

RECIPIENT COMPANY LETTERHEAD

_____, 20____

ALVAREZ & MARSAL CANADA INC., solely in its capacity as the Court-appointed Receiver and Manager of those properties, assets and undertakings of Strategic Oil and Gas Ltd. and Strategic Transmission Ltd. situate in the Northwest Territories

**c/o Sayer Energy Advisors
1620, 540 – 5th Avenue SW
Calgary, Alberta T2P 0M2
Attention: Ben Rye**

Dear Messrs. Rye and Pavic:

RE: Confidentiality Agreement – Strategic Oil and Gas Ltd. and Strategic Transmission Ltd. (collectively, “Strategic”) Receivership Sale (NWT Properties)

____ (“**Recipient**”) has expressed an interest in the purchase of certain or all of the assets, undertakings, properties held and/or owned by Strategic situate in the Northwest Territories (the “**Property**”). Alvarez & Marsal Canada Inc. is the Receiver and Manager of all of Strategic’s current and future assets, undertakings and properties of every nature and kind whatsoever situated in the Northwest Territories (“**Receiver**”). The Receiver is prepared to provide the Recipient access to certain information relating to the Property (collectively, the “**Confidential Information**”). In consideration of Receiver providing access to the Confidential Information, Recipient agrees as follows:

1. Recipient acknowledges that all Confidential Information provided to Recipient is proprietary to Strategic except for Confidential Information which is set out and described in Clause 5 of this letter.
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 the Receiver on behalf of Strategic. 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 requirement to know such Confidential Information for the purpose of appraising the Property. Recipient shall take all steps that are necessary to ensure that its Representatives are aware of the terms and conditions of this Confidentiality Agreement (this “**Agreement**”) and Recipient confirms that such terms and conditions are binding upon any and all of its Representatives. Upon request, Recipient shall provide Strategic and the Receiver with a list of the Representatives who have received the Confidential Information.
3. 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 Property for which the Confidential Information was disclosed.
4. Notwithstanding the foregoing terms, Recipient shall be permitted to disclose such Confidential Information that is required to be disclosed pursuant to any law, rule or regulation in force in Canada. In the event that Recipient receives a request or legal directive to disclose Confidential Information, to the extent permitted under applicable law, Recipient shall promptly provide written and verbal notification to the Receiver of such a request. Recipient shall consult with the Receiver on the advisability of taking steps to resist or narrow such request or directive. If disclosure is deemed advisable, Recipient shall cooperate with the Receiver in any attempt that the Receiver may make to

obtain an order or other reliable assurance that confidential treatment will be accorded by the requesting or directing party to the Confidential 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; or
 - b. known to Recipient prior to disclosure hereunder and was acquired without any obligation of confidentiality; or
 - c. subject to disclosure required by law, rule or regulation provided that the Receiver is given notice pursuant to Clause 4 prior to such disclosure; or
 - d. acquired independently by Recipient, without any obligation of confidentiality, from a third party that has the right to disseminate such information without restrictions at the time it is acquired by Recipient.

6. Recipient acknowledges the confidential nature and competitive value of the Confidential Information. Accordingly, without limitation and in addition to any rights of the Receiver on behalf of Strategic against the Recipient arising by any breach hereof, the Recipient shall:
 - a. be liable to the Receiver for all losses, costs, damages and expenses whatsoever which they may suffer, sustain, pay or incur; and in addition,
 - b. indemnify and save harmless the Receiver against any and all actions, proceedings, claims, demands, losses, costs, damages and expenses whatsoever which may be brought against or suffered by the Receiver or which the Receiver may suffer, sustain, pay or incur, including the payment of the Receiver's legal costs and disbursements on a full indemnity, solicitor and their own client basis, which are incurred by the Receiver in connection with such litigation, including any appeal therefrom and steps incidental thereto;

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

7. The Recipient acknowledges that the restrictions contained in this agreement are necessary for the protection of the Confidential Information and in order to maintain the integrity of the sales process presently being conducted by the Receiver, and the Recipient considers them to be reasonable for that purpose. In the event of any such breach the Recipient agrees that the Receiver, in addition to such other remedies that may be available, shall be entitled to specific performance and other injunctive or equitable relief including interim or interlocutory relief, if demanded.

8. At any time, at the request of the Receiver, Recipient shall immediately return or cause to be returned to the Receiver all of the Confidential Information which may have been released to the Recipient. Recipient shall not retain any copies or other reproductions or extracts of the Confidential Information. Furthermore, Recipient shall, if so requested by the Receiver, provide certification from an officer of the Recipient to the Receiver that the terms and conditions of this Clause have been

complied with. The Recipient will return all requested Confidential Information except to the extent such Confidential Information is on computer systems that are backed-up or archived in the normal course.

9. Recipient understands and agrees that no contract or agreement providing for the sale of the Property shall be deemed to exist between the Recipient and the Receiver unless and until a definitive offer to purchase has been accepted in writing by the Receiver. For greater clarity the Recipient acknowledges that this Agreement does not constitute a definitive offer to purchase. Recipient hereby waives, in advance, any claims (including, without limitation, breach of contract) in connection with the sale of the Property unless and until a definitive offer to purchase from Recipient has been accepted in writing by the Receiver.
10. Recipient understands that in providing access to the Confidential Information, neither Strategic nor the Receiver make any representation or warranty as to the accuracy or completeness of the Confidential Information. Recipient agrees that neither Strategic nor the Receiver 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. Each of Receiver and Recipient irrevocably and unconditionally consent to and 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.
12. Recipient understands and agrees that:
 - a. The Receiver shall be free to conduct the process for the sale of the Property 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. Recipient shall not have any claims whatsoever against the Receiver or any of its directors, officers, stockholders, owners, affiliates, representatives, advisors or agents arising out of or relating to the sale of the Property.
13. Recipient shall not initiate or arrange, directly or indirectly, or maintain contact regarding Strategic'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 Strategic, or with any customer, supplier, sales representative, or competitor of Strategic except with the express written permission of the Receiver. Any such permission granted by the Receiver may be revoked at any time.
14. 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 Agreement.
15. This Agreement shall be binding upon, and enure to the benefit of, the parties hereto, and their respective successors and permitted assigns.

16. This Agreement will expire on the earlier of: (a) the date of completion of a transaction involving Strategic and the Recipient or any of them, and/or a person directly or indirectly controlled by the Recipient; and (b) one (1) year after the date hereof.
17. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, which shall remain in full force and effect. Time is of the essence with respect to this Agreement.
18. This Agreement may be executed and delivered in counterpart and by facsimile or emailed copies, each of which shall be deemed to be an original and all of which, when taken together, shall be deemed to constitute one and the same instrument.

[Balance of page intentionally left blank.]

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

Yours truly,

COMPANY NAME

OFFICER'S SIGNATURE

OFFICER'S PRINTED NAME

OFFICER'S TITLE

NAME OF CONTACT PERSON TO FORWARD INFORMATION

CONTACT ADDRESS

TELEPHONE NUMBER

EMAIL ADDRESS

Option to Attach Business Card Here:

Accepted by ALVAREZ & MARSAL CANADA INC., solely in its capacity as the Court-appointed Receiver and Manager of those properties, assets and undertakings of Strategic Oil and Gas Ltd. and Strategic Transmission Ltd. situate in the Northwest Territories, and not in its personal or corporate capacity

this ____ day of _____, 20__

Orest Konowalchuk, CPA, CA, CIRP, LIT
Senior Vice President