

**FIRST AMENDING AGREEMENT
TO THE PETRUS RESOURCES CORP.
SECOND AMENDED AND RESTATED CREDIT AGREEMENT
DATED MARCH 22, 2016**

THIS FIRST AMENDING AGREEMENT is made effective as of July 8, 2016,

BETWEEN:

**PETRUS RESOURCES CORP.
as Borrower**

- and -

**THE TORONTO-DOMINION BANK,
CANADIAN IMPERIAL BANK OF COMMERCE,
ROYAL BANK OF CANADA,
HSBC BANK CANADA, and
NATIONAL BANK OF CANADA**

- and -

**THE TORONTO-DOMINION BANK
as Agent**

PREAMBLE:

- A. Pursuant to the second amended and restated credit agreement dated March 22, 2016 (the “**Credit Agreement**”) made between Petrus Resources Corp. as borrower (the “**Borrower**”), The Toronto-Dominion Bank, Canadian Imperial Bank of Commerce, Royal Bank of Canada, HSBC Bank Canada, and National Bank of Canada and those other financial institutions which hereafter become lenders thereunder, as lenders (collectively, the “**Lenders**”) and The Toronto-Dominion Bank, as administrative agent (the “**Agent**”), the Lenders made the Credit Facilities available to the Borrower.
- B. The Parties wish to amend the Credit Agreement on the terms and conditions herein provided.

AGREEMENT:

NOW THEREFORE in consideration of the premises, the covenants and the agreements herein contained and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged between the parties hereto (the “**Parties**”), the Parties agree as follows:

1. **Definitions.** Capitalized terms used in this First Amending Agreement will, unless otherwise defined herein, have the meanings attributed to such terms in the Credit Agreement. In addition:
 - (a) **“Husky Asset Swap”** means an asset swap transaction pursuant to an asset exchange agreement dated as of June 14, 2016 by and between the Borrower and Husky Oil Operations Limited, pursuant to which the Borrower will exchange the Petrus Assets (as defined therein) for the Husky Assets (as defined therein).
 - (b) **“Peace River Disposition”** means the sale by the Borrower of its Peace River area asset more particularly described in, and pursuant to, a purchase and sale agreement dated as of July 8, 2016 (the **“Acquisition Agreement”**), by and between the Borrower, as vendor, and Rising Star Resources Ltd., as purchaser, for net cash proceeds of not less than \$28,000,000 (the **“Peace River Proceeds”**).
 - (c) **“Peace River Completion Date”** means the earlier of: (i) the date on which the final Outstanding ROFR (as defined in the Acquisition Agreement) is extinguished by lapse of time, waiver or otherwise; and (ii) September 15, 2016.
2. **Consents.** Subject to the satisfaction by the Borrower of the conditions in Section 7, the Lenders hereby:
 - (a) consent to the completion by the Borrower of the Peace River Disposition and agree that the Peace River Disposition shall not constitute a disposition or sale under paragraph (d) of the definition of “Permitted Dispositions” in the Credit Agreement;
 - (b) consent to the repayments of the Second Lien Indebtedness in the aggregate amount of \$8,000,000, which repayments shall be made from the Peace River Proceeds concurrently with the repayments to the Lenders required under Section 5 hereof; and
 - (c) consent to the completion by the Borrower of the Husky Asset Swap and agree that the Husky Asset Swap shall not constitute a disposition or sale under paragraph (d) of the definition of “Permitted Dispositions” in the Credit Agreement.
3. **Borrowing Base.** Immediately upon receipt by the Agent of the first repayment by the Borrower pursuant to Section 5 hereof, the Borrowing Base shall be reduced to \$106,000,000.
4. **Amendments.**
 - (a) Concurrently with the reduction of the Borrowing Base pursuant to Section 3 hereof, the Credit Agreement is hereby amended as follows:
 - (i) Schedule B of the Credit Agreement is deleted in its entirety and replaced with Exhibit “A” attached hereto.

- (ii) The term "\$100,000,000" in the definition of "Syndicated Facility Commitment Amount" shall be replaced with "\$86,000,000".
- (b) On the Peace River Completion Date, Section 3.3 of the Credit Agreement is deleted in its entirety and replaced with the following:

3.3 Maximum Available Amount

Notwithstanding any provision of this Agreement to the contrary, any Drawdown by the Borrower under the Syndicated Facility which would cause the Aggregate Principal Amount to be in excess of \$80,500,000 (the "**Maximum Available Amount**") shall require the consent of all of the Lenders.

- 5. **Peace River Proceeds.** The Borrower covenants and agrees that immediately upon receipt by the Borrower of any of the Peace River Proceeds, and in any case within 1 Business Day thereof, the Borrower shall pay to the Agent not less than [REDACTED] of such proceeds as a repayment of the Obligations (with any rounding adjustments to such percentage as are required to make such payments administratively practicable and to ensure that the Second Lien Indebtedness is repaid as described in Section 2.2(b) above); provided that, the total amount of all such payments shall not be less than \$20,000,000.
- 6. **Maximum Available Amount.** On the Peace River Completion Date, the allocations of the Individual Commitment Amounts of the Lenders in respect of the Maximum Available Amount shall be as set out on Exhibit "B" attached hereto.
- 7. **Conditions.** This First Amending Agreement will become effective upon the following conditions being satisfied (unless waived in writing by all of the Lenders):
 - (a) the Borrower shall deliver or cause to be delivered to the Agent the following:
 - (i) a fully executed copy of this First Amending Agreement;
 - (ii) a fully executed copy of a first amending agreement to the Amended and Restated Intercreditor Agreement;
 - (iii) a certificate of an officer of the Borrower attaching true, correct and complete copies of both the Acquisition Agreement and the asset exchange agreement in respect of the Husky Asset Swap;
 - (iv) a no interest letter from the Second Lien Agent in respect of the Peace River Disposition, which no interest letter shall, to the extent legally practicable, be identical to the no interest letter provided by the Agent in respect of the Peace River Disposition;
 - (b) payment by the Borrower to the Agent, for and on behalf of the Lenders, of a consent fee equal to [REDACTED] multiplied by each Lender's Individual Commitment Amount (after having given effect to the reduced Individual Commitment Amounts described in Exhibit "A").

8. **Representations and Warranties.** The Borrower hereby reaffirms to the Agent and Lenders that, as of the date hereof, its representations and warranties contained in Section 12.1 of the Credit Agreement, except to the extent such representations and warranties relate solely to an earlier date, are true and correct in all material respects and additionally represents and warrants as follows:
- (a) the execution and delivery of this First Amending Agreement and the performance by it of its obligations under this First Amending Agreement (i) are within its corporate powers, (ii) have been duly authorized by all necessary corporate action, (iii) have received all necessary governmental approvals (if any are required), and (iv) do not and will not contravene or conflict with any provision of applicable law or of its constating documents or by-laws; and
 - (b) this First Amending Agreement is a legal, valid and binding obligation of it, enforceable in accordance with its terms except as such enforcement may be limited by applicable bankruptcy, insolvency, reorganization, winding-up, moratorium or similar laws relating to the enforcement of creditors' rights generally and by general principles of equity.
9. **Continuing Effect.** Each of the Parties hereto acknowledges and agrees that the Credit Agreement (as amended by this First Amending Agreement), the Security and all other documents entered into in connection therewith, continue in full force and effect and are hereby confirmed and the rights and obligations of all Parties thereunder will not be effected or prejudiced in any manner except as specifically provided herein.
10. **Further Assurances.** The Borrower will from time to time forthwith at the Agent's request and at the Borrower's own cost and expense make, execute and deliver, or cause to be done, made, executed and delivered, all such further documents, financing statements, assignments, acts, matters and things which may be reasonably required by the Agent and as are consistent with the intention of the Parties as evidenced herein, with respect to all matters arising under this First Amending Agreement.
11. **Expenses.** The Borrower will pay or reimburse the Agent and Lenders, as applicable, for the reasonable out of pocket expenses, including reasonable legal fees and disbursements (on a solicitor and his own client full indemnity basis) and enforcement costs, incurred by the Agent and Lenders, as applicable, in connection with the negotiation, preparation, execution and maintenance of the Credit Agreement and of this First Amending Agreement (whether or not consummated).
12. **Counterparts.** This First Amending Agreement may be executed in any number of counterparts (including by facsimile or other electronic transmission), each of which when executed and delivered will be deemed to be an original, but all of which when taken together constitutes one and the same instrument. Any party hereto may execute this First Amending Agreement by signing any counterpart.

[Remainder of page intentionally left blank. Signature pages follow.]

IN WITNESS WHEREOF, the parties hereto have caused this First Amending Agreement to be duly executed by their respective authorized officers effective as of the date and year first above written.

PETRUS RESOURCES CORP.

By: (signed) "Cheree Stephenson"
Name: Cheree Stephenson
Title: Vice President Finance and Chief
Financial Officer

**THE TORONTO-DOMINION BANK, as
Agent**

By: (signed) "Andrew Ford"
Name: Andrew Ford
Title: Vice President, Loan Syndications-
Agency

By: _____
Name:
Title:

THE TORONTO-DOMINION BANK, as
Lender

By: (signed) "David Radomsky"

Name: David Radomsky

Title: Managing Director

By: (signed) "Jasper Lee"

Name: Jasper Lee

Title: Vice President

**CANADIAN IMPERIAL BANK OF
COMMERCE, as Lender**

By: (signed) "Graydon Falls"

Name: Graydon Falls

Title: Authorized Signatory

By: (signed) "Kevin McConnell"

Name: Kevin McConnell

Title: Executive Director

ROYAL BANK OF CANADA, as Lender

By: (signed) "Marshall A. Blue"

Name: Marshall A. Blue

Title: Authorized Signatory

By: _____

Name:

Title:

HSBC BANK CANADA, as Lender

By: (signed) "*Duncan Levy*"
Name: Duncan Levy
Title: Director, Oil & Gas Corporate

By: (signed) "*Adam Lamb*"
Name: Adam Lamb
Title: Assistant Vice President
Oil & Gas Large Corporate

NATIONAL BANK OF CANADA, as
Lender

By: (signed) "Tara Yates"
Name: Tara Yates
Title: Associate, Energy Group

By: (signed) "Chuck Warnica"
Name: Chuck Warnica
Title: Director, Energy Group

EXHIBIT "A"

**SCHEDULE B
PETRUS RESOURCES CORP.
SECOND AMENDED AND RESTATED CREDIT AGREEMENT
DATED MARCH 22, 2016**

COMMITMENTS OF LENDERS

CDN.\$

Lender	Operating Facility	Syndicated Facility	Total
The Toronto-Dominion Bank	██████████	██████████	██████████
Canadian Imperial Bank of Commerce	█	██████████	██████████
Royal Bank of Canada	█	██████████	██████████
HSBC Bank Canada	█	██████████	██████████
National Bank of Canada	█	██████████	██████████
Total	\$20,000,000	\$86,000,000	\$106,000,000

EXHIBIT "B"

Allocations of Lenders with respect to the Maximum Available Amount

CDN.\$

Lender	Operating Facility	Syndicated Facility	Total
The Toronto-Dominion Bank	██████████	██████████	██████████
Canadian Imperial Bank of Commerce	█	██████████	██████████
Royal Bank of Canada	█	██████████	██████████
HSBC Bank Canada	█	██████████	██████████
National Bank of Canada	█	██████████	██████████
Total	\$20,000,000	\$80,500,000	\$100,500,000