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For Immediate Release

6 September 2017

SDX ENERGY INC.

("SDX" or the "Company")



US\$10 million Fundraising

SDX Energy Inc. (TSXV/AIM: SDX), the North Africa focused oil and gas company, is pleased to announce the successful completion of an oversubscribed US\$10.0 million (£7.7 million) private placement with certain existing institutional investors (the "Fundraising").

Highlights

- Fundraising completed by way of an oversubscribed simultaneous placing of, and direct subscription for, 17,559,455 new Common Shares (the "New Shares") at 43.75 pence per share ("Fundraising Price") raising gross proceeds of US\$10 million
- New Shares represent 9.4 per cent. of the Company's pre-Fundraising issued share capital
- The Fundraising Price was equal to the closing mid-market price of the Company's shares on AIM on 5 September 2017 (being the last practicable trading day prior to completion of the Fundraising)
- The Fundraising includes a significant subscription by MEA Energy Investments Limited, an existing 15.6 per cent. Shareholder, taking its shareholding to 19.1 per cent.
- Stifel acted as Bookrunner and Cantor Fitzgerald acted as Nomad in connection with the Placing

- The net proceeds of the Fundraising will be used to accelerate the Company's exploration and appraisal programme at its South Disouq asset in Egypt and its development programme across its Moroccan acreage, whilst retaining a prudent level of liquidity
- After completion of the Fundraising, SDX will be fully funded to complete the following activities through to the end of 2018:
 - Complete all development activities on South Disouq taking the discovery to first gas in Q1, 2018;
 - Drill two additional exploration wells in South Disouq targeting 150 Bscf;
 - Drill two additional development wells in Morocco increasing the Moroccan drilling programme to seven development wells and two exploration wells; and
 - Undertake a potential 3D seismic programme in Morocco to identify further drilling opportunities in 2019
- On completion of these activities, the Company expects to see its cash resources grow from H2 2018 reflecting the commencement of first gas sales in South Disouq and the connection of new gas sales customers in Morocco

South Disouq (55 per cent. working interest)

- Drilling of two exploration wells on the Kelvin and Bragg prospects which are offsets to the recent SD-1X discovery well
- The wells, which will target 150 Bscf of prospective resources, are expected to cost gross US\$2.5 million each to drill
- Potential exists for the Kelvin prospect and the existing South Disouq discovery to be confirmed as one large structure as they appear to have a continuous gas bearing section connecting them
- The wells are currently expected to be drilled in Q1 2018 as part of a four well programme, including two development wells, at the South Disouq discovery. Drilling the Kelvin-1X and Bragg-1X wells in conjunction with the development wells, will help to reduce overall well costs of the programme and may facilitate securing a larger producing concession
- The wells will allow SDX to optimise the gas processing facility size at South Disouq, while accelerating production and development of the concessions identified

Morocco (75 per cent. working interest)

- As a result of more prospects being identified in the period since acquiring the acreage, and higher than expected levels of gas demand in the market, the Company is drilling two additional development wells, ELQ-1 and SAH-2 at the Gharb Centre and Sebou Permits, respectively, targeting 1.91 Bscf in aggregate
- Historical drilling success rate across the Company's concessions is 80%
- The two additional wells will be drilled as an extension of the existing seven well development and production programme in Morocco (five development, two exploration), and will be step-out wells, located a short distance from the existing producing SAH-W1 well
- The wells will be drilled close to existing infrastructure, allowing for quick tie-in, reserves realisation, production start-up and incremental cash-flow generation
- The wells and associated customer tie-in are expected to cost US\$2.5 million each, with the Company benefiting from allocating the relatively high rig mobilisation and demobilisation costs across nine wells instead of seven

- As a result of this nine well drilling programme, the Company is targeting a 50 per cent. increase in sales gas volumes in Morocco in the next two to three years

Attractive Returns and Payback Period

- The four additional wells in Egypt and Morocco that will be drilled as a result of the fundraise have the potential to generate the following attractive returns:

Egypt – Success case outcomes assuming a conservative two year delay between capex and revenues

<u>IRR%</u> <u>Recoverable Reserves</u>			<u>US\$m PV12.15%</u> <u>Recoverable Reserves</u>		
<u>75 Bcf</u>	<u>150 Bcf</u>	<u>200 Bcf</u>	<u>75 Bcf</u>	<u>150 Bcf</u>	<u>200 Bcf</u>
45.1%	84.6%	89.5%	10.0	35.3	48.6

<u>Payback Period – Years</u> <u>Recoverable Reserves</u>			<u>MOICx</u> <u>Recoverable Reserves</u>		
<u>75 Bcf</u>	<u>150 Bcf</u>	<u>200 Bcf</u>	<u>75 Bcf</u>	<u>150 Bcf</u>	<u>200 Bcf</u>
3.8	3.3	3.3	3.0x	7.4x	10.3x

Morocco – Success case outcomes in assuming a three month delay between capex and revenues

<u>IRR%</u> <u>Recoverable Reserves</u>			<u>US\$m PV12.15%</u> <u>Recoverable Reserves</u>		
<u>0.5 Bcf</u>	<u>1.0 Bcf</u>	<u>1.5 Bcf</u>	<u>0.5 Bcf</u>	<u>1.0 Bcf</u>	<u>1.5 Bcf</u>
69%	199%	213%	1.27	6.72	10.36

<u>Payback Period – Years</u> <u>Recoverable Reserves</u>			<u>MOICx</u> <u>Recoverable Reserves</u>		
<u>0.5 Bcf</u>	<u>1.0 Bcf</u>	<u>1.5 Bcf</u>	<u>0.5 Bcf</u>	<u>1.0 Bcf</u>	<u>1.5 Bcf</u>
1.79	1.45	1.45	1.35x	2.81x	4.17x

Directors' Participation

Pursuant to the Fundraising, certain of the directors of the Company have conditionally subscribed for a total of 135,023 new Common Shares at the Placing Price. Further details of these subscriptions, and the subsequent Director shareholdings following Admission, is set out in the table below.

Director	Holding of Existing Common Shares	New Common Shares subscribed	Holding of Common Shares at Admission	Common Shares as a % of

		pursuant to the Fundraising		enlarged issued share capital
David Mitchell	1,645,110	56,840	1,701,950	0.83%
Paul Welch	659,247	43,898	703,145	0.34%
Mark Reid	247,500	34,285	281,785	0.14%
Total	2,551,857	135,023	2,686,880	1.31%

Major Shareholder Subscriptions

Pursuant to the Fundraising, MEA Energy Investment Company Limited subscribed for 9,832,366 new Common Shares at the Placing Price. Following completion of the Fundraising, MEA Energy Investment Company Limited will hold 39,051,803 Common Shares, which will represent approximately 19.10 per cent. of the enlarged issued share capital of the Company.

Ingalls & Snyder LLC also subscribed for 3,500,000 new Common Shares at the Placing Price. Following completion of the Fundraising, Ingalls & Snyder LLC will hold 33,847,714 Common Shares, which will represent approximately 16.55 per cent. of the enlarged issued share capital of the Company.

Related Party Transaction

The subscriptions for new Common Shares by MEA Energy Investment Company Limited, and Ingalls & Snyder LLC, and certain of the directors in the Fundraising (as outlined above) are considered related party transactions under the AIM Rules for Companies and the Policies of the TSX Venture Exchange. Each of Ingalls & Snyder LLC and MEA Energy Investment Company Limited is a "related party" to the Company under Multilateral Instrument 61-101 – Protection of Minority Security Holders in Special Transactions ("MI 61-101") by virtue of such party's existing shareholding being in excess of 10 per cent.; in addition each director is a "related party" to the Company under MI 61-101. Accordingly, any investment by any such entity or individual will be a "related party transaction" under MI 61-101. Each such investment will be exempt from (i) the formal valuation requirements under Section 5.4 of MI 61-101 pursuant to Subsection 5.5(a) of MI 61-101 and (ii) the minority approval requirements under Section 5.6 of MI 61-101 pursuant to Subsection 5.7(1)(a) of MI 61-101 because the fair market value of each of such related party's investment does not exceed 25 per cent. of SDX's market capitalization (as defined in MI 61-101).

Michael Doyle and David Richards, non-executive Directors of the Company, are not participating in the Placing and therefore are considered independent for the purposes of the Fundraising. Having consulted with Cantor Fitzgerald Europe (the Company's nominated adviser), they consider that the terms of the Placing and Subscription are fair and reasonable in so far as the Company's Shareholders are concerned.

Listing and Voting Rights

Application has been made for the new Common Shares, which will rank pari passu with the existing issued share capital, to be admitted to trading on AIM and the TSX Venture Exchange. Subject to receipt of required approvals from AIM and TSX Venture Exchange, the new Common Shares are expected to be admitted to trading on AIM at 8 a.m. BST on 12 September 2017 and to trading on the TSX Venture Exchange which is expected to occur at 9.30 a.m. EDT on 12 September 2017.

Immediately following completion of the Fundraising and Admission, the Company's issued share capital will consist of 204,459,708 Common Shares. The Company does not hold any Common Shares in treasury. This figure may be used by shareholders to determine if they are required to notify their interest in, or a change to their interest in, the Company.

The new Common Shares will represent approximately 8.6 per cent. of the total issued ordinary share capital in the Company on Admission.

About SDX

SDX is an international oil and gas exploration, production and development company, headquartered in London, England, UK, with a principal focus on North Africa. In Egypt, SDX has a working interest in two producing assets (50 per cent. North West Gemsa and 50 per cent. Meseda) located onshore in the Eastern Desert, adjacent to the Gulf of Suez. It also has a 55 per cent. operated working interest in the South Disouq concession, located in the Nile Delta, where a gas discovery was made by the SD-1X well in 2017. In Morocco, SDX has a 75 per cent. working interest in the Sebou concession situated in the Rhab Basin. These producing assets are characterised by exceptionally low operating costs making them particularly resilient in a low oil price environment. SDX's portfolio also includes high impact exploration opportunities in both Egypt and Morocco.

Paul Welch, President and CEO of SDX, commented:

"We are pleased to have been able to commit this additional investment into drilling programmes in both Egypt and Morocco. The proceeds of the Fundraising will be deployed into additional wells which have the potential to pay back very rapidly. We would like to thank our shareholders for their continued support as we enter a high-impact period in the Company's development."

For further information:

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Disclosures

Neither the TSX Venture Exchange nor its Regulation Services Provider (as such term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Cantor Fitzgerald Europe which is authorised and regulated in the United Kingdom by the FCA, is acting for the Company and for no one else in connection with the Placing and will not be responsible to anyone

other than the Company for providing the protections afforded to Cantor Fitzgerald's clients, or for providing advice in relation to the Placing, or any other matters referred to herein.

Stifel Nicolaus Europe Limited which is authorised and regulated in the United Kingdom by the FCA, is acting for the Company and for no one else in connection with the Placing and will not be responsible to anyone other than the Company for providing the protections afforded to Stifel's clients, or for providing advice in relation to the Placing, or any other matters referred to herein.

Inside Information

The information contained in this announcement is inside information. If you have any queries on this, then please contact Mark Reid, the Chief Financial Officer and Director of the Company (responsible for arranging the release of this announcement) at 38 Welbeck Street, London, W1G 8DP on +44 (0) 203 219 5640.

Forward Looking Statements

Certain statements contained in this press release may constitute "forward-looking information" as such term is used in applicable Canadian securities laws. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or are not statements of historical fact should be viewed as forward-looking information. In particular, statements regarding the volume of estimated resources, the risks associated therewith and the timing and nature of the commencement of the drilling campaigns in Morocco and the anticipated increase in value of South Disouq.

The forward-looking information contained in this document is based on certain assumptions and although management considers these assumptions to be reasonable based on information currently available to them, undue reliance should not be placed on the forward-looking information because SDX can give no assurances that they may prove to be correct. This includes, but is not limited to, assumptions related to, among other things, the ability to locate and commercially develop resources, commodity prices and interest and foreign exchange rates; planned synergies, capital efficiencies and cost-savings; applicable tax laws; future production rates; the sufficiency of budgeted capital expenditures in carrying out planned activities; and the availability and cost of labour and services.

Forward-looking information is subject to certain risks and uncertainties (both general and specific) that could cause actual events or outcomes to differ materially from those anticipated or implied by such forward-looking statements. Such risks and other factors include, but are not limited to political, social and other risks inherent in daily operations for the Company, risks associated with the industries in which the Company operates, such as: operational risks; delays or changes in plans with respect to growth projects or capital expenditures; costs and expenses; health, safety and environmental risks; commodity price, interest rate and exchange rate fluctuations; environmental risks; competition; ability to access sufficient capital from internal and external sources; and changes in legislation, including but not limited to tax laws and environmental regulations. Readers are cautioned that the foregoing list of risk factors is not exhaustive and are advised to reference SDX's Management's Discussion & Analysis for the three and twelve months ended December 31, 2016, which can be found on SDX's SEDAR profile at www.sedar.com, for a description of additional risks and uncertainties associated with SDX's business, including its exploration activities.

The forward-looking information contained in this press release is as of the date hereof and SDX does not undertake any obligation to update publicly or to revise any of the included forward-looking information, except as required by applicable law. The forward-looking information contained herein is expressly qualified by this cautionary statement.

Competent Persons Statement

In accordance with the guidelines of the AIM Market of the London Stock Exchange the technical information contained in the announcement has been reviewed and approved by Paul Welch, President and Chief Executive Officer of SDX. Mr. Welch, who has over 30 years of experience, is the qualified person as defined in the London Stock Exchange's Note for Mining and Oil and Gas companies. Mr. Welch holds a

BS and MS in Petroleum Engineering from the Colorado School of Mines in Golden, CO. USA and an MBA in Finance from SMU in Dallas, TX USA and is a member of the Society of Petroleum Engineers (SPE).

Independent Resource Evaluation

The Company retained Gaffney, Cline & Associates (GCA) to conduct an independent resource evaluation to assess Contingent and Prospective resources in the Company's South Disouq asset with an effective date of May 31, 2017. The resource assessments were prepared in accordance with NI 51-101" effective at the time thereof. A range of Contingent resources estimates (P90 (1C), P50 (2C) and P10 (3C)) and Prospective resources estimates (P90 (low), P50 (best) and P10 (high)) were prepared by GCA using probabilistic methods.

A summary of South Disouq Contingent and Prospective resources as of May 31, 2017 contained in the Resources Reports are included in the following tables. Please consult the 'Risks and Uncertainties', 'Definitions' and 'Glossary' sections below for all relevant resource descriptions, qualifications, risks, contingencies and cautionary language in relation to the review and interpretation thereof.

Table 1 - Summary of Unrisked P50 Contingent Resources as of May 31, 2017

Resource sub-Category	Gross Volumes unrisked		
	Gas (Bscf)	Condensate (Mmbo)	Total(2) (Mmboe)
Development Pending	47.13	2.29	10.15
Development on Hold	---	---	---
Development Unclassified	---	---	---
Development not viable	---	---	---
Total South Disouq	47.13	2.29	10.15

Table 2 - Summary of Best Estimate Prospective Resources as of May 31, 2017

Resource sub-Category	Gross Volumes unrisked			Gross Volumes risked		
	Gas (Bscf)	Condensate (Mmbo)	Total(2) (Mmboe)	Gas (Bscf)	Condensate (Mmbo)	Total(2) (Mmboe)
Prospect	164.53	7.97	35.39	66.68	3.23	14.34
Lead	15.55	0.76	3.35	7.49	0.37	1.61
Play	---	---	---	---	---	---
Total South Disouq(1)	180.08	8.73	38.74	74.17	3.59	15.95

1. Aggregate of volumes four prospects and five Leads; aggregation performed by SDX management.
2. BOEs may be misleading, particularly if used in isolation. The BOE column is the sum of the light and medium oil, conventional natural gas and natural gas liquids columns with the conversion of gas to liquids using a BOE conversion ratio of 6 Mmscf:1 bbl, based on an energy equivalency conversion method primarily applicable at the burner tip. This conversion does not represent a value equivalency at the wellhead.

Risks and Uncertainties

There is still a +/-50% uncertainty concerning the volume of the encountered section at Abu-Madi due to

- 1) the lateral extent of the accumulation
- 2) the quality of the reservoir section that would be encountered away from the current location
- 3) The thickness of the reservoir section away from the current location
- 4) The hydrocarbon composition of the natural gas encountered and its resulting liquid yield

Additional wells will need to be drilled and tested to reduce the levels of uncertainty required to properly classify the discovered hydrocarbons under NI 51-101.

SDX will continue to work towards developing a more detailed development program in respect of South Disouq, but given the current stage of development, is unable to provide a specific timeline or cost estimate in respect of obtaining commercial development in respect of the resources contained therein. There has not been a conceptual or pre-development study prepared in respect of the South Disouq asset.

Contingent resources are assigned to the SD-1x Discovery because of the uncertainties surrounding aspects of the well data, notably the position of the gas water contact (GWC) in the Abu Madi 1 Zone, gas composition and detailed petrophysical response.

DEFINITIONS

In addition to the terms defined above in this Announcement, the following additional definitions apply throughout this Announcement including its Appendix (unless the context requires otherwise):

“Admission” the effective admission of the new Common Shares to trading on AIM pursuant to the AIM Rules;

“AIM” AIM, a market operated by London Stock Exchange;

“AIM Rules” the ‘AIM Rules for Companies’ published by London Stock Exchange for companies whose shares are traded on AIM, governing the admission to and operation of AIM, as amended from time to time;

“Announcement”	this announcement, including the appendix released by the Company on 6 September 2017;
“Board” or “Directors”	the directors of the Company at the date of this Announcement;
“Cantor Fitzgerald”	Cantor Fitzgerald Europe, the Company's nominated adviser and broker;
“Common Share”	common shares of no par value in the capital of the Company, or depository interests representing such common shares;
“Company” or “SDX”	SDX Energy Inc., a company incorporated in Alberta, Canada;
“Contingent Resources” or “2C”	these are resources that are potentially recoverable but not yet considered mature enough for commercial development due to technological or business hurdles. For contingent resources to move into the Reserves category, the key conditions, or contingencies, that prevented commercial development must be clarified and removed. As an example, all required internal and external approvals should be in place or determined to be forthcoming, including environmental and governmental approvals. There also must be evidence of firm intention by a company's management to proceed with development within a reasonable time frame (typically five years, though it could be longer);
“CREST”	a relevant system (as defined in the CREST Regulations) in respect of which Euroclear is the Operator (as defined in the CREST Regulations);
“CREST Regulations”	the Uncertificated Securities Regulations 2001 (SI 2001/3755) as amended from time to time;
“C\$”	Canadian dollar, the lawful currency of Canada;
“Euroclear”	Euroclear UK & Ireland Limited;
“Existing Common Shares”	the 186,900,253 Common Shares in issue as at the date of this Announcement;

“FCA”	the Financial Conduct Authority;
“GCA”	Gaffney, Cline & Associates Limited;
“Insider”	<ul style="list-style-type: none"> (a) a director or officer of the Company; (b) a director or officer of a person that is itself an insider or subsidiary of the Company; (c) a person that has <ul style="list-style-type: none"> (i) direct or indirect beneficial ownership of; (ii) control or direction over, directly or indirectly; or (iii) a combination of direct or indirect beneficial ownership of and control or direction over securities of the Company carrying more than 10% of the voting rights attached to all the Company’s outstanding voting securities, excluding, for the purpose of the calculation of the percentage held, any securities held by the person as underwriter in the course of a distribution; or (d) the Company itself, if it has purchased, redeemed or otherwise acquired any securities of its own issue, for so long as it continues to hold those securities; or (e) a person designated as an insider in an order made by the Alberta Securities Commission;
“ISIN”	international securities identification number;
“London Stock Exchange”	London Stock Exchange plc;
“NI 51-101”	the standards contained in the COGE Handbook and National Instrument 51-101 – Standards of Disclosure for Oil and Gas Activities;
“Long Stop Date”	22 September 2017;
the “Order”	the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended;

“Placee”	any person who offers to subscribe for new Common Shares in the Placing;
“Placing”	the placing of new Common Shares at the Placing Price in accordance with the Terms and Conditions;
“Placing Agreement”	the agreement to be entered into on or around the date of the Announcement between the Company and Stifel in relation to the Placing;
“Placing Price”	a price of 43.75 pence per new Common Share;
“Placing Shares”	the new Common Shares to be issued to placees in the Placing;
“Prospective Resources”	are estimated volumes associated with undiscovered accumulations. These represent quantities of petroleum which are estimated, as of a given date, to be potentially recoverable from oil and gas deposits identified on the basis of indirect evidence but which have not yet been drilled. This class represents a higher risk than Contingent Resources since the risk of discovery is also added. For prospective resources to become classified as Contingent Resources, hydrocarbons must be discovered, the accumulations must be further evaluated and an estimate of quantities that would be recoverable under appropriate development projects prepared;
“Securities Act”	the United States Securities Act of 1933, as amended;
“Shareholders”	persons who are registered holders of Common Shares from time to time;
“Stifel”	Stifel Nicolaus Europe Limited, sole bookrunner to the Placing;
“Subscriptions”	the subscriptions for new Common Shares at the Placing Price by subscribers directly introduced by the Company;
“Terms and Conditions”	the terms and conditions of the Placing, set out in Appendix I to this Announcement;
“TSX-V”	the TSX Venture Exchange, on which the Existing Common Shares are currently listed for trading;

“uncertificated” or “uncertificated form”	recorded on the register of members of the Company as being held in uncertificated form in CREST and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST;
“UK” or “United Kingdom”	the United Kingdom of Great Britain and Northern Ireland;
“US Person”	a US person as defined in the Securities Act;
“US\$ or USD”	United States dollar, the lawful currency of the United States of America;
“£”	Sterling, the lawful currency of the United Kingdom.

GLOSSARY

“1C”	contingent resources – Low case;
“2C”	contingent resources – Mid case;
“3C”	contingent resources – High case;
“bbl”	barrel of crude oil;
“BOE”	barrel of crude oil equivalent;
“Bscf” or “Bcf”	billion cubic feet of natural gas;
“IRR”	internal rate of return;
“Mmbo”	million barrels of crude oil;
“Mmboe”	million barrels of crude oil equivalent;
“MSc”	million standard cubic feet of natural gas per day;

“MOIC”	multiple on invested capital;
“Prospective Resources”	the estimated volumes associated with as yet undiscovered accumulations of hydrocarbons;
“PV”	present value;
“Recoverable Reserves”	those quantities of hydrocarbons which are estimated to be producible from accumulations, either discovered or undiscovered.

APPENDIX I – TERMS AND CONDITIONS OF THE PLACING

FOR INVITED PLACEES ONLY – IMPORTANT INFORMATION

MEMBERS OF THE PUBLIC ARE NOT ELIGIBLE TO TAKE PART IN THE PLACING, NO PUBLIC OFFERING OF PLACING SHARES IS BEING OR WILL BE MADE AND EACH PLACEE AGREES AND WARRANTS THAT IT IS NOT ACQUIRING PLACING SHARES ON BEHALF OF MEMBERS OF THE PUBLIC OR ITS RETAIL CLIENTS (AS THAT TERM IS DEFINED IN THE RULES OF THE FCA), SAVE WHERE THE PLACEE DOES SO ON A FULLY DISCRETIONARY BASIS AND WITHOUT REFERENCE TO ANY SUCH RETAIL CLIENTS. THIS ANNOUNCEMENT AND THE TERMS AND CONDITIONS SET OUT AND REFERRED TO IN IT ARE DIRECTED ONLY AT PERSONS SELECTED BY THE COMPANY AND/OR STIFEL WHO ARE (A) PERSONS IN MEMBER STATES OF THE EUROPEAN ECONOMIC AREA WHO ARE "QUALIFIED INVESTORS", AS DEFINED IN ARTICLE 2.1(E) OF DIRECTIVE 2003/71/EC (AS AMENDED AND INCLUDING APPLICABLE IMPLEMENTING DIRECTIVE MEASURES) ("THE PROSPECTUS DIRECTIVE"), (B) IF IN THE UNITED KINGDOM, PERSONS WHOSE (I) ORDINARY ACTIVITIES INVOLVE THEM ACQUIRING, HOLDING, MANAGING OR DISPOSING OF INVESTMENTS (AS PRINCIPAL OR AGENT) FOR THE PURPOSES OF THEIR BUSINESSES AND HAVE PROFESSIONAL EXPERIENCE IN MATTERS RELATING TO INVESTMENTS WHO FALL WITHIN THE DEFINITION OF "INVESTMENT PROFESSIONALS" IN ARTICLE 19(5) OF THE ORDER OR FALL WITHIN THE DEFINITION OF "HIGH NET WORTH COMPANIES, UNINCORPORATED ASSOCIATIONS ETC" IN ARTICLE 49(2)(A) TO (D) OF THE ORDER AND (II) ARE "QUALIFIED INVESTORS" AS DEFINED IN SECTION 86 OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 OR (C) PERSONS TO WHOM IT MAY OTHERWISE LAWFULLY BE COMMUNICATED (ALL SUCH PERSONS TOGETHER BEING REFERRED TO AS "RELEVANT PERSONS"). THIS ANNOUNCEMENT AND THE TERMS AND CONDITIONS SET OUT HEREIN MUST NOT BE ACTED ON OR RELIED ON BY PERSONS WHO ARE NOT RELEVANT PERSONS. DISTRIBUTION OF THIS ANNOUNCEMENT IN CERTAIN JURISDICTIONS MAY BE RESTRICTED OR PROHIBITED BY LAW. PERSONS DISTRIBUTING THIS ANNOUNCEMENT MUST SATISFY THEMSELVES THAT IT IS LAWFUL TO DO SO.

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Each Placee should consult with its own advisers as to legal, tax, business and related aspects of any subscription for Placing Shares.

These Terms and Conditions do not constitute an offer or invitation to acquire, underwrite or dispose of, or any solicitation of any offer or invitation to acquire, underwrite or dispose of, any Common Shares or other securities of the Company to any person in any jurisdiction to whom it is unlawful to make such offer, invitation or solicitation in such jurisdiction. Persons who seek to participate in the Placing must inform themselves about and observe any such restrictions and must be persons who are able to lawfully receive this Announcement in their jurisdiction. In particular, these Terms and Conditions do not constitute an offer or invitation (or a solicitation of any offer or invitation) to acquire, underwrite or dispose of or otherwise deal in any Common Shares or other securities of the Company in the United States, Canada, Australia, Japan or the Republic of South Africa.

The Placing Shares have not been, and will not be, registered under the Securities Act or the securities laws or with any securities regulatory authority of any state or other jurisdiction of the United States and may not be offered, sold, or transferred, directly or indirectly, in the United States absent registration under the Securities Act or pursuant to an available exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States. Any offering of the Placing Shares to be made in the United States will be made only to a limited number of "qualified institutional buyers" as defined in Rule 144A under the Securities Act pursuant to an exemption from the registration requirements of the Securities Act in a transaction not involving any public offering and outside the United States in offshore transactions in accordance with Regulation S under the Securities Act ("Regulation S"). No public offering of the Placing Shares is being made in the United Kingdom, any Restricted Territory or elsewhere.

These Terms and Conditions apply to Placees, each of whom confirms its agreement, whether by telephone or otherwise, with Stifel (the "Bookrunner") to subscribe for Placing Shares in the Placing, and hereby agrees with the Bookrunner to be legally and irrevocably bound by these Terms and Conditions which will be the Terms and Conditions on which the Placing Shares will be acquired in the Placing and is deemed to have read and understood this Announcement in its entirety (including this appendix) and to be providing the representations, warranties, undertakings, agreements and acknowledgements contained in this appendix.

Capitalised terms not otherwise defined in this appendix are as defined in the Announcement relating to the Placing of which this appendix forms a part.

The Terms and Conditions must not be acted on or relied on by persons who are not Relevant Persons. Any investment or investment activity to which the Terms and Conditions set out herein relates is available only to Relevant Persons and will be engaged in only with Relevant Persons. A Placee may not assign, transfer, or in any manner, deal with its rights or obligations under the agreement arising from the acceptance of the Placing, without the prior written agreement of the Bookrunner or in accordance with all relevant requirements.

All times and dates in this appendix are references to times and dates in London (United Kingdom).

Terms of the Placing

The Bookrunner will, on or around the date of this Announcement, enter into the Placing Agreement with the Company under which the Bookrunner will, on the terms and subject to the conditions set out therein, undertake to use its reasonable endeavours as agent of the Company to procure Placees for the Placing Shares. This appendix gives details of the terms and conditions of, and the mechanics for participation in, the Placing.

Each Placee's commitment to subscribe for a fixed number of Placing Shares under the Placing will be agreed orally with the Bookrunner and such agreement will constitute a binding irrevocable commitment by a Placee, subject to the Terms and Conditions set out in this appendix, to subscribe and pay for the relevant number of Placing Shares (the "Placing Participation") at the Placing Price. Such commitment is not capable of termination or rescission by the Placee in any circumstances except fraud. All such obligations are entered into by the Placee with the Bookrunner acting in its capacity as agent of the Company and are therefore directly enforceable by the Company.

After such agreement is entered into, each Placee allocated Placing Shares in the Placing will be sent a confirmatory email stating the number of Placing Shares allocated to it at the Placing Price, the total subscription amount payable to the Bookrunner and including settlement instructions, as well as a statement that it is the Bookrunner's understanding that the Placee is not a Canadian resident and that

the Placing Shares are not qualified for sale in Canada and may not be offered and sold in Canada, directly or indirectly, on behalf of the Company (the "Confirmation Note"). Except with the Bookrunner's consent, such commitment will not be capable of variation or revocation after the time at which it is submitted.

Each Placee will be deemed to have read this appendix in its entirety. Stifel is acting for the Company and no one else in connection with the Placing and will not regard any other person (whether or not a recipient of these Terms and Conditions) as a client in relation to the Placing and to the fullest extent permitted by law and applicable FCA rules, Stifel nor any of its affiliates will have any liability, obligation or duty to Placees or to any person other than the Company in respect of the Placing.

The Company confirms that the Placing Shares will when issued, subject to the constitution of the Company, rank *pari passu* in all respects and form one class with the Existing Common Shares of the Company in issue on Admission, including the right to receive dividends or other distributions after the date of issue of the Placing Shares, if any. The Placing Shares will be issued free of any encumbrance, lien or other security interest.

Application for Admission

Application will be made to the London Stock Exchange for Admission of the Placing Shares to trading on AIM subject to receipt of required approvals from AIM and TSX Venture Exchange. It is anticipated that Admission of the Placing Shares and the subscription shares to trading on AIM will become effective at 8.00 a.m. on 12 September 2017 and that dealings in the Placing Shares and the subscription shares will commence at that time and date for normal account settlement.

Application will also be made to TSX-V for the Placing Shares and Subscription Shares to be listed on the TSX-V.

Placing Participations conditional

Placing Participations are in all respects conditional upon:-

- (a) the Placing Agreement being entered into between Stifel and the Company relating to the placing of the Placing Shares and becoming unconditional in all respects and not having been terminated in accordance with its terms; and
- (b) Admission having become effective;

in each case by 8.00 a.m. on 12 September 2017 (or such later time and/or date as the Company and Stifel agree, but in any event being no later than the Long Stop Date).

Scaling back

Stifel (after consulting with the Company) reserves the right to scale back the number of Placing Shares to be subscribed by any Placee or the number of Placing Shares to be subscribed for by all Placees in aggregate. The Company, and Stifel also each reserve the right not to offer allocations of Placing Shares to any person and not to accept offers to subscribe for Placing Shares or to accept such offers in part rather than in whole. Stifel shall be entitled to effect the Placing by such method as it shall in its sole discretion lawfully determine in the exercise of its appointment and the powers, authority and discretion conferred on it as Bookrunner.

To the fullest extent permissible by law, Stifel nor any holding company thereof, nor any subsidiary, branch or affiliate of Stifel (each an "Affiliate") nor any person acting on behalf of any of the foregoing shall have any liability to Placees (or to any other person whether acting on behalf of a Placee or otherwise). In particular, neither Stifel, nor any of its Affiliates nor any person acting on behalf of any such person shall have any liability to Placees in respect of its conduct of the Placing.

Placing Agreement

Pursuant to the Placing Agreement, Stifel will agree on behalf of and as agent of the Company, to use its reasonable endeavours to procure persons who will subscribe for the Placing Shares at the Placing Price, subject to these Terms and Conditions. The Placing is **not** underwritten.

Conditions of the Placing

The obligations of Stifel under the Placing Agreement in respect of the Placing Shares will be conditional, *inter alia*, on:-

- (a) the Subscriptions becoming unconditional (other than a condition that the Placing Agreement is unconditional);
- (b) none of the warranties in the Placing Agreement being untrue or inaccurate or misleading at the date of the agreement and at the date of Admission and no fact or circumstance having arisen which would render any of the warranties untrue or inaccurate or misleading when repeated at Admission;

- (c) the Placing Shares having been allotted, subject only to Admission; and
- (d) Admission taking place not later than 8.00 a.m. on 12 September 2017 or such later time or date as the Company and Stifel may otherwise agree (but not being later than 8.00 a.m. on the Long Stop Date).

The Placing Agreement will contain, *inter alia*, certain warranties and indemnities from the Company for the benefit of Stifel.

Right to terminate the Placing Agreement

Stifel may, in its absolute discretion, not enter into the Placing Agreement on or about the date of this Announcement and may terminate the Placing Agreement (*inter alia*) if: (i) it becomes aware of any circumstance resulting in a material breach of the warranties given to them in the Placing Agreement at the date of the agreement or when repeated on Admission; (ii) the Company is in material breach of any provision of the Placing Agreement; (iii) an event or other matter (including, without limitation, any change or development in economic, financial, political, diplomatic or other market conditions or any change in the laws or regulation of Egypt or Morocco or other applicable jurisdiction) has occurred or is reasonably likely to occur which materially and adversely affects the assets, financial position or the business or prospects of the Company and, in Stifel's opinion (acting in good faith) will have a materially prejudicial effect on the Placing or otherwise makes it impractical or inadvisable for Stifel to perform its obligations under the Placing Agreement.

The exercise by Stifel of a right of termination (or any right of waiver exercisable by Stifel) contained in the Placing Agreement or the exercise of any discretion under the Terms and Conditions set out herein is within the absolute discretion of Stifel (acting in good faith) and Stifel will not have any liability to Placees whatsoever in connection with any decision to exercise or not exercise any such rights.

By accepting the Placing Shares referred to in the Announcement to which this appendix is annexed, each Placee agrees that, without having any liability to such Placee Stifel may, in its absolute discretion, not enter into the Placing Agreement on or about the date of this Announcement and may exercise the right: (i) to extend the time for fulfilment of any of the conditions in the Placing Agreement (provided that Placees' commitments are not extended beyond the Long Stop Date); (ii) to waive, in whole or in part, fulfilment of certain of the conditions (but not including Admission); or (iii) to terminate the Placing Agreement, in each case without consulting Placees (or any of them).

If any of the conditions in the Placing Agreement are not satisfied (or, where relevant, waived), the Placing Agreement is terminated or the Placing Agreement does not otherwise become unconditional in all respects, the Placing will not proceed and all funds delivered by Placees to Stifel or the Company pursuant to the Placing and this appendix will be returned to Placees at their risk without interest, and Placees' rights and obligations under the Placing shall cease and determine at such time and no claim shall be made by Placees in respect thereof.

Registration and settlement

Irrespective of the time at which the Placee's allocation(s) pursuant to the Placing is/are confirmed, settlement for all Placing Shares to be acquired pursuant to the Placing will be required to be made on the basis explained below.

Settlement of transactions in the Placing Shares (ISIN: CA78410A1075) following Admission will take place within CREST (subject to certain exceptions). Stifel reserves the right to require settlement for, and delivery of, the Placing Shares (or a portion thereof) to Placees by such other means that it may deem necessary if delivery or settlement is not possible or practicable within CREST within the timetable set out in this Announcement or would not be consistent with the regulatory requirements in the jurisdiction of any Placee.

It is expected that settlement will be on 12 September 2017 in accordance with the instructions set out in the Confirmation Note.

Interest is chargeable daily on payments not received from Placees on the due date in accordance with the arrangements set out above at the rate of 3 percentage points above The Royal Bank of Scotland plc's base rate, with interest compounded on a daily basis.

Each Placee is deemed to agree that, if it does not comply with these obligations, Stifel may sell any or all of the Placing Shares allocated to that Placee on such Placee's behalf and retain from the proceeds, for its account and benefit (as agent for the Company), an amount equal to the aggregate amount owed by the Placee plus any interest due. The relevant Placee will, however, remain liable for any shortfall below the aggregate amount owed by it and may be required to bear any stamp duty or stamp duty reserve tax or securities transfer tax (together with any interest or penalties) which may arise in any jurisdiction upon the sale of such Placing Shares on such Placee's behalf. By communicating a bid for Placing Shares, each Placee confers on Stifel all such authorities and powers necessary or desirable to carry out any such sale and agrees to ratify and confirm all actions which Stifel lawfully takes in pursuance of such sale.

If Placing Shares are to be delivered to a custodian or settlement agent, Placees should ensure that the Confirmation Note is copied and delivered immediately to the relevant person within that organisation.

The Company confirms that insofar as Placing Shares are registered in a Placee's name or that of its nominee or in the name of any person for whom a Placee is contracting as agent or that of a nominee for such person, such Placing Shares should, subject as provided below, be so registered free from any liability to UK stamp duty or stamp duty reserve tax or securities transfer tax.

Placees will not be entitled to receive any fee or commission in connection with the Placing.

Further Terms, Confirmations and Warranties

By accepting the Placing Participation referred to in the Confirmation Note, each Placee outside the United States makes the following confirmations, acknowledgements, representations, warranties and/or undertakings to Stifel and the Company and their respective directors, agents and advisers:

1. each Placee confirms, represents and warrants that it has read and understood this Announcement (including this appendix) in its entirety and acknowledges that its Placing Participation will be governed by the terms, conditions, representations, warranties, acknowledgements, agreements and undertakings in this appendix;
2. each Placee acknowledges and agrees that its Placing Participation on the Terms and Conditions set out in this appendix is legally binding, irrevocable and is not capable of termination or rescission by such Placee in any circumstances;
3. each Placee confirms, represents and warrants that it has not relied on, received or requested nor does it have any need to receive, any prospectus, offering memorandum, listing particulars or any other document (other than the Announcement), any information given or any representations, warranties, agreements or undertakings (express or implied), written or oral, or statements made at any time by the Company, or Stifel or by any subsidiary, holding company, branch or associate of the Company, or Stifel or any of their respective officers, directors, agents, employees or advisers, or any other person in connection with the Placing, the Company and its subsidiaries or the Placing Shares and that in making its application under the Placing it is relying solely on the information contained in the Announcement and this appendix and it will not be relying on any agreements by the Company and its subsidiaries or Stifel, or any director, employee or agent of the Company, or Stifel other than as expressly set out in this appendix, for which neither Stifel nor any of its directors and/or employees and/or person(s) acting on its behalf shall to the maximum extent permitted under law have any liability except in the case of fraud;
4. each Placee confirms, represents and warrants that it is sufficiently knowledgeable to understand and be aware of the risks associated with, and other characteristics of, the Placing Shares and, among others, of the fact that it may not be able to resell the Placing Shares except in accordance with certain limited exemptions under applicable securities legislation and regulatory instruments;

5. each Placee confirms, represents and warrants, if a company, that it is a valid and subsisting company and has all the necessary corporate capacity and authority to execute its obligations in connection with the Placing Participation and confirms, represents and warrants that any person who confirms to Stifel on behalf of a Placee an agreement to subscribe for Placing Shares is duly authorised to provide such confirmation to Stifel (as the case may be);
6. each Placee agrees that the entry into the Placing Agreement or the exercise by Stifel of any right of termination or any right of waiver exercisable by Stifel contained in the Placing Agreement or the exercise of any discretion including (without limitation) the right not to enter into the Placing Agreement is within the absolute discretion of Stifel, and Stifel will not have any liability to any Placee whatsoever in connection with any decision to exercise or not exercise any such rights. Each Placee acknowledges that if: (i) the Placing Agreement is not entered into; (ii) any of the conditions in the Placing Agreement are not satisfied (or, where relevant, waived); (iii) the Placing Agreement is terminated; or (iv) the Placing Agreement does not otherwise become unconditional in all respects; the Placing will lapse and such Placee's rights and obligations in relation to the Placing shall cease and determine at such time and no claim shall be made by any Placee in respect thereof;
7. each Placee acknowledges and agrees that Stifel does not act for, and that it does not expect Stifel to have any duties or responsibilities towards, such Placee, including, without limitation, for providing protections afforded to customers or clients of Stifel under the FCA's Conduct of Business Sourcebook or advising such Placee with regard to its Placing Participation and that such Placee is not, and will not be, a customer or client of Stifel as defined by the FCA's Conduct of Business Sourcebook in connection with the Placing. Likewise, Stifel will not treat any payment by such Placee pursuant to its Placing Participation as client money and governed by the FCA's Client Assets Sourcebook;
8. each Placee undertakes and agrees that it will be responsible for any stamp duty or stamp duty reserve tax or securities transfer tax in relation to the Placing Shares comprised in its Placing Participation and that neither Stifel nor the Company will be responsible for any liability to stamp duty or stamp duty reserve tax or securities transfer tax in relation to the Placing Shares comprised in such Placee's Placing Participation;
9. each Placee confirms, represents and warrants that it is a Relevant Person and that it may lawfully subscribe for or acquire the Placing Shares comprised in such Placee's Placing Participation and that it has complied with and will comply with all applicable law and regulation with respect to anything done by such Placee in relation to the Placing Shares in, from or otherwise involving, the United Kingdom or elsewhere;
10. each Placee acknowledges and agrees that the agreement confirmed by the Confirmation Note is a legally binding contract between it and the Company and the Terms and Conditions of such Placee's Placing Participation will be governed by, and construed in accordance with, the laws of England and Wales to the exclusive jurisdiction of whose courts such Placee irrevocably agrees to submit;
11. each Placee agrees that it will ensure delivery and payment is completed in accordance with the settlement instructions set out in the Confirmation Note and acknowledges and agrees that time shall be of the essence as regards such Placee's obligations pursuant to its Placing Participation;
12. each Placee acknowledges and agrees that it is the responsibility of such Placee (if it is outside of the United Kingdom) to satisfy itself that, in doing so, such Placee complies with the laws and regulations of any relevant territory in connection with its Placing Participation and that it obtains any requisite governmental or other consents and observes any other applicable formalities;
13. each Placee acknowledges and agrees that the Announcement does not constitute an offer to sell, or the solicitation of an offer to subscribe for or buy, Placing Shares in any jurisdiction in which such an offer or solicitation is unlawful. Accordingly, such Placee acknowledges and agrees that the Placing Shares may not, subject to certain limited exceptions, be offered or sold, directly or indirectly, in or into the United States, any province of Canada or Australia, Japan or the Republic

of South Africa or offered or sold to, or for the account or benefit of, a national, citizen or resident of the United States, any province of Canada or Australia, Japan or the Republic of South Africa, in each case subject to limited exemptions, or any other jurisdiction where to do so would constitute a violation of the relevant laws of such jurisdiction;

14. each Placee acknowledges and agrees that the Placing Shares have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or jurisdiction of the United States, or the relevant Canadian, Japanese, Australian or South African securities legislation and therefore the Placing Shares may not be offered, sold, transferred or delivered directly or indirectly into the United States, Canada, Japan, Australia or the Republic of South Africa or their respective territories and possessions, subject to limited exemptions, and in the case of the United States, pursuant to an exemption from, or in a transaction not subject to the registration requirements of the Securities Act and in compliance with United States securities laws;
15. each Placee confirms, represents and warrants that it has complied with all relevant laws of all relevant territories, obtained all requisite governmental or other consents which may be required in connection with its Placing Participation and complied with all requisite formalities, and that it has not taken any action or omitted to take any action which will or may result in Stifel, the Company or any of their respective directors, officers, agents, employees or advisers acting in breach of the legal or regulatory requirements of any territory in connection with the Placing or such Placee's Placing Participation;
16. each Placee confirms, represents and warrants that its subscription for Placing Shares does not trigger, in the jurisdiction in which such Placee is resident or located: (i) any obligation to prepare or file a prospectus or similar document or any other report with respect to such subscription; (ii) any disclosure or reporting obligation of the Company; or (iii) any registration or other obligation on the part of Stifel or the Company;
17. each Placee confirms, represents and warrants it is acting as principal and for no other person and that its Placing Participation will not give any other person a contractual right to require the issue by the Company of any Placing Shares;
18. each Placee confirms, represents and warrants that in accepting its Placing Participation it is not applying for registration as, or as a nominee or agent for, a person who is or may be a person mentioned in sections 67 to 72 inclusive and sections 93 to 97 inclusive of the UK Finance Act 1986;
19. each Placee confirms, represents and warrants that, to the extent applicable to it, it is aware of its obligations in connection with the UK Criminal Justice Act 1993, Terrorism Act 2006, Anti-Terrorism Crime and Security Act 2001, Money Laundering Regulations, the Proceeds of Crime Act 2002 and the Financial Services and Markets Act 2000 (each as amended), it has identified its clients in accordance with the Money Laundering Regulations 2007 and it has complied fully with its obligations pursuant to those Regulations;
20. each Placee confirms, represents and warrants that, to the extent applicable to it, the Placing Price which will be advanced by the Placee to the Company hereunder will not represent proceeds of crime for the purposes of the Proceeds of Crime (Money Laundering) and Terrorist Financing Act (Canada) (the "PCMLA") and the Placee acknowledges that the Company may in the future be required by law to disclose the Placee's name and other information relating to this Placing Participation and the Placee's subscription hereunder, on a confidential basis, pursuant to the PCMLA; and to the best of its knowledge: (i) none of the subscription funds to be provided by the Placee (A) have been or will be derived from or related to any activity that is deemed criminal under the laws of Canada, the United States of America, or any other jurisdiction, or (B) are being tendered on behalf of a person or entity who has not been identified to the Placee; and the Placee undertakes and agrees that it shall promptly notify the Company if the Placee discovers that any of such representations ceases to be true, and to provide the Company with appropriate information in connection therewith;

21. each Placee acknowledges and agrees that all times and dates in this Announcement and the Terms and Conditions set out in this appendix, may be subject to amendment and that Stifel will notify it of any such amendments;
22. each Placee acknowledges and agrees that no term of the agreement confirmed by the Confirmation Note shall be enforceable under the Contracts (Rights of Third Parties) Act 1999 by any person other than the Company or Stifel or any affiliate of Stifel or any Indemnified Persons (as hereinafter defined);
23. each Placee acknowledges that any of its monies held or received by Stifel will not be subject to the protections conferred by the FCA's Client Money Rules;
24. each Placee confirms, represents and warrants that it understands that the Placing Shares have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and, accordingly, may not be offered or sold or otherwise transferred in the United States or to, or for the account or benefit of, US Persons except pursuant to a registration statement under the Securities Act or an exemption from the registration requirements of the Securities Act, and, in connection with any such transfer, the Company or the Bookrunner will have the right to obtain, as a condition to transfer, a legal opinion of counsel, in form and by counsel reasonably satisfactory to the Company or the Bookrunner, that no such Securities Act registration is or will be required along with appropriate certifications by the transferee as to the 'Accredited Investor' status and/or other appropriate matters;
25. each Placee confirms, represents and warrants that it has not distributed, forwarded, transferred or otherwise transmitted this Announcement or any other presentation or offering materials concerning the Placing Shares within the United States, nor will it do any of the foregoing. Such Placee further confirms that it understands that the information in this Announcement, including financial information, may be materially different from any disclosure that would be provided in a United States offering;
26. each Placee agrees, confirms, represents, warrants and undertakes as follows:-
 - 26.1. it is, at the time of the offer and acceptance of the Placing Shares, outside the United States for the purposes of Regulation S;
 - 26.2. it will not offer or sell the Placing Shares in the United States absent registration or an exemption from registration under the Securities Act;
 - 26.3. it is aware that the Placing Shares are being offered outside the United States in reliance on Regulation S; and
 - 26.4. it did not purchase or otherwise acquire the Placing Shares based on or due to directed selling efforts (as defined in Rule 902 under the Securities Act), including based on an advertisement in a publication with a general circulation in the United States, nor has it seen or been aware of any activity that, to its knowledge, constitutes directed selling efforts in the United States;
27. if it is subscribing for the Placing Shares in the United Kingdom, each Placee is a Relevant Person;
28. if it has received any confidential price sensitive information about the Company in advance of the Placing, it warrants that it has received such information within the market soundings regime provided for in article 11 of MAR and associated delegated regulations and has not: (a) dealt in the securities of the Company; (b) encouraged or required another person to deal in the securities of the Company; or (c) disclosed such information to any person, prior to the information being made publicly available;
29. each Placee confirms, represents and warrants that, in making its investment decision with respect to the Placing Shares:-

- 29.1. it has not relied on the Company or any of its respective affiliates or on any document published by any of them (other than the Announcement);
- 29.2. it has the ability to bear the economic risk of its investment in the Placing Shares and has no need for liquidity with respect to its investment in the Placing Shares;
- 29.3. it has such knowledge and experience in financial and business matters that it is capable of evaluating the merits, risks and suitability of investing in the Placing Shares, and is able to sustain a complete loss of any investment in the Placing Shares;
- 29.4. it has investigated independently and made its own assessment and satisfied itself concerning the relevant tax, legal, currency and other economic considerations relevant to its investment in the Placing Shares, including any federal, state and local tax consequences, affecting it in connection with its subscription for and any subsequent disposal of the Placing Shares;
- 29.5. if it is a financial intermediary, as that term is used in Article 3(2) of the Prospectus Directive, the Placing Shares purchased by it in the Placing will not be acquired on a non-discretionary basis on behalf of, nor will they be acquired with a view to their offer or resale to, persons in a member state of the European Economic Area which has implemented the Prospectus Directive other than "qualified investors" as defined in Article 2.1(e) of the Prospectus Directive, or in circumstances in which the prior consent of the Bookrunner has been given to the offer or resale; and
- 29.6. it has not offered or sold and will not offer or sell any Placing Shares to the public in any member state of the European Economic Area except in circumstances falling within Article 3(2) of the Prospectus Directive which do not result in any requirement for the publication of a prospectus pursuant to Article 3 of the Prospectus Directive;
30. each Placee acknowledges and agrees that it is not entitled to the protections afforded to clients of Stifel in connection with the Placing and that neither Stifel nor any of its affiliates nor any of its respective officers, directors, employees or advisers shall be liable for any losses (including, without limitation, loss of profit, loss of business or opportunity and special interest or consequential losses), damages or costs of the Placee save as a result of fraud or for death or personal injury;
31. each Placee acknowledges that the Company, Stifel, CREST, the registrar, any transfer agent, any distributors or dealers and their respective affiliates and others will rely on the truth and accuracy of the foregoing warranties, acknowledgements, representations, undertakings and agreements, and agrees to notify the Company and Stifel promptly in writing if any of its warranties, acknowledgements, representations, undertakings or agreements set out above cease to be accurate and complete and to indemnify and hold harmless on an after-tax basis the Company, Stifel and any of their respective officers, directors, agents, employees or advisers ("Indemnified Persons") from and against any and all loss, damage, liability or expense, including reasonable costs and attorneys' fees and disbursements, which an Indemnified Person may incur by reason of, or in connection with, any representation or warranty made by such Placee as set out above not having been true when made, any misrepresentation made or any failure by such Placee to fulfil any of its undertakings or agreements set out above or any other document such Placee provides to the Company or Stifel. Such Placee irrevocably authorises each of the Company and Stifel to produce a copy hereof to any interested party in any administrative or legal proceeding or official inquiry with respect to the matters covered hereby;
32. acknowledges that it irrevocably appoints any member or officer of the Bookrunner as its agent for the purposes of executing and delivering to the Company and/or its registrars any documents on its behalf necessary to enable it to be registered as the holder of any of the Placing Shares agreed to be taken up by it under the Placing; each Placee acknowledges that the rights and remedies of Stifel and the Company under these Terms and Conditions are in addition to any rights

and remedies which would otherwise be available to each of them and the exercise or partial exercise of one right or remedy will not prevent the exercise of the other rights and/or remedies;

33. authorises and instructs the Bookrunner, the Company and their respective agents to receive and hold any personal data and information of or belonging to the Placee which is received in relation to the Placing, and it consents to the lawful use by the Bookrunner, the Company and their respective agents of such data and information for the purposes of the Placing;
34. each Placee undertakes that it (and any person acting on its behalf) will make payment for the Placing Shares allocated to it in accordance with this Announcement on the due time and date set out herein, failing which the relevant Placing Shares may be placed with other subscribers or sold as Stifel may in its sole discretion determine and without liability to such Placee and such Placee will remain liable for any shortfall below the net proceeds of such sale and the placing proceeds of such Placing Shares and may be required to bear the liability for any stamp duty or stamp duty reserve tax (together with any interest or penalties due pursuant to or referred to in these Terms and Conditions) which may arise upon the placing or sale of such Placee's Placing Shares on its behalf;
35. each Placee confirms, represents and warrants that is is not resident in Canada;
36. each Placee acknowledges and agrees that, prior to the date that is four months and one day from the issuance of the Placing Shares to the Placee, the Placing Shares cannot be resold or transferred into Canada or to a resident of Canada through the facilities of the TSX-V or otherwise;
37. each Placee consents to the collection, use and disclosure of personal information by the TSX-V for the purposes described in Appendix 6A of the TSX-V Corporate Finance Manual or as otherwise identified by the TSX-V from time to time; and
38. if the Placee (i) is not an individual and (ii) (a) is an Insider of the Company prior to the closing of the Placing, (b) will be an Insider of the Company upon closing of the Placing, (c) is a member of the Aggregate Pro Group (as defined in the policies of the TSX-V) or (d) will hold 5% or more of the issued and outstanding Common Shares upon closing of the Placing, then the Purchaser either (i) has a current Corporate Placee Registration Form on file with the TSX-V; or (ii) has completed and returned a duly executed TSX-V Form 4C - Corporate Placee Registration Form to the Company.

Each Placee (if any) located in the United States shall on request make specific representations, warranties and acknowledgements pursuant to a separate US investor representation letter.

CREST depositary interests representing Placing Shares, once issued, will be admitted to CREST with effect from Admission. Placees will receive such depositary interests comprised in their Placing Participation in uncertificated form registered in their CREST member account.

Responsibility

The Terms and Conditions set out in this appendix and the Announcement of which it forms part have been issued by the Company and are the sole responsibility of the Company.