

MARKETING CONSULTING SERVICES CONTRACT

THIS AGREEMENT made as of the 1st day of December, 2016

BETWEEN:

DRAKKAR ENERGY LTD., a body corporate, having an office in the City of Calgary, in the Province of Alberta (hereinafter referred to as "Producer")

- and -

FULCRUM ENERGY MANAGEMENT INC., a body corporate, having an office in the City of Calgary, in the Province of Alberta (hereinafter referred to as "Fulcrum")

WHEREAS Producer has requested Fulcrum to perform certain identified functions and Fulcrum has agreed to perform such functions.

NOW THEREFORE in consideration of the premises hereto and the covenants and agreements hereinafter set forth, the parties hereto covenant and agree as follows:

1. ENGAGEMENT

- a) Producer hereby engages Fulcrum to perform the marketing functions as detailed on the attached Schedule "A" with respect to all of its production (hereinafter referred to as the "Marketing Functions").
- b) The provision of service by Fulcrum to the Producer hereunder shall be on a non-exclusive basis and Fulcrum shall be free to perform similar functions and any other functions for any other party, provided Fulcrum complies with the terms of this Agreement.

2. HOURS AND PLACE OF WORK

Fulcrum shall be free to choose the hours when and place where it shall perform the Marketing Functions.

3. COMPENSATION

- a) Producer shall pay Fulcrum each calendar month a general marketing services fee of \$125.00 per hour of Marketing Functions performed by Fulcrum; and
- b) a fee of \$0.035 per barrel calculated on all of Producer's Canadian crude production volumes as set out in the buyers' payment statements each calendar month; and
- c) a fee of \$40.00 for each monthly Form "A" or Form "B" crude forecast prepared.

Each month Fulcrum shall submit to Producer a written invoice and Producer will promptly pay the invoice, unless disputed by Producer, acting reasonably. The invoice will have sufficient detail that Producer can properly review the charges.

4. PERFORMANCE OF WORK

Fulcrum agrees that it will perform the Marketing Functions hereunder in accordance with modern methods, standards and practices, and represents that Fulcrum or its personnel engaged in the performance of the Marketing Functions has the experience, competence and skills necessary to perform the Marketing Functions in a professional and timely manner. Fulcrum also agrees in performing the Marketing Functions to obey all applicable laws, regulations, rules and standards imposed by governmental, regulatory or other authorities.

5. TERM

This Agreement shall commence effective December 1, 2016 ("Effective Date") and shall continue to and including November 30, 2017. Thereafter, the term of this Agreement will automatically renew for successive one-year terms from December 1, 2017 unless terminated by either party in writing at least sixty (60) days prior to the next December 1 anniversary date.

6. ASSIGNMENT

This Agreement may not be assigned by Producer without the express prior written approval of Fulcrum. Fulcrum may assign its interest in this Agreement subject to the prior written consent of Producer, which consent shall not be unreasonably withheld.

7. CONFIDENTIALITY

This Agreement and all matters relating thereto are of a highly confidential and sensitive nature and no disclosure shall be made by either party in respect of this Agreement. All documentation, data, reports and other information utilized by Fulcrum in performing the Marketing Functions are created by Fulcrum as part of the services provided hereunder and are the property of Producer.

8. NO AUTHORITY TO BIND

Fulcrum shall be an independent consultant and shall not have any authority to bind Producer to any contract or liability except as is expressly granted by Producer.

9. GOVERNING LAW

This Agreement shall be governed by and construed in accordance with the laws of the Province of Alberta and the federal laws of Canada applicable therein. The courts of the Province of Alberta shall have sole and exclusive jurisdiction in respect of the enforcement or the interpretation hereof.

10. ENTIRE AGREEMENT AND AMENDMENTS

This Agreement constitutes the entire agreement between the parties as to the subject matter and supersedes all prior agreements, negotiations, representations or understandings by or between them relating thereto whether written or otherwise. No amendment hereto shall be binding upon the parties unless the same is in writing signed by the parties.

11. FURTHER ASSURANCES

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

12. ENUREMENT

This Agreement shall be binding upon and enure to the benefit of the parties hereto and their respective heirs, executors, legal representatives, administrators, trustees, receivers, receiver-managers, successors and permitted assigns.

13. NOTICES

The addresses for service and the fax numbers of the parties shall be as follows:

Producer: Drakkar Energy Ltd.
1220, 717 – 7th Avenue S.W.
Calgary, Alberta T2P 0Z3

Attention: Riley Waite
Fax: 403-265-5281

Fulcrum: Fulcrum Energy Management Inc.
703, 1015 – 4th Street S.W.
Calgary, Alberta T2R 1J4

Attention: Breck Thompson
Fax: 403-234-7722

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 day following the date of mailing.

14. HEADINGS

The headings of clauses herein are inserted for convenience of reference only and shall not affect or be considered to affect the meaning of the provisions hereof.

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the date first above written.

DRAKKAR ENERGY LTD.

per: _____

Title: President

FULCRUM ENERGY MANAGEMENT INC.

per: _____
S. Breck Thompson
President and CEO

SCHEDULE "A" attached to and forming part of the Marketing Consulting Services Contract made as of the 1st day of December, 2016 between Drakkar Energy Ltd. and Fulcrum Energy Management Inc.

MARKETING FUNCTIONS

General

- Become familiar with Producer's existing supply and contracts
- Negotiate, review, and initial new contracts for all products
- Review existing contracts for acquisition and divestiture activities
- Coordinate all activities with Producer personnel

Crude Oil

- Periodically review and negotiate contract pricing and delivery points for existing production
- Negotiate contracts for new production
- Compile and coordinate submission of monthly crude forecasts as required

NGL's

- Periodically review and negotiate contracts for existing production
- Negotiate contracts for new production
- Minimize fractionation and transportation costs

Natural Gas

- Arrange to take-in-kind new production or as directed by Producer

Commodity Sales Netback Analysis

- Review contract pricing, terms and conditions
- Purchase statement review including
 - Contract pricing compliance
 - Accuracy of deductions for equalization charges, blending charges, loss allowances, pipeline tariffs, terminaling fees, emulsion processing fees, trucking charges, etc
- Heavy oil pricing reviews
- Crude oil blending facility reviews
- Crude oil battery equalization reviews

Commodity Sales Value Enhancement

- Active sales portfolio management
- Alternate delivery point analysis and recommendations
- Commodity sales netback optimization via active field arbitrage management
- Crude oil battery equalization
- Field blending opportunity development and management

Other Marketing Consulting Services

- Overview of Canadian crude oil pricing, marketing and transportation
- Overview of commodity sales netback management and optimization
- Overview of WCSB Crude Oil Supply, Transportation and Markets
- Marketing agreement due diligence review
- Business development services