AMENDING AND RATIFICATION AGREEMENT

THIS AGREEMENT dated this 22nd day of July, 2019

BETWEEN:

GRANT THORNTON LIMITED, solely in its capacity as the court-appointed receiver and manager of the assets, undertaking and property of each of **LEXIN RESOURCES LTD., 1051393 B.C. Ltd., 0989 RESOURCE PARTNERSHIP, LR PROCESSING LTD.** and **LR PROCESSING PARTNERSHIP**, and not in its personal capacity (hereinafter referred to as "**Vendor**")

\- and -

HESC ENERGY CORPORATION, a corporation incorporated under the laws of the Province of Alberta (hereinafter referred to as "**Purchaser**")

WITNESSETH THAT:

WHEREAS Vendor and Purchaser are parties to that certain Asset Purchase Agreement made as of June 26, 2019 (hereinafter called the "**APA**").

NOW THEREFORE in consideration of the premises and the mutual covenants herein contained, the parties hereto agrees as follows:

1. The APA is amended as follows:

   a) In Section 1.1(ii) [definition of "Outside Date"] "October 31, 2019" is deleted and replaced with "March 31, 2020".

   b) Section 2.4 [Vendor's Costs] is deleted in its entirety and replaced with:

      2.4 Vendor's Costs

      The Purchaser shall be responsible for the Vendor's Costs for the Transaction, which have been agreed to by the Parties at a fixed amount of $360,000.00, payable as follows and all in respect of the Vendor's Costs:

      a. upon execution of this Agreement, the Purchaser will pay $60,000.00 to the Vendor, which amount is non-refundable;

      b. on or before July 26, 2019, the Purchaser will pay $60,000.00 to the Vendor, which amount is non-refundable;

      c. on or before January 16, 2020, the Purchaser will pay $60,000.00 to the Vendor, which amount is non-refundable;

      d. on or before the fifth Business Day following the day upon which the Receiver has caused the Court Order to be applied for, the Purchaser will pay $60,000.00 to the Vendor, which amount is non-refundable; and

e. at Closing, the Purchaser will pay $120,000.00 to the Vendor.

If Purchaser fails to make any of the above payments as required, Vendor may rescind this Agreement by written notice to Purchaser. If Vendor rescinds this Agreement pursuant to this Section 2.4, in accordance with Section 2.9(d), the Deposit shall be forfeited to Vendor for the account of Vendor absolutely.

c) Section 2.6 [Specific Conveyances] is deleted in its entirety and replaced with:

2.6 Specific Conveyances

The Parties shall cooperate in the preparation of the Specific Conveyances. As soon as reasonably practicable after July 26, 2019 and provided that Purchaser is not in default hereunder (including, without limitation, under Section 2.4 hereof), Purchaser shall prepare and provide to Vendor for Vendor's review all Specific Conveyances at Purchaser's sole cost and expense. The Parties shall execute such Specific Conveyances before or at Closing. None of the Specific Conveyances shall confer or impose upon either Party any greater right or obligation than as contemplated in this Agreement. Promptly after Closing, Purchaser shall register and/or distribute (as applicable) all such Specific Conveyances, and Purchaser shall bear all costs incurred therewith and in preparing and registering any further assurances required to convey the Assets to Purchaser.

d) Section 3.2 [Mutual Conditions] is deleted in its entirety and replaced with:

3.2 Mutual Conditions

The obligation of Purchaser to purchase the Assets, and of Vendor to sell the Assets to Purchaser, is subject to the following conditions:

(a) the Court Order being obtained; and

(b) no stay or appeal or application to vary the Court Order shall have been filed with the Court at any time by Vendor or any other Person on or before the Closing.

As soon as reasonably practicable after November 28, 2019 (but in any event no later than December 4, 2019), Purchaser shall reapply to the Regulator for Directive 067 General Eligibility. Receiver shall cause the Court Order to be applied for no earlier than the later of: (i) January 15, 2020; and (ii) the third Business Day following the day on which the Regulator provides notice to the effect that Purchaser's limited eligibility has been removed and accordingly that Purchaser is enabled to acquire licenses relating to assets of greater than 10 moles per kilomole of H_2S. Unless otherwise agreed to by the Parties, if: (i) Purchaser does not reapply to the Regulator for Directive 067 General Eligibility on or before December 4, 2019; (ii) the Regulator for whatever reason or reasons refuses the Purchaser's reapplication for Directive 067 General Eligibility and the Purchaser has not filed a request for a regulatory appeal of that decision on or before February 29, 2020; (iii) the Regulator has rendered no decision with respect to the Purchaser's reapplication for Directive 067 General Eligibility on or before February 29, 2020; or (iv) the conditions contained in this Section 3.2 have not been performed, satisfied or waived before the Outside Date, this Agreement and the obligations of Vendor and Purchaser under this Agreement shall automatically terminate without any further action on the part of either Vendor or Purchaser (provided only that the Receiver shall notify the Court and the service list in any such event) and Vendor and Purchaser shall be released and discharged from all obligations hereunder except as provided in Sections 11.12 and 11.14.

e) In the first sentence of Section 10.1 [Access to Information], the phrase “[a]fter Closing” is deleted and replaced with “[f]rom July 26, 2019 provided that Purchaser is not in default hereunder (including, without limitation, under Section 2.4 hereof)”.

2. Except as otherwise amended herein, the APA is in all respect ratified and confirmed and all terms, provisions and covenants thereof shall remain in full force and effect.

3. This Amending and Ratification Agreement shall be supplementary to the APA and shall be read and construed with the APA as if this Amending and Ratification Agreement and the APA constituted one agreement.

4. The effective date of this Amending and Ratification Agreement shall be July 11, 2019.

5. This Amending and Ratification Agreement shall be binding upon and shall enure to the benefit of the parties hereto and their respective successors and assigns.

6. This Amending and Ratification Agreement shall be construed in accordance with the laws of the Province of Alberta and parties hereto do hereby irrevocably attorn to the jurisdiction of the Courts of Alberta.

7. This Amending and Ratification Agreement may be executed and delivered in counterpart and transmitted by facsimile or other electronic means and all such executed counterparts, including electronically transmitted copies of such counterparts, shall together constitute one and the same agreement.

IN WITNESS WHEREOF the parties hereto have executed this Amending and Ratification Agreement on the day and year first written above.

GRANT THORNTON LIMITED, solely in its capacity as the receiver and manager of the assets, undertaking and property of
LEXIN RESOURCES LTD., 1051393 B.C. LTD., 0989 RESOURCE PARTNERSHIP, LR PROCESSING LTD. and **LR PROCESSING PARTNERSHIP**, and not in its personal capacity

Per: ______________________________

Name: **Andrew Basi**
Title: **Senior Vice-President**

HESC ENERGY CORPORATION

Per: ______________________________

Name: **Graham Kwan**
Title: **President**