

CONFIDENTIALITY AGREEMENT

THIS CONFIDENTIALITY AGREEMENT entered into as of the ____ day of _____, 2016.

BETWEEN:

GRANT THORNTON LIMITED in its capacity as the court-appointed receiver of **TUSCANY ENERGY LTD.** and not in its personal or corporate capacity (hereinafter referred to as "**Vendor**")

- and -

_____, having an office and carrying on business in _____ ("**Recipient**")

WHEREAS in connection with a possible negotiated transaction, Recipient has requested that Vendor disclose, and Vendor has agreed to disclose, certain confidential information with respect to Vendor and/or Tuscany Energy Ltd. ("**Tuscany**").

NOW THEREFORE in consideration of the mutual promises contained herein, and other good and valuable consideration, the receipt and sufficiency of which is acknowledged, the Parties hereto covenant and agree as follows:

1. Following are definitions which form part of the this Confidentiality Agreement:

- (a) "**Affiliate**" means, with respect to any specified Person, any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with that specified Person. For the purposes of this definition, "control" (including with correlative meanings, controlling, controlled by and under common control with) means the power to direct or cause the direction of the management and policies of that Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise and, without limiting the generality of the foregoing:
 - (i) with respect to a corporation, or partnership, control shall include direct or indirect ownership of more than 50% of the voting securities in any such corporation;
 - (ii) with respect to a limited partnership, control shall include direct or indirect ownership of more than 50% of the voting securities in any general partner of such partnership; and
 - (iii) with respect to a partnership, control shall include the direct or indirect ownership of more than 50% of the participating interest in the partnership.
- (b) "**Agreement**" means this Confidentiality Agreement.
- (c) "**Confidential Information**" means:
 - (i) any and all information acquired by Recipient or its Representatives from or on behalf of Vendor and its Representatives in the course of or for the purpose of Recipient's consideration of a Transaction (as hereinafter defined) (including information acquired prior to the execution of this Agreement in connection with a Transaction), which shall include all agreements, correspondence, financial information, reports, models, data and compilations, whether provided in oral,

written or electronic form, together with analyses, interpretations, compilations, data, studies, notes and any documents prepared by or on behalf of Recipient and its Representatives containing or based upon, in whole or in part, information acquired by Recipient and its Representatives hereunder;

- (ii) the potential existence and subject matter of the Transaction; and
 - (iii) the existence or status of negotiations relating to a possible Transaction.
- (d) **"Party"** or **"Parties"**, as the context requires, means the signatories to this Agreement.
 - (e) **"Person"** means any individual or entity, including any partnership, body corporate, trust, unincorporated organization, union or governmental entity or authority and any heir, executor, administrator or other legal representative of an individual.
 - (f) **"Personal Information"** means information about an identifiable individual but does not include an individual's name, position, title, business telephone number, business address, business e-mail or business fax number.
 - (g) **"Related Parties"** means, in reference to a Party, its Affiliates, successors and assigns and its and their respective directors, officers and employees.
 - (h) **"Representatives"** means, in reference to a Party, its Related Parties and its and their respective representatives, agents, directors, officers, advisors, consultants, employees, contractors, legal counsel, consultants and advisors.
2. In connection with Recipient's evaluation of a possible negotiated transaction with Vendor (hereinafter referred to as the **"Transaction"**), Vendor is willing, in accordance with the terms and conditions of this Agreement, to disclose to Recipient certain Confidential Information relating to Vendor and/or Tuscany.
 3. The Confidential Information to be disclosed hereunder shall be determined by Vendor. Vendor will consider reasonable requests by Recipient for any further information, but will be under no obligation to provide such additional information.
 4. Nothing in this Agreement, nor the disclosure, receiving or obtaining of any Confidential Information, shall commit either Party to continue discussions or to negotiate, or to be legally bound to, any further agreement or future business relationship including, without limitation, the Transaction.
 5. In consideration of the disclosure referred to in Section 2 hereof, Recipient agrees that the Confidential Information shall be kept strictly confidential and shall not be disclosed to any third party in any manner whatsoever including by sale, trade, or publication of any Confidential Information, and including any disclosure by means of photocopy or reproduction, without Vendor's prior written consent (which consent may be withheld in the Vendor's sole discretion), except as provided in Sections 6 and 7.
 6. Recipient may disclose Confidential Information without Vendor's prior written consent only to the extent that Recipient can establish, through documentary evidence, that such information:
 - (a) was known to Recipient prior to disclosure hereunder and was acquired without any obligation of confidentiality;
 - (b) is as of the date of this Agreement publicly available or becomes available to the public other than through the act or omission of Recipient or any of its Representatives provided, however, that if some portion of the Confidential Information becomes publicly

available, the balance of the Confidential Information, whether related or not to said portion, shall not be considered to have become publicly available;

- (c) is required to be disclosed under applicable law or by court order or by a governmental order, decree, regulation or rule of any stock exchange or securities regulator and Recipient provides a formal written legal opinion from its external legal counsel confirming such disclosure is required (provided that Recipient shall give written notice to Vendor prior to such disclosure and shall comply with the requirements of Section 12); or
- (d) is 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;

provided, however, that no Confidential Information shall be deemed to be subject to any of the above exceptions merely because:

- (e) it is embraced by more general information in the public knowledge or literature or in the possession of Recipient; or
- (f) it was disclosed by Vendor to Recipient prior to the date of this Agreement or relates to any business dealings or negotiations between the Parties prior to the date of this Agreement.

7. Recipient may disclose Confidential Information without Vendor's prior written consent to the following Persons who have a clear need to know such information in order to evaluate the Transaction:

- (a) Recipient's Related Parties; and
- (b) any professional consultant, agent or professional advisor retained by Recipient for the purpose of evaluating or financing the Transaction;

provided that:

- (c) prior to making any such disclosures, Recipient shall obtain an undertaking of confidentiality in favour of Vendor having substantially the same content as set forth in this Agreement, from each such Person, which undertaking applies to such Person even after their relationship with Recipient ceases;
- (d) Recipient shall, upon request, provide Vendor with a list of all Persons to whom Confidential Information has been provided; and
- (e) Recipient agrees to be responsible for any breach of or failure to adhere to any of the terms of this Agreement by any Person receiving Confidential Information.

8. Recipient, and its Representatives receiving Confidential Information, shall only use or permit the use of the Confidential Information to evaluate the Transaction and determine whether to enter into or continue negotiations concerning the Transaction and for no other purpose. Recipient undertakes that neither it nor any of its Representatives shall, without the prior written consent of Vendor (which consent may be withheld in Vendor's sole discretion), prior to closing of the Transaction enter into any discussion or agreement with any Person to acquire any separate, joint or subdivided interest in any asset or property potentially forming part of the Transaction.

9. Recipient shall ensure that its Representatives to whom Confidential Information is disclosed under this Agreement keep such information confidential and shall not disclose or divulge the

same to any unauthorized Person. In addition to any other rights Vendor may have against Recipient arising by reason of any breach of this Agreement, Recipient shall:

- (a) be liable to Vendor and its Related Parties for all losses, costs (including those on a solicitor-client basis), damages and expenses whatsoever which any of them may suffer, sustain, pay or incur; and
- (b) indemnify and hold Vendor and its Related Parties harmless against all actions, proceedings, claims, demands, losses, costs (including those on a solicitor-client basis), damages and expenses whatsoever which may be brought against or suffered by any of them or which any of them may suffer, sustain, pay or incur;

as a result of any breach of this Agreement by Recipient, its Representatives, or any other Persons receiving Confidential Information hereunder.

- 10. The obligations of the Parties herein shall remain in full force and effect for a period of one (1) year from the date hereof (notwithstanding that Confidential Information may have been returned or copies or other reproductions thereof destroyed prior to the expiration of such period and whether or not a Transaction is implemented).
- 11. Recipient agrees that Vendor may be irreparably injured by a breach of this Agreement and that Vendor shall be entitled to seek and receive equitable relief, including injunctive relief and specific performance, in the event of any breach of this Agreement. Such remedy shall not be deemed to be the exclusive remedy for a breach of this Agreement but shall be in addition to all other remedies available at law or in equity.
- 12. Should any Person seek to legally compel Recipient or any of its Representatives receiving Confidential Information to disclose any Confidential Information, Recipient will provide Vendor with prompt written notice thereof so that Vendor may seek a protective order or other appropriate remedy. Recipient shall cooperate fully with Vendor on a reasonable basis in any attempt by Vendor to obtain a protective order or other appropriate remedy. In any event, Recipient or other Person receiving Confidential Information hereunder who is so compelled to disclose, shall only furnish that portion of the Confidential Information that is legally required to be disclosed.
- 13. After the completion of the Transaction or the termination of negotiations with respect to the Transaction, Recipient shall not, directly or indirectly, initiate or maintain contact (except for those contacts made in the ordinary course of business) with Vendor, or any of its Representatives, joint venture participants, advisors, lenders, customers or suppliers, regarding the business, operations, prospects or finances of Vendor.
- 14. To the extent that Recipient or any of its Representatives is given physical access to any of the properties or premises owned, leased, used or otherwise held or occupied by Vendor, Recipient hereby:
 - (a) releases Vendor and its Representatives from any and all liabilities, claims, and causes of action which may arise in favour of Recipient a result of the access to such properties or premises by Recipient or its Representatives including, without limitation, liability for personal injury, death or property damage occurring on such property or premises; and
 - (b) agrees to indemnify, defend and hold harmless Vendor and its Representatives from and against any and all liabilities, claims and causes of action by any Person as a result of the access to such properties or premises by Recipient or its Representatives including, without limitation, liability for personal injury, death or property damage occurring on such property or premises.

15. It is understood that neither this Agreement nor the disclosure of any Confidential Information to Recipient or its Representatives shall be construed as granting to any of them any license or rights in respect of any part of the Confidential Information.
16. The Confidential Information shall remain the property of Vendor, and Vendor may demand the return and/or destruction thereof at any time upon giving written notice to Recipient. Within seven (7) business days of receipt of such notice, Recipient shall return all of the original Confidential Information, destroy all copies and reproductions (both written and electronic) and analyses, interpretations, compilations, data, studies, notes and any documents prepared by or on behalf of Recipient or any of its Representatives containing or based upon, in whole or in part, Confidential Information and, promptly upon request of Vendor, Recipient shall cause one of its senior officers to certify such destruction in writing. The Parties acknowledge that the computer systems of Recipient and its Representatives may automatically back up Confidential Information disclosed to it under this Agreement. To the extent that such computer back up procedures create copies of any Confidential Information, such copies may be retained in Recipient's or such Person's archival or back up computer storage for the period it normally archives backed up computer records, which copies shall be subject to the provisions of this Agreement until the same are destroyed, and shall not be accessed by Recipient or such other Person during such period of archival or back up storage other than as might be required by this Agreement. Notwithstanding the destruction or return of the Confidential Information, Recipient and its Representatives will continue to be bound by the obligations of confidentiality and all other obligations hereunder during the term of this Agreement.
17. Vendor makes no representations or warranties, express or implied, as to the quality, accuracy or completeness of the Confidential Information disclosed hereunder. Recipient hereby releases, indemnifies and holds Vendor and its Representatives harmless with respect to the use of or reliance upon Confidential Information by Recipient and its Representatives.
18. No contract or agreement providing for a Transaction shall be deemed to exist between the Parties unless and until a definitive agreement has been executed by the Parties. Nothing contained herein is intended to confer upon Recipient any right whatsoever to require or force Vendor to enter into or close a Transaction with Recipient. Recipient understands and agrees that, except as may be otherwise agreed by Recipient and Vendor in a definitive agreement executed by both of them in respect of the Transaction:
 - (a) Vendor shall conduct the process for a possible Transaction as it in its sole discretion shall determine, including negotiating with any other Person, and entering into a definitive agreement with any other Person, without prior notice to Recipient or any other Person; and
 - (b) Recipient shall not have any claims whatsoever against Vendor or any of its Representatives arising out of, or relating to, a Transaction.
19. This Agreement shall be governed by and interpreted in accordance with the laws of the Province of Alberta. The Parties irrevocably and unconditionally consent to and submit to the jurisdiction of the courts of the province of Alberta, Canada for any actions, suits or proceedings arising out of, or relating to, this Agreement.
20. Recipient hereby acknowledges that it is aware, and that it will advise its Representatives who receive Confidential Information, that applicable securities laws prohibit any Person who has received from an issuer material, non-public information from communicating such information to any other Person before such information has been generally disclosed.
21. All notices, consents and other instruments which are required or may be given pursuant to this Agreement must be given in writing and delivered personally or by facsimile as follows:

If to Vendor:

Grant Thornton Limited
900, 833 4th Ave. SW
Calgary, AB
T2P 3T5

Attention: Mr. Nathan Bell
Facsimile: (403) 260-2571

If to Recipient:

Attention:
Facsimile:

or in accordance with the latest unrevoked instructions delivered by one Party to the other. All notices will be deemed to have been duly given at the time of delivery or, in the case of facsimile, on the first business day after faxing.

- 22. Recipient shall not assign this Agreement or any rights and benefits hereunder, in whole or in part to any Person without the prior written consent of Vendor. Vendor may, at its sole discretion, upon notice but without consent, assign all or a portion of this Agreement. Notwithstanding the foregoing, this Agreement shall enure to the benefit of the Parties and their lawful successors and permitted assigns.
- 23. In addition to any other obligation of Recipient with respect to Confidential Information, Recipient shall be responsible for compliance with any applicable privacy laws which govern the collection, use and disclosure of Personal Information, if any, acquired by Recipient in connection with this Agreement. Recipient shall limit and shall cause its Related Parties to limit the use, collection and disclosure of the Personal Information contained in the Confidential Information, if any, to those purposes that relate to this Agreement and shall otherwise limit disclosure of the Personal Information to disclosure required by applicable law. Recipient shall employ security measures to protect the Personal Information against inadequate or accidental disclosure of a standard at least as high as that employed by Recipient in its own business.
- 24. No amendments, changes or modifications to this Agreement shall be valid except if the same are in writing and signed by a duly authorized representative of each of the Parties. No waiver of any provision of this Agreement shall be valid except if provided in writing by a duly authorized representative of the Party proposing to grant the same. Further, no failure or delay by Vendor in exercising any right, power or privilege hereunder shall operate as a waiver thereof.
- 25. This Agreement comprises the full and complete agreement of the Parties with respect to the disclosure of the Confidential Information and supersedes and cancels all prior communications, understandings and agreements between the Parties in respect hereof, whether written or oral, expressed or implied. 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.
- 26. Recipient agrees that Vendor is trustee of the covenants of Recipient in this Agreement that are for the benefit of Vendor's Related Parties, as applicable.

27. This Agreement may be executed in counterpart and by facsimile 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.

IN WITNESS WHEREOF, the duly authorized representative of each of the Parties has caused this Agreement to be executed on the date first written above.

GRANT THORNTON LIMITED, in its capacity as **[RECIPIENT]**
the court-appointed receiver of **TUSCANY**
ENERGY LTD. and not in its personal or corporate
capacity

Per: _____
Name:
Title:

Per: _____
Name:
Title: