

AGREEMENT OF PURCHASE AND SALE

THIS AGREEMENT made as of the 9th day of June, 2014.

BETWEEN:

WALDRON ENERGY CORPORATION, a corporation
incorporated under the laws of the Province of Alberta
("Waldron")

- and -

**MAPLE LEAF 2013 OIL & GAS INCOME LIMITED
PARTNERSHIP**, a limited partnership formed under the law of
the Province of British Columbia ("Maple Leaf")

WHEREAS Waldron wishes to sell, assign, transfer, convey and set over to Maple Leaf and Maple Leaf wishes to acquire the Royalties in accordance with the terms and conditions hereof;

NOW THEREFORE, in consideration of the covenants and mutual agreements hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the Parties (as defined below), the Parties hereby agree as follows:

ARTICLE 1 **INTERPRETATION**

1.1 Definitions

In this Agreement, including this Article, the following words and expressions shall have the following meanings:

- (a) "Assets" means collectively the Royalty Lands, the Royalty PNG Rights and the Wells;
- (b) "Business Day" means a day other than a Saturday, a Sunday or a statutory holiday in Calgary, Alberta;
- (c) "Buy Back Purchase Price" has the meaning set forth in Section 2.5;
- (d) "Claims" means any cause of action, action, account, lien of any kind whatsoever, claim, demand, lawsuit, audit, proceeding, or arbitration, including any proceeding or investigation by a governmental authority or agency thereof arising from the matter;
- (e) "Closing" means the closing of the purchase and sale herein provided for;
- (f) "Closing Place" means the offices of Waldron located at 600, 510 – 5th Street SW, Calgary, Alberta;

- (g) **"Closing Time"** means the hour of 10:00 a.m. (Calgary time) on the 18th day of June, 2014 or such other time and date as may be agreed upon in writing by Waldron and Maple Leaf;
- (h) **"Falher Payment"** has the meaning set forth in Section 3.2;
- (i) **"Falher Wells"** has the meaning set forth in Section 3.1;
- (j) **"Falher 1 Well"** has the meaning set forth in Section 3.1;
- (k) **"Falher 2 Well"** has the meaning set forth in Section 3.1;
- (l) **"Falher 3 Well"** has the meaning set forth in Section 3.4;
- (m) **"Governmental Authority"** means any Canadian federal, provincial, local, municipal, or other government or governmental authority of any nature (including any governmental agency, branch, department, official, or entity and any court or other tribunal); or anybody exercising, or entitled to exercise, any administrative, executive, judicial, legislative, police, or regulatory power of any nature;
- (n) **"Parties"** means Waldron and Maple Leaf and **"Party"** means any one of them;
- (o) **"Permitted Encumbrances"** means:
 - (i) liens for taxes, assessments and governmental charges which are not due or delinquent at the Closing Time;
 - (ii) easements, rights of way, servitudes and other similar rights in land which in total do not materially impair the use of the Assets as being used at the Closing Time;
 - (iii) the royalties, other encumbrances and reductions in interest described in Schedule "A";
 - (iv) the express or implied reservations or exceptions in any grants or transfers of mineral rights from the Crown;
 - (v) any security interests held by Waldron's lenders in the Royalty Lands;
 - (vi) any orders, directives or decisions made pursuant to the Regulations; and
 - (vii) legally binding requirements imposed by statutes or Governmental Authorities concerning rates of production from operations on any of the Assets or otherwise affecting recoverability of Petroleum Substances from the Assets and which are generally applicable to the oil and gas industry in Alberta;

- (p) **"Petroleum Substances"** means any and all crude oil, crude bitumen and products derived therefrom, synthetic crude oil, petroleum, natural gas and all related hydrocarbons (including liquid hydrocarbons and natural gas from coal or shale) and all other substances relating to any of the foregoing, whether liquid, gaseous or solid and whether hydrocarbons or not (except coal but including sulphur);
- (q) **"Purchase Price"** has the meaning as set forth in Section 2.2;
- (r) **"Regulations"** means all statutes, laws, rules, orders, directives and regulations in effect from time to time and made by Governmental Authorities having jurisdiction over the Assets or the Parties;
- (s) **"Rights of First Refusal"** means a right of first refusal, right of first offer, pre-emptive right of purchase or similar right whereby a Third Party has the right to acquire or purchase all or a portion of the Assets as a consequence of Waldron having agreed to grant the Royalties to Maple Leaf and complete the transactions contemplated herein in accordance with the terms of this Agreement;
- (t) **"Royalties"** means a gross overriding royalty interest in and to the Petroleum Substances within, upon and under the Royalty Lands, all as more particularly set forth and described in the Royalty Agreement;
- (u) **"Royalty Agreement"** means a royalty agreement between Maple Leaf and Waldron in the form attached as Schedule "B";
- (v) **"Royalty Lands"** means the lands set forth in Schedule "A", provided that if Waldron sells the following lands to a Third Party and such transaction closes prior to August 1, 2014 the following lands shall be excluded from the Royalty Lands: PNG Below Base Mannville for lands T 45 R 3 W5M: E/19, W/20, 30, 31, NW/32, which lands are subject to Crown Lease #0412070342;
- (w) **"Royalty PNG Rights"** means the undivided working interests of Waldron set forth in Schedule "A" in and to the Petroleum Substances within, upon and under the Royalty Lands;
- (x) **"Third Party"** means any individual or entity other than Waldron and Maple Leaf, including without limitation any partnership, corporation, trust, unincorporated organization, union, government and any department and agency thereof and any heir, executor, administrator or other legal representative of an individual;
- (y) **"this Agreement", "herein", "hereto", "hereof"** and similar expressions mean and refer to this Agreement of Purchase and Sale;
- (z) **"Title Documents"** means the documents of title (or any of them) through which Waldron holds its interest in areal, stratigraphic and substance rights in the Royalty Lands, and any documents issued or derived therefrom, including all

amendments, renewals, extensions, continuations or replacements (whether by operation of the applicable document, the Regulations, this Agreement or other agreement of Waldron with a Third Party) thereof; and

- (aa) **"Wells"** means those wells described in Schedule "A" and **"Well"** means any one of them.

1.2 Headings

The expressions "Article", "Section", "Subsection", "Clause", "Subclause", "paragraph" and "Schedule" followed by a number or letter or combination thereof mean and refer to the specified article, section, subsection, clause, subclause, paragraph and schedule of or to this Agreement.

1.3 Interpretation Not Affected by Headings

The division of this Agreement into Articles, Sections, Subsections, Clauses, Subclauses and Paragraphs and the provision of headings for all or any thereof are for convenience and reference only and shall not affect the construction or interpretation of this Agreement.

1.4 Included Words

When the context reasonably permits, words suggesting the singular shall be construed as suggesting the plural and vice versa, and words suggesting gender or gender neutrality shall be construed as suggesting the masculine, feminine and neutral genders.

1.5 Schedules

There are appended to this Agreement the following schedules pertaining to the following matters:

- Schedule "A" - Royalty Lands
- Schedule "B" - Royalty Agreement

1.6 Damages

All losses, costs, claims, damages, expenses and liabilities in respect of which a Party has a claim pursuant to this Agreement include without limitation reasonable legal fees and disbursements on a solicitor and client basis.

1.7 Knowledge

The knowledge or awareness of Waldron herein consists of the actual knowledge or awareness of its current officers and managers who are primarily responsible for the matter in question in the course of their normal duties and after making reasonable inquiry (other than those employees employed in the field who do not have management responsibilities). For these

purposes, knowledge and awareness do not include the knowledge of any Third Party or constructive knowledge.

ARTICLE 2

PURCHASE AND SALE

2.1 Purchase and Sale

Waldron hereby agrees to sell, assign, transfer, convey and set over the Royalties to Maple Leaf, and Maple Leaf hereby agrees to purchase the Royalties from Waldron, in accordance with the terms and conditions of this Agreement.

2.2 Purchase Price

At Closing, Maple Leaf shall pay to Waldron, by bank draft or wire transfer in immediately available funds, seven million Canadian Dollars (CDN\$7,000,000.00) (the "**Purchase Price**").

2.3 Allocation of Purchase Price

The Parties shall allocate the Purchase Price entirely to the Royalties.

2.4 No Interest

No interest shall be payable by Maple Leaf to Waldron in respect of the Purchase Price.

2.5 Buy Back Option

Waldron shall have the option, exercisable within 15 months of the Closing Time, to buy back from Maple Leaf the Royalties for a purchase price of nine million, one hundred thousand Canada Dollars (CDN\$9,100,000.00), less any royalty payments made to Maple Leaf by Waldron in connection with the Royalties up to the Buy Back Exercise Date (as defined below) ("**Buy Back Purchase Price**"), as further set forth in the Royalty Agreement, from the Closing Time to the date Waldron exercises the option contemplated in this Section 2.5 (the "**Buy Back Exercise Date**"). Waldron shall provide 60 days' notice of its exercise of this option to Maple Leaf and the Parties shall then execute all documents and instruments and do all acts and things necessary, including payment by Waldron to Maple Leaf of the Buy Back Purchase Price, to convey the Royalties back to Waldron as soon thereafter as practicable. For clarity, the Falher Payment(s) contemplated in Section 3.2 below shall not be deducted from the CDN\$9,100,000.00 for purposes of determining the Buy Back Purchase Price; provided, however, if Waldron pays the Buy Back Purchase Price to Maple Leaf as contemplated in this Section 2.5, two thirds ($\frac{2}{3}$) of the Falher Payment(s) contemplated in Section 3.2 below shall be refunded to Waldron by Maple Leaf if such Falher Payment(s) are made to Maple Leaf as contemplated herein.

ARTICLE 3

FALHER WELLS

3.1 Falher Horizontal Well Development

Within three (3) months of the Closing Time, Waldron shall have drilled a horizontal well with a horizontal leg that is a minimum of 1000 metres in length and a true vertical depth that is a minimum of 1600 metres within the Falher or equivalent zone on the Royalty Lands in the Ferrybank area that are owned 100% by Waldron or such other prospect as may be agreed by the Parties pursuant to Section 3.5 (the "**Falher 1 Well**"). Within seven (7) months of the Closing Time, Waldron shall have drilled a second similar horizontal well with a horizontal leg that is a minimum of 1000 metres in length and a true vertical depth that is a minimum of 1600 metres within the Falher or equivalent zone on the Royalty Lands in the Ferrybank area that are owned 100% by Waldron or such other prospect as may be agreed by the Parties pursuant to Section 3.5 (the "**Falher 2 Well**" and together with the Falher 1 Well, the "**Falher Wells**"). Waldron shall use its best commercial efforts to complete the Falher Wells in accordance with generally accepted industry standards and to tie the Falher Wells in and place them on production. Waldron shall provide drilling and completion data for the Falher Wells to Maple Leaf if requested by Maple Leaf.

3.2 Failure to Drill

Should Waldron fail to drill either or both of the Falher Wells in the time periods noted therefore in Section 3.1, Waldron shall pay seven hundred fifty thousand Canadian Dollars (CDN\$750,000.00) (the "**Falher Payment**") to Maple Leaf for each Falher Well that is not drilled as contemplated herein. Waldron shall pay the Falher Payment(s), in immediately available funds by certified cheque, bank draft or wire transfer, to Maple Leaf immediately following the three (3) month or seven (7) month time periods set forth above, as applicable.

3.3 Return of Falher Payment

Should Waldron remedy the failure to drill either the Falher 1 Well or the Falher 2 Well, or substitute wells as agreed upon, in the time periods set forth therefore in Section 3.1 within three (3) months of when the obligation arose to make a Falher Payment to Maple Leaf, Maple Leaf will forthwith return to Waldron the Falher Payment(s), as applicable, to the extent such Falher Payment(s) were made to Maple Leaf as provided for herein.

3.4 Falher Option

Waldron hereby grants to Maple Leaf an option, exercisable for a period of 24 months from the Closing Time, to acquire an additional 7% gross overriding royalty on a third Falher Well on the Royalty Lands or such other prospect as may be agreed by the Parties pursuant to Section 3.5 ("**Falher 3 Well**") for total consideration of five hundred thousand Canadian Dollars (CDN\$500,000.00) payable to Waldron, to the extent the Falher 3 Well is drilled by Waldron within said 24-month period following the Closing Time, all as more particularly set forth in the Royalty Agreement.

3.5 Other Prospects

Notwithstanding the provisions of this article 3 pertaining to the drilling of the Falher 1 Well, the Falher 2 Well and the Falher 3 Well, as applicable, the Parties may mutually agree to drill different prospects for purposes of satisfying the obligations contained in this Article 3.

ARTICLE 4 **CLOSING**

4.1 Closing

Closing shall take place at the Closing Place at the Closing Time.

4.2 Deliveries at Closing

- (a) At Closing, Waldron shall table the following:
 - (i) the Royalty Agreement duly executed by Waldron;
 - (ii) evidence of consent to the transactions contemplated herein by Waldron's lenders, in form and substance satisfactory to Maple Leaf, acting reasonably; and
 - (iii) such other items as may be specifically required hereunder.
- (b) At Closing, Maple Leaf shall table the following:
 - (i) the amounts payable at Closing on account of the Purchase Price in accordance with this Agreement; and
 - (ii) such other items as may be specifically required hereunder.

In addition, Maple Leaf will duly execute the Royalty Agreement tabled by Waldron.

4.3 Post-Closing Covenant

As soon as reasonably possible following Closing, Waldron shall update its land database to reflect the purchase by Maple Leaf of the Royalties, such that evidence of the Royalties appears in any mineral property report generated in respect of the Royalty Lands after the Closing Date. Within 90 days following Closing and upon request from Maple Leaf, Waldron shall provide Maple Leaf with an electronic database of the land schedule in order to assist Maple Leaf with integrating the land information into its internal databases, provided such electronic database can be reasonably easily prepared using Waldron's existing resources.

ARTICLE 5
REPRESENTATIONS AND WARRANTIES

5.1 Representations and Warranties of Waldron

Waldron makes the following representations and warranties to Maple Leaf with respect to itself, the Royalties, the Assets and the transactions contemplated herein:

- (a) Standing. Waldron is duly organized, valid, subsisting and registered to carry on business in the Province of Alberta;
- (b) Requisite Authority. Waldron has the requisite capacity, power and authority to execute this Agreement and the agreements contemplated herein and to perform the obligations to which it thereby becomes subject;
- (c) No Conflict. The execution and delivery of this Agreement and the agreements contemplated herein and the completion of the sale of the Royalties in accordance with the terms of this Agreement are not and will not be in violation or breach of, or be in conflict with:
 - (i) any term or provision of the articles, bylaws or other governing documents of Waldron;
 - (ii) any agreement, instrument, permit or authority to which Waldron is a party or by which Waldron is bound; or
 - (iii) any law, statute, rule or regulation or any judicial order, award, judgment or decree applicable to Waldron, the Royalties or the Assets;
- (d) Execution and Enforceability. Waldron has taken all actions necessary to authorize the execution and delivery of this Agreement and the agreements contemplated herein, and Waldron has taken all actions necessary to authorize and complete the granting of the Royalties and the completion of the transactions and agreements contemplated herein in accordance with the provisions of this Agreement. This Agreement has been validly executed and delivered by Waldron, and this Agreement does, and all other documents executed and delivered on behalf of Waldron hereunder shall, constitute valid and binding obligations of Waldron enforceable in accordance with their respective terms and conditions;
- (e) Title. Waldron does not warrant title to the Assets or the Royalties but does warrant that the Assets and the Royalties are free and clear of any and all liens, mortgages, pledges, Claims, options, encumbrances, or other burdens for which Maple Leaf will be responsible that were created by, through or under Waldron or of which Waldron has knowledge, except for the Permitted Encumbrances;
- (f) No Default Notices. Waldron has not received any notice of default under the Regulations or the Title Documents or any notice alleging its default thereunder,

which default would reasonably be expected to have a material adverse effect on the Assets or the Royalties or the value of any of them and remains outstanding or unsatisfied at the Closing Time;

- (g) Compliance with Agreements. To Waldron's knowledge, there has been no act or omission whereby it is, or would be, in default under the Regulations or any of the Title Documents, which default would reasonably be expected to have a material adverse effect on the Assets or the Royalties or the value of any of them;
- (h) Residency. Waldron is not a "non-resident" of Canada within the meaning of the *Income Tax Act* (Canada);
- (i) Finders' Fees. Waldron has not incurred any obligation or liability, contingent or otherwise, for brokers' or finders' fees in respect of the granting of the Royalties for which Maple Leaf will have any obligation or liability;
- (j) Claims. No suit, action or other proceeding before any court or governmental agency has been commenced against Waldron, or to the knowledge of Waldron, has been threatened against Waldron or any Third Party, which might result in impairment or loss of the interest of Waldron in and to or which might otherwise adversely affect the Assets or the Royalties or any of them;
- (k) Reduction of Interests. Except as disclosed in Schedule "A", Waldron's interests in the Assets are not subject to reduction by reference to payout or otherwise through any right or interest granted by, through or under it or of which Waldron has knowledge;
- (l) Land Schedule. Schedule "A" includes all lands in respect of which Waldron owns an interest in any Petroleum Substances, which Petroleum Substances underlie such lands, as of the date hereof;
- (m) Examination of Title. To Waldron's knowledge, it will have delivered or made available to Maple Leaf all Title Documents in its possession or to which it has access, for the purpose of Maple Leaf's review of Waldron's title to the Royalty Lands; and
- (n) Rights of First Refusal. To Waldron's knowledge, no person, firm or corporation has any Rights of First Refusal.

5.2 Representations and Warranties of Maple Leaf

Maple Leaf makes the following representations and warranties to Waldron:

- (a) Standing. Maple Leaf is, and at the Closing Time shall continue to be, duly organized, valid and subsisting, and registered to carry on business in the Province of Alberta;

- (b) Requisite Authority. Maple Leaf has the requisite capacity, power and authority to execute this Agreement and the agreements contemplated herein and to perform the obligations to which it thereby becomes subject;
- (c) No Conflict. The execution and delivery of this Agreement and the agreements contemplated herein and the completion of the transactions contemplated herein in accordance with the terms of this Agreement are not and will not be in violation or breach of, or be in conflict with:
 - (i) any term or provision of the governing documents of Maple Leaf; or
 - (ii) any agreement, instrument, permit or authority to which Maple Leaf is a party or by which Maple Leaf is bound.
- (d) Execution and Enforceability. Maple Leaf has taken all actions necessary to authorize the execution and delivery of this Agreement and the agreements contemplated herein, and has taken all actions necessary to authorize and complete the transactions contemplated herein in accordance with the provisions of this Agreement. This Agreement has been validly executed and delivered by Maple Leaf, and this Agreement does, and all other documents executed and delivered on behalf of Maple Leaf hereunder shall, constitute valid and binding obligations of Maple Leaf enforceable in accordance with their respective terms and conditions; and
- (e) Finders' Fee. Maple Leaf has not incurred any obligation or liability, contingent or otherwise, for broker's or finder's fees in respect of its purchase hereunder for which Waldron will have any obligation or liability.

ARTICLE 6

INDEMNITIES FOR REPRESENTATIONS AND WARRANTIES

6.1 Waldron's Indemnities for Representations and Warranties

Waldron shall be liable to Maple Leaf for and shall, in addition, indemnify Maple Leaf from and against, all losses, costs, Claims, damages, expenses and liabilities suffered, sustained, paid or incurred by Maple Leaf which would not have been suffered, sustained, paid or incurred had all of the representations and warranties contained in Section 5.1 been accurate and truthful, provided however that nothing in this Section 6.1 shall be construed so as to cause Waldron to be liable to or indemnify Maple Leaf in connection with any representation or warranty contained in Section 5.1 if and to the extent that Maple Leaf did not rely upon such representation or warranty.

6.2 Maple Leaf's Indemnities for Representations and Warranties

Maple Leaf shall be liable to Waldron for and shall, in addition, indemnify Waldron from and against, all losses, costs, Claims, damages, expenses and liabilities suffered, sustained, paid or incurred by Waldron which would not have been suffered, sustained, paid or incurred had all

of the representations and warranties contained in Section 5.2 been accurate and truthful, provided however that nothing in this Section 6.2 shall be construed so as to cause Maple Leaf to be liable to or indemnify Waldron in connection with any representation or warranty contained in Section 5.2 if and to the extent that Waldron did not rely upon such representation or warranty.

6.3 Time Limitation

No claim under this Article 6 shall be made or be enforceable by a Party unless written notice of such claim, with reasonable particulars, is given by such Party to the Party against whom the claim is made within a period of twelve (12) months from the Closing Time.

ARTICLE 7 **CLOSING CONDITIONS**

7.1 Waldron's Closing Conditions

The obligation of Waldron to consummate the transactions contemplated by this Agreement is subject to the following conditions precedent, which are for the exclusive benefit of Waldron and may be waived in whole or in part by Waldron by written notice to Maple Leaf at or before Closing:

- (a) Accuracy of Representations and Warranties. Maple Leaf's representations and warranties herein contained were true when made and have continued to be true in all material respects from the date hereof to the Closing Time and are true in all material respects as of the Closing Time and Maple Leaf has delivered to Waldron a certificate dated as of the Closing Time signed by Maple Leaf so certifying;
- (b) Performance of Agreements. Maple Leaf has performed all obligations and agreements and complied with all covenants and conditions contained in this Agreement to be performed or complied with by it at or prior to the Closing Time;
- (c) Legal Matters. All instruments and documents required to carry out the terms of this Agreement and to consummate the transactions contemplated hereby will be in form and substance satisfactory to Waldron, acting reasonably, and executed and delivered by Maple Leaf;
- (d) Bank Approval. Prior to the Closing Time, Toscana Capital Corporation and National Bank of Canada, as Waldron's lenders, shall have provided their consent to the transactions contemplated herein on terms and conditions acceptable to Waldron, acting reasonably; and
- (e) Consideration. Maple Leaf shall have tendered payment of the Purchase Price.

7.2 Maple Leaf's Conditions

The obligation of Maple Leaf to consummate the transactions contemplated by this Agreement is subject to the following conditions precedent, which are for the exclusive benefit

of Maple Leaf and may be waived in whole or in part by Maple Leaf by written notice to Waldron at or before Closing:

- (a) Accuracy of Representations and Warranties. Waldron's representations and warranties herein contained were true when made, have continued to be true in all material respects from the date hereof to the Closing Time and are true in all material respects as of the Closing Time and Waldron has delivered to Maple Leaf a certificate dated as of the Closing Time signed by Waldron so certifying in the form attached as Schedule "E";
- (b) Performance of Agreements. Waldron has performed all obligations and Agreements and complied with all covenants and conditions contained in this Agreement to be performed or complied with by it at or prior to the Closing Time and Waldron has delivered to Maple Leaf a certificate dated as of the Closing Time signed by Waldron so certifying in the form attached as Schedule "E";
- (c) Legal Matters. All instruments and documents required to carry out the terms of this agreement and to consummate the transactions contemplated hereby will be in form and substance satisfactory to Maple Leaf, acting reasonably, and executed and delivered by Waldron;
- (d) Due Diligence. Maple Leaf shall be satisfied, in its sole discretion, acting reasonably, with the due diligence review performed by it in respect of the Assets and Waldron, including any title review performed by Maple Leaf; and
- (e) Bank Approval. Prior to the Closing Time, Toscana Capital Corporation and National Bank of Canada, as Waldron's lenders, shall have provided their consent to the transactions contemplated herein.

7.3 Efforts to Fulfill Conditions.

Maple Leaf and Waldron shall proceed diligently, honestly and in good faith and use all reasonable efforts to satisfy and comply with and assist in the satisfaction of and compliance with the conditions set forth in Sections 7.1 and 7.2.

7.4 Failure of a Condition.

If a condition in Sections 7.1 and 7.2 has not been satisfied on or before the Closing Time and such condition has not been waived in writing by the Party for whose benefit such condition has been included herein, in addition to any other rights and remedies available to such Party, such Party may terminate this Agreement by written notice to the other Party prior to the Closing Time, provided that a Party shall not be permitted to exercise or purport to exercise any right of termination pursuant to this Section 7.4 if the event or circumstances giving rise to such right is due to a default by such Party of its obligations contained in this Agreement.

7.5 Effect of Termination.

If this Agreement is terminated prior to Closing occurring pursuant to Section 7.4, the Parties shall be released from all obligations under this Agreement.

**ARTICLE 8
MISCELLANEOUS**

8.1 Notice

The address and facsimile number for notices hereunder of Waldron and Maple Leaf shall be as follows:

Waldron: Waldron Energy Corporation

600, 510 – 5th Street SW
Calgary, AB T2P 3S2

Attention: Chief Financial Officer
Facsimile: (403) 532-3993

Maple Leaf: Maple Leaf 2013 Oil & Gas Income Limited Partnership

Suite 808, 609 Granville Street
Vancouver, BC V7Y 1G5

Attention: Chief Financial Officer
Facsimile: (604) 684-5748

with a copy to:

Borden Ladner Gervais LLP
1200 Waterfront Centre, 200 Burrard Street
Vancouver, BC V7X 1T2

Attention: G. Eric Doherty
Facsimile: (604) 622-5893

All notices, communications and statements required, permitted or contemplated hereunder shall be in writing, and shall be delivered as follows:

- (a) by personal service on a Party at the address of such Party set out above, in which case the item so served shall be deemed to have been received by that Party when personally served;
- (b) by facsimile transmission to a Party to the fax number of such Party set out above, in which case the item so transmitted shall be deemed to have been received by that Party when transmitted; or

- (c) except in the event of an actual or threatened postal strike or other labour disruption that may affect mail service, by mailing first class registered post, postage prepaid, to a Party at the address of such Party set out above, in which case the item so mailed shall be deemed to have been received by that Party on the third Business Day following the date of mailing (the date of mailing being the Business Day immediately prior to the postmarked date of the envelope containing the notice, communication or statement or if the subject envelope has been lost or destroyed, the date of such notice, communication or statement or if undated the date of the transmittal letter accompanying the same).

A Party may from time to time change its address for service or its fax number or both by giving written notice of such change to the other Party.

8.2 Enurement

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

8.3 Waivers in Writing

No waiver by any Party of any breach of any of the covenants, conditions and provisions herein contained shall be effective or binding on any other Party unless such waiver is expressed in writing and any waiver so expressed shall not limit or affect its rights with respect to any other or future breach.

8.4 Time of Essence

Time is of the essence of this Agreement.

8.5 No Partnership

Nothing herein shall be construed as creating a partnership or joint venture and no Party shall have any partnership or joint venture rights or liabilities hereunder or in connection herewith.

8.6 Severability

The term and provisions of this Agreement are severable. In the event of the unenforceability or invalidity of any one or more of the terms or provisions of this Agreement under the Regulations, such unenforceability or invalidity shall not render any of the other terms or provisions hereof unenforceable or invalid and the Parties agree that this Agreement shall be construed as if such unenforceable or invalid term or provisions was never contained herein.

8.7 Amendments

No amendment, alteration or variation of this Agreement or any of its terms or provisions shall be binding upon the Parties unless made in writing and signed by the duly authorized representatives of each of the Parties.

8.8 Choice of Law

This Agreement will be governed by the laws of the Province of Alberta and the federal laws of Canada applicable therein and shall be construed, interpreted and performed in accordance therewith.

8.9 Further Acts

The Parties will from time to time and at all times hereafter, without further consideration, do such further acts and deliver all such further assurances, deeds and documents as shall reasonably be required in order to fully perform and carry out the terms of this Agreement.

8.10 Entire Agreement

This Agreement constitutes the entire agreement between the Parties and supersedes all prior contracts, agreements and understandings between the Parties. No modification or alteration of this Agreement shall be binding unless executed in writing by these Parties. There are no representations, warranties, collateral agreements or conditions affecting this transaction other than as are expressed or referred to herein in writing.

8.11 Schedules

The schedules attached to this Agreement are incorporated by reference as fully as though contained in the body hereof. Wherever any term or condition, expressed or implied, of such schedules conflicts or is at variance with any terms or condition of this Agreement, such term or condition of this Agreement shall prevail.

8.12 Counterparts

This Agreement may be executed in counterpart, each of which shall be deemed to be an original and all of which when delivered and taken together shall constitute one and the same Agreement. A facsimile of a counterpart (or other electronic copy, including PDF) executed by a Party shall be acceptable evidence of the execution by that Party of this Agreement and shall be binding upon the Parties for all purposes.

IN WITNESS WHEREOF, the Parties have executed this Agreement effective as of the date first set forth above.

WALDRON ENERGY CORPORATION

Per: _____

Name: Ernie Sapieha

Title: President and CEO

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

Per: _____

Name: _____

Title: _____

**This is the Execution Page for the Agreement of Purchase and Sale between
Waldron Energy Corporation and Maple Leaf 2013 Oil & Gas Income
Limited Partnership.**

**SCHEDULE "A" ATTACHED TO AND FORMING PART OF THE AGREEMENT OF
PURCHASE AND SALE DATED JUNE 9, 2014 BETWEEN WALDRON ENERGY
CORPORATION AND MAPLE LEAF 2013 OIL & GAS INCOME LIMITED
PARTNERSHIP**

Royalty Lands

See attached.

**SCHEDULE "B" ATTACHED TO AND FORMING PART OF THE AGREEMENT OF
PURCHASE AND SALE DATED JUNE 9, 2014 BETWEEN WALDRON ENERGY
CORPORATION AND MAPLE LEAF 2013 OIL & GAS INCOME LIMITED
PARTNERSHIP**

Royalty Agreement

See attached.