interests therein and no entity has given written notice that the Transferor is not entitled to such amounts.

### 5. COUNTERPART EXECUTION


This Agreement may be executed in separate counterparts and by facsimile or other electronic means (including pdf) by the Parties and, when taken together, all such counterparts shall constitute one Agreement.

IN WITNESS WHEREOF, the Parties have duly executed this Agreement as of the day and year first noted above.

MOSAIC ENERGY LTD.

  
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Peter Stickel  
Senior Vice President, Business Development

MAPLE LEAF 2013 OIL & GAS INCOME LIMITED  
PARTNERSHIP, by its general partner, ML 2013  
OIL & GAS INCOME MANAGEMENT CORP.

  
\_\_\_\_\_  
Dan Gundersen  
Managing Director

This is the execution page to a Purchase and Sale Agreement dated as of the 29<sup>th</sup> day of May, 2014 made between Mosaic Energy Ltd. and Maple Leaf 2013 Oil & Gas Income Limited Partnership

## SCHEDULE "A"

To a Purchase and Sale Agreement dated as of the 29<sup>th</sup> day of May, 2014 made between Mosaic Energy Ltd. and Maple Leaf 2013 Oil & Gas Income Limited Partnership

<u>Mosaic File</u>	<u>Title Documents</u>	<u>Lands</u>	<u>Title Document Encumbrances</u>
M00593	Natural Gas and Coalbed Methane Lease dated March 9, 2007 Lessor: Encana Corporation Lessee: Mosaic Energy Ltd.	Twp. 38 Rge. 6 W5M: N 5, Ptn S 5 (not covered by water) NG & CBM in the Ostracod and Ellerslie formations	LOR: Gas – 20% NG Liquids – 25% Other – 20%

### Transferors' interest

100% of non-convertible overriding royalty calculated on 94.48% of production:

Oil – 1/23.8365(min. 5%, max. 10)

Gas – 10%

### Well(s)

<u>Well Name</u>	<u>UWI</u>
Angle HZ Ferrier 10-5-38-6	100/10-05-038-06W5/00
Angle HZ Ferrier 11-5-38-6	100/11-05-038-06W5/00

## SCHEDULE "B"

To a Purchase and Sale Agreement dated as of the 29<sup>th</sup> day of May, 2014 made between Mosaic Energy Ltd. and Maple Leaf 2013 Oil & Gas Income Limited Partnership

### Property Transfer Procedure Elections & Amendments

	<u>Clause</u>	<u>Item</u>	<u>Election/Amendment</u>
1.	2.03 A	GST	Alternate 2
	<b>Business Numbers</b>		
	<b>Transferor:</b>		<b>852724947RT0001</b>
	<b>Transferee:</b>		
2.	2.04	Interest Accrual	Alternate 2
3.	3.01	Place of Closing	Office of Transferor
4.	3.04 B	Access to Files	36 months
5.	3.05	Conveyances	Alternate 1
6.	4.02 A (b)	Final Statement	180 days
7.	4.03	Treatment of Income	Alternate 1A 0%
8.	6.02	Transferor's Rep's and Warranties	"Yes" to all except (u)
9.	6.04	Survival of Rep's and Warranties	12 months
10.	7.01 D	Option to Terminate re ROFR's	Will NOT apply
11.	8.02	Title Defects	DELETE
12.	13.01 A	Responsibility of Transferor	Alternate 1 but delete reference to Clause 5.04
13.	13.01 B	Responsibility Time Limit	12 months
14.	13.03 A	Limit on Responsibility	Will apply
15.	13.03 B	Further Limits	Will NOT apply
16.	15.02	Addresses for Service:	

**MOSAIC ENERGY LTD.**  
900, 606 – 4<sup>th</sup> Street S.W.  
Calgary, AB  
T2P 1T1

Ph: (403) 699-7650  
Fax: (403) 699-7651

**MAPLE LEAF 2013 OIL & GAS INCOME  
LIMITED PARTNERSHIP**  
808 – 609 Granville Street  
Vancouver, BC  
V7Y 1G5

Ph: (604) 684-5742  
Fax: (604) 684-5748



**Exhibit "A"**

To Schedule "B" of a Purchase and Sale Agreement dated as of the 29<sup>th</sup> day of May, 2014 made between Mosaic Energy Ltd. and Maple Leaf 2013 Oil & Gas Income Limited Partnership

**GENERAL CONVEYANCE**

**THIS AGREEMENT** dated May 29, 2014

**BETWEEN:**

**MOSAIC ENERGY LTD.**, a body corporate, having an office in  
Calgary, Alberta  
(hereinafter called "**Vendor**" or "**Transferor**")

- and -

**MAPLE LEAF 2013 OIL & GAS INCOME LIMITED  
PARTNERSHIP**, a limited partnership, having an office in  
Vancouver, British Columbia  
(hereinafter called "**Purchaser**" or "**Transferee**")

**WHEREAS** pursuant to a Purchase and Sale Agreement dated as of the 29<sup>th</sup> day of May, 2014 ("**Purchase and Sale Agreement**"), Vendor has agreed to sell, and Purchaser has agreed to purchase, on the terms and conditions hereinafter set forth, the Assets;

**NOW THEREFORE THIS AGREEMENT WITNESSES** that, in consideration of the premises and of the respective covenants and agreements of the Parties, and in consideration of the payment by Purchaser to Vendor of the Purchase Price, the Parties covenant and agree with one another as follows:

**1. Definitions**

All capitalized terms used herein shall have the meanings ascribed thereto in the Purchase and Sale Agreement.

**2. Headings**

The insertion of headings in this General Conveyance is for convenience of reference only and shall not affect the construction or interpretation hereof.

**3. Conveyance**

Vendor hereby sells, assigns, transfers, conveys and sets over unto Purchaser, and Purchaser hereby purchases and accepts directly from Vendor, the Assets, to have and hold the same, together with all benefit and advantage to be derived therefrom, absolutely.

**4. Purchase and Sale Agreement**

This General Conveyance is executed in furtherance of the Purchase and Sale Agreement. In the event of an inconsistency between the provisions of this General Conveyance and the Purchase and Sale Agreement, the provisions of the Purchase and Sale Agreement will prevail.

5. **Enurement and Assignment**

This General Conveyance shall be binding upon and shall enure to the benefit of the Parties and their respective trustees, receivers, receiver-managers, successors and permitted assigns.

6. **Governing Law**

This General Conveyance shall, in all respects, be subject to and be interpreted, construed and enforced in accordance with and under the laws of the Province of Alberta and applicable laws of Canada and shall, in all respects, be treated as a contract made in the Province of Alberta. Each Party irrevocably attorns and submits to the exclusive jurisdiction of the courts of the Province of Alberta and all courts of appeal therefrom in respect of all matters arising out of or in connection with this General Conveyance.

7. **Non-Merger**

The provisions of this General Conveyance shall not merge in any transfer, assignment, novation agreement or other document or instrument issued pursuant hereto or in connection herewith.

8. **Counterpart Execution**

This General Conveyance may be executed in as many counterparts as are necessary, and by facsimile or other electronic means (including pdf), and all executed counterparts together shall constitute one agreement.

**IN WITNESS WHEREOF** the Parties have executed and delivered this General Conveyance as of the date first above written.

**MOSAIC ENERGY LTD.**

**MAPLE LEAF 2013 OIL & GAS INCOME LIMITED  
PARTNERSHIP, by its general partner, ML 2013  
OIL & GAS INCOME MANAGEMENT CORP.**

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Peter Sticksl  
Senior Vice President, Business Development

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Dan Gundersen  
Managing Director

### **SCHEDULE "C"**

To a Purchase and Sale Agreement dated as of the 29<sup>th</sup> day of May, 2014 made between Mosaic Energy Ltd. and Maple Leaf 2013 Oil & Gas Income Limited Partnership

### **TRANSFEROR'S CERTIFICATE**

In the matter of the Purchase and Sale Agreement dated as of the 29<sup>th</sup> day of May, 2014 made between Mosaic Energy Ltd. and Maple Leaf 2013 Oil & Gas Income Limited Partnership (the "**Agreement**")

TO: **MAPLE LEAF 2013 OIL & GAS INCOME LIMITED PARTNERSHIP**

I, Peter Sticksl, Senior Vice President, Business Development, being an officer of Mosaic Energy Ltd. (the "**Transferor**"), hereby certify on behalf of the Transferor that:

1. the Transferor 's representations and warranties contained in Section 6.01 and 6.02 of the Agreement were true when made, have continued to be true from the Effective Date to the Closing Date and are true as of the Closing Date; and
2. the Transferor has performed all obligations and agreements and complied with all covenants and conditions contained in the Agreement to be performed or complied with by it at or prior to the Closing Date;

it being agreed and understood that this certificate is being given in my capacity as an officer of the Transferor and not in my personal capacity.

All capitalized terms used herein shall have the same meaning as ascribed thereto in the Agreement unless the context otherwise requires.

DATED the 29<sup>th</sup> day of May, 2014.

**MOSAIC ENERGY LTD.**

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Peter Sticksl  
Senior Vice President, Business Development

### **TRANSFeree'S CERTIFICATE**

In the matter of the Purchase and Sale Agreement dated as of the 29<sup>th</sup> day of May, 2014 made between Mosaic Energy Ltd. and Maple Leaf 2013 Oil & Gas Income Limited Partnership (the "**Agreement**")

TO: **MOSAIC ENERGY LTD.**

I, Dan Gundersen, Managing Director, being an officer of ML 2013 Oil & Gas Income Management Corp., as general partner of Maple 2013 Oil & Gas Income Limited Partnership (the "**Transferee**"), hereby certify on behalf of the Transferee that:

1. the Transferee 's representations and warranties contained in Section 6.01 and 6.03 of the Agreement were true when made, have continued to be true from the Effective Date to the Closing Date and are true as of the Closing Date; and
2. the Transferee has performed all obligations and agreements and complied with all covenants and conditions contained in the Agreement to be performed or complied with by it at or prior to the Closing Date;

it being agreed and understood that this certificate is being given in my capacity as an officer of the general partner of the Transferee and not in my personal capacity.

All capitalized terms used herein shall have the same meaning as ascribed thereto in the Agreement unless the context otherwise requires.

DATED the 29<sup>th</sup> day of May, 2014.

**MAPLE LEAF 2013 OIL & GAS INCOME LIMITED  
PARTNERSHIP, by its general partner, ML 2013  
OIL & GAS INCOME MANAGEMENT CORP.**

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Dan Gundersen  
Managing Director