May 14, 2019

Dear: [Redacted]:

Re: Your request for access to information under Part II of the Access to Information and Protection of Privacy Act (File # NR-81-2019)

On May 3, 2019, the Department of Natural Resources received your request for access to the following records/information:

A copy of all contracts between the Department of Natural Resources and Skybattle Resources since 2015.

I am pleased to inform you that a decision has been made by the Department of Natural Resources, confirmed by the Deputy Minister, to provide access to the requested records. The records are attached.

We are providing access to the most information possible but have made redactions in accordance with Sections 35(1)(d), 35(1)(f), 35(1)(g) and 40(1) of ATIPPA, 2015 as follows:

35. (1)(d) The head of a public body may refuse to disclose to an applicant information which could reasonably be expected to disclose information, the disclosure of which could reasonably be expected to result in the premature disclosure of a proposal or project or in significant loss or gain to a third party;

35. (1)(f) The head of a public body may refuse to disclose to an applicant information which could reasonably be expected to disclose positions, plans, procedures, criteria or instructions developed for the purpose of contractual or other negotiations by or on behalf of the government of the province or a public body, or considerations which relate to those negotiations;
35. (1)(g) The head of a public body may refuse to disclose to an applicant information which could reasonably be expected to disclose information, the disclosure of which could reasonably be expected to prejudice the financial or economic interest of the government of the province or a public body.

40. (1) The head of a public body shall refuse to disclose personal information to an applicant where the disclosure would be an unreasonable invasion of a third party's personal privacy.

Please be advised that you may ask the Information and Privacy Commissioner to review the processing of your access request, as set out in section 42 of the Access to Information and Protection of Privacy Act (the Act). A request to the Commissioner must be made in writing within 15 business days of the date of this letter or within a longer period that may be allowed by the Commissioner.

The address and contact information of the Information and Privacy Commissioner is as follows:

Office of the Information and Privacy Commissioner
2 Canada Drive
P. O. Box 13004, Stn. A
St. John's, NL A1B 3V8

Telephone: (709) 729-6309
Toll-Free: 1-877-729-6309
Facsimile: (709) 729-6500

You may also appeal directly to the Supreme Court Trial Division within 15 business days after you receive the decision of the public body, pursuant to section 52 of the Act.

Please be advised that this letter will be published following a 72 hour period after it is sent electronically to you or five business days in the case where records are mailed to you. It is the goal to have the letter posted to the Completed Access to Information Requests website within one business day following the applicable period of time.

If you have any questions, please feel free to contact me at 709-729-0463 or rhynes@gov.nl.ca.

Sincerely,

Rod Hynes
ATIPP Coordinator
AGREEMENT

THIS AGREEMENT made at St. John's, in the Province of Newfoundland and Labrador, on this 6th day of April, 2015.

BETWEEN: HER MAJESTY IN RIGHT OF NEWFOUNDLAND AND LABRADOR as represented by the Minister of Natural Resources ("the Client")

AND: Skybattle Resources Ltd.

("the Consultant")

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the mutual covenants expressed, and as amended, the Parties agree as follows:

1. **Definitions**

In addition to the terms defined in the General Terms and Conditions attached as Schedule "C", the following words and phrases shall have the following meanings:

a. "Contract Documents" shall mean and include:
   i. This head agreement (the "Head Agreement");
   ii. The Scope of Work attached as Schedule "A";
   iii. The Special Terms and Conditions attached as Schedule "B";
   iv. The General Terms and Conditions attached as Schedule "C"; and
   v. Protocols for Security of Government Information on Information Technology assets of Contractors attached as Schedule "D".

b. "Representatives" means directors, officers, employees, consultants, sub-consultants, agents, advisors or partners.

2. **The Consultant's Work**

The Consultant shall do all things necessary to fulfill all of the obligations of the Consultant as set out in the Contract Documents (the "Work"). The Work shall be performed by the Consultant to the satisfaction of the Client.
3. **Payment**

1.1 **Consideration**

It is agreed and understood that payments made for the satisfactory performance of the Work pursuant to this Agreement shall be made in accordance with either Option 1, 2 or 3 below.

Payment Option #1 [Not Applicable]

Subject to Article 1.3, upon presentation of itemized and substantiated invoices satisfactory to the Client, the Client shall pay to the Consultant, for the satisfactory performance of the Work, **Insert text of dollar value ($ Insert numeric dollar value)** (plus HST) in accordance with the following payment schedule:

(I) Periodic payments – set out time or milestones for payments

Payment Option #2 [Applicable]

Subject to Article 1.3, upon presentation of itemized and substantiated invoices satisfactory to the Client, the Client shall pay to the Consultant, for the satisfactory performance of the Work, the following time rate schedule for activities actually expended in performance of the Work (plus HST):

(I) John R. Hogg, P. Geo (AB), P. Geol (NWT/NU), P. Geo. (NL), AAPG Certified Petroleum Geologist

Payment Option #3 [Not Applicable]

Subject to Article 1.3, upon the satisfactory completion of the Work and the presentation of itemized and substantiated invoices satisfactory to the Client, the Client shall pay to the Consultant, **Insert Absolute Limit on Cost of Services** (plus HST).

1.2 **Reimbursement of Expenses**

It is agreed and understood that reimbursements for the Consultant’s expenses pursuant to this Agreement shall be made in accordance with either Option A or B below.

Reimbursement Option A [Applicable]

(a) The Client shall only be responsible for the following reimbursable expenses, payable at cost, provided the Consultant can demonstrate to the Client that such expenses were incurred in relation to the Work, and that documentation, satisfactory to the Client, is provided in support of the reimbursable expense claimed and is attached to the applicable invoice, including for example, originals of supporting receipts, invoices or statements issued by non-parties to this Agreement:
(i) Travel, meals, accommodations, registrations, printing and duplicating, courier, long distance telephone and/or facsimile charges, and other approved third party purchases.

(b) All claims submitted for reimbursable expenses in accordance with this Article 1.2 shall be reimbursed at rates not to exceed those established by Treasury Board pursuant to the guidelines and policies of the Client even if such rates are lower than the actual costs incurred by the Consultant.

Reimbursement Option B [Not Applicable]

The Client shall not be responsible for any expenses incurred by the Consultant, including, without limitation, out of pocket expenses such as travel, meals, accommodations, legal advice, support staff, printing and duplicating, courier, long distance telephone and/or facsimile charges, without the prior written approval of the Client.

1.3 Payment General

(a) Regardless of the payment option selected in Article 1.1 and/or 1.2, the Parties agree and confirm that total amounts payable for the Work shall not exceed a monetary ceiling of Twenty Thousand Dollars ($20,000) and that a minimum of ten percent (10 %) of the total fees payable for the Work will be withheld until such time as the project is completed to the satisfaction of the Client.

(b) The Consultant shall remain obligated to complete the Work notwithstanding that the actual costs of the Consultant, whether in respect of professional services or in respect of costs or expenses incurred, may exceed the total aggregate sum set out in Article 1.3(a).

(c) The Parties agree and confirm that as set out in section 25(6) of the Financial Administration Act, RSNL1990 cF-8, as amended, all fees payable in accordance with this Agreement are subject to there being an appropriation for the work for the fiscal year in which payment under this Agreement is due.

(d) Payment will be made within 60 calendar days of receipt of a properly documented invoice.

(e) All invoices shall clearly show the amount of HST billed by the Consultant as a separate item.

(f) The Consultant shall conform to any request that may be made by the Client to alter the form of invoice customarily used by the Consultant as may be reasonably required for the purposes of the Client's internal accounting systems. The Consultant agrees that each invoice shall clearly show and identify the work or service which is being charged under that invoice to the Client. The invoice shall have appended thereto any documentation required by the Client.

(g) The Client shall not be responsible to pay any amounts invoiced by the
Consultant which may arise from work, services or expenses incurred to remedy errors or omissions in the Work for which the Consultant is responsible.

(h) The Consultant shall submit invoices to:
Department of Natural Resources
P.O. Box 8700
St. John’s, NL A1B 4J6
Attention: Mr. Wes Foote, P. Eng., ADM, Petroleum Development

4. **Notices**

All notices, claims, payments, reports and other communications required under this Agreement shall be in writing. The addresses for service are as follows:

**For the Client:**

Mr. Wes Foote, P. Eng., ADM, Petroleum Development
Department of Natural Resources
P.O. Box 8700, St. John’s, NL A1B 4J6
Phone: (709) 729-2206
Fax: (709) 729-2871
Email: wesfoote@gov.nl.ca

**For the Consultant:**

John R. Hogg, President
Skybattle Resources Ltd.
9256 Oakmount Drive S.W.
Calgary, Alberta T2V 4X9
Phone: 403-281-8775
Cell: [redacted]
e-mail: [redacted]

Notices, requests or documents shall be deemed to have been received by the addressee as follows:

(a) As of the date on which they are delivered where delivery is by a party or by messenger or special courier service;

(b) As of the date on which they are sent where delivery is by telecopier or other means of electronic communication; and

(c) Six (6) days after delivery to Canada Post Corporation where the postal service is used.

5. **Entire Agreement**

It is hereby agreed that the Contract Documents constitute the entire agreement
between the parties (the “Agreement”). There are no understandings, representations or warrants of any kind except as expressly set forth herein. No changes, alterations, modifications or amendments of this Agreement shall be effective unless made in writing and signed by those persons designated for such purpose. This Agreement may be amended or otherwise modified by e-mail.

6. **Representations and Warranties**

The Consultant hereby represents and warrants that every fact stated or represented by the Consultant or its Representatives to the Client in connection with any proposal made by the Consultant in respect of the Work is true and agrees that the Client shall be conclusively deemed to have relied on each such representation or statement in entering into this Agreement.

7. **Conflict Between Provisions**

In the event of any conflict or inconsistency between provisions in the Contract Documents, the Contract Documents shall have precedence as follows: first the Head Agreement, second the Special Terms and Conditions, third the General Terms and Conditions, fourth the Protocols for Security of Government Information on Information Technology assets of Contractors, fifth the Scope of Work, and last, any documents incorporated by reference in any of the foregoing.

8. **Start and Completion Date**

The Consultant shall commence activities in relation to the Work with the start and completion dates mutually agreed upon as follows:

- **Start Date:** April 1, 2015
- **Completion Date:** March 31, 2016

9. **Effective Date**

The effective date of this Agreement shall be the earlier of the start date referred to in Clause 8 or the date on the first page of this Head Agreement.

10. **Paragraph Numbering**

In the event that the General Terms and Conditions are modified, the numbering references in the General Terms and Conditions shall remain unchanged.
11. **Counterparts**

This Agreement may be executed in any number of counterparts, each of which will be considered an original of this Agreement, and which together will constitute one and the same instrument. No Party will be bound to this Agreement unless and until all Parties have executed a counterpart. A facsimile signature or an otherwise electronically reproduced signature of either Party shall be deemed to be an original.

**HER MAJESTY IN RIGHT OF NEWFOUNDLAND AND LABRADOR**

[Signature]

Minister of Natural Resources, or his/her authorized designate

**Skybattle Resources Ltd.**

[Signature]

Authorized Signature

Date: **April 6, 2015**
SCHEDULE “A”

SCOPE OF WORK

The Consultant shall complete the work and/or perform the following services:

The consultant will provide expert technical and policy advice as required relating to the Department’s mandate in relation to geoscience activities, including training. This may include, but is not limited to, serving as a geological technical advisor, providing assessments, critique, analysis, advice related to conducting specialized and/or comprehensive geological investigations of stratigraphy, structure, sedimentology and overall hydrocarbon habitat in the Province’s onshore and offshore, and advice relating to geoscience developments locally, provincially, nationally and internationally. The Consultant is expected to draw upon its own resources, expertise, contacts, networks and previous experience in providing technical assessments, critique and advice and input to the Client.

While the specific work and assignments of the consultant will be determined as required, some general duties include:

- Providing updates, summaries, briefings, information and assessments to the Client concerning issues, initiatives, discussions, news and events relating to the geoscience field locally, provincially, nationally and internationally;
- Providing advice related to ongoing daily exploration and drilling operations and the regulatory aspects;
- Providing advice on the development of a policy for the application of hydraulic fracturing, to mobilize hydrocarbons from both conventional and unconventional resources;
- Provide advice on the development of policy for the protection of potable groundwater and the disposal of drilling waste fluids in subsurface aquifers for the provinces conventional and unconventional resources;
- Providing advice on implementation of the geoscience initiatives articulated in the Energy Plan;
- Providing geological training to geoscience staff on an as needed basis related to basin and resource assessments, geochemistry, petrophysics, well log interpretation with a particular focus on data integration to construct maps for use in resource and reserve calculations and to identify leads and prospects and potential play fairways;
- Providing technical input and advice on the development of a strategic plan focusing on a regional geological assessment in the Newfoundland and Labrador onshore region;
- Providing advice on the development of a strategic plan to acquire geoscience data in advance of a Request For Nominations and Call For Postings in the Newfoundland and Labrador onshore region;
- Preparing geoscience based reports and presentations in support of Call for Bids for the NL offshore region or Request for Bids in the NL onshore region.
- Providing advice and geoscience materials, where applicable, to assist in the promotion of the oil and gas prospectivity of our onshore and offshore region, including speaking engagements at approved geoscience technical meetings and conferences;
- Assessing opportunities and help facilitate speaking opportunities, conferences, meetings and other events related to petroleum geoscience, for Newfoundland and Labrador representatives; and
• Advising on what may be required in terms of its own planning and resource allocation in order to facilitate the necessary level of awareness, understanding and knowledge of opportunities regarding Newfoundland and Labrador energy resources to the geoscience community to help the Client achieve its strategic goals.

**Contract Schedule**

While there is no defined schedule, the consultant agrees that there is a critical turnaround time requirement on the high level review activities relating to issues as they arise. This may vary from an immediate review with a response time of 1-4 hours to 20-30 days for a review, critique and preparation of findings and recommendations in a presentation format.

**Deliverables**

The deliverables may vary with the assigned work and may include telephone conversations, e-mail correspondence, single-page to multi-page electronic documents, power point slide presentations and complete reports.

**Contract Cost**

The total cost of this contract is CDN $20,000.00, excluding taxes. The hourly rate shall be inclusive for advisory services.
SCHEDULE "B"

SPECIAL TERMS AND CONDITIONS (as necessary)

1. No Special Terms and Conditions

Dealer Signature:

Deputy Minister

Consultant

John Hogg
President
Skyhallo Resources Ltd.

Signature Date: 2015/05/13
SCHEDULE “C”

GENERAL TERMS AND CONDITIONS

Article 1  -  Information Supplied By The Client
Article 2  -  Confidentiality, Materials and Copyright
Article 3  -  Employees of the Consultant
Article 4  -  Access to Facilities
Article 5  -  Records and Audit
Article 6  -  Termination
Article 7  -  Liability
Article 8  -  Compliance with Law
Article 9  -  Arbitration
Article 10 -  Laws Governing
Article 11 -  Use of Work
Article 12 -  Conflict of Interest
Article 13 -  Subcontractors
Article 14 -  General
GENERAL TERMS AND CONDITIONS

Article - 1.  INFORMATION SUPPLIED BY THE CLIENT

1.1 The Client will furnish to the Consultant all available information necessary for the performance of the Work. The Client makes no guarantee either expressed or implied as to the accuracy of the information supplied. The Consultant shall review the Information for accuracy and applicability.

1.2 Where discrepancies, omissions or obscurities in the information are evident, the Consultant shall bring them to the attention of the Client and secure written instructions from the Client before proceeding with any work.

Article - 2.  CONFIDENTIALITY, MATERIALS AND COPYRIGHT

2.1 For the purposes of this Article "Confidential Information" means:

(a) all communications and instructions from the Client respecting the Services, including the fact of this Agreement;

(b) all information acquired by the Consultant, his/her employees, servants and/or agents respecting policy consideration and development, business decisions, internal deliberations, discussions and considerations and any other aspect of the decision-making process of the Client;

(c) all oral, written, electronic, and machine readable information and data and any accompanying supporting materials and documentation, including without limitation, materials, documents, reports, databases, information and data of whatever nature and kind concerning the affairs of the Client, disclosed directly or indirectly to the Consultant, his/her employees, servants and/or agents during the performance of the Services or in any way related thereto;

(d) all personal information, as defined from time to time under the Access to Information and Protection of Privacy Act, SNL2002 cA-1.1, or the Personal Health Information Act, SNL2008 cP-7.01, to mean recorded information about an identifiable individual, including

(i) the individual's name, address or telephone number,

(ii) the individual's race, national or ethnic origin, colour, or religious or political beliefs or associations,

(iii) the individual's age, sex, sexual orientation, marital status or family status,

(iv) an identifying number, symbol or other particular assigned to the individual,
the individual's fingerprints, blood type or inheritable characteristics,

information about the individual's health care status or history, including a physical or mental disability,

information about the individual's educational, financial, criminal or employment status or history,

the opinions of a person about the individual, and

the individual's personal views or opinions

for any individual, which is, directly or indirectly, disclosed to or collected by the Consultant, its, his/her employees, servants and/or agents during the performance of the Services or in any way related thereto;

all information that is developed based upon Confidential Information including the work product of the Consultant, its, his/her employees, servants and/or agents; and

Confidential Information shall not include any information which:

(i) at the time such information was provided to the Consultant was or thereafter became part of the public domain through no act or omission of the Consultant or its, his/her Representatives; or

(ii) is information which the Consultant can show possession of prior to the date of this Agreement and which was received or developed by the Consultant free of obligations of confidentiality to the Client.

2.2 The Consultant shall treat all Confidential Information acquired by the Consultant in the performance of the Services as privileged and confidential and shall not divulge the same to any person or persons at any time without the express written approval of the Client, unless required to do so by law, which may include a subpoena or other similar process or in connection with litigation, arbitration or other proceeding or by virtue of an Act or Regulations. In the event that such disclosure is required, the Consultant shall give the Client prompt notice of the requirement upon becoming aware that such disclosure is required. Where circumstances did not permit the Consultant to provide such notice prior to disclosure, the Consultant shall provide such notice to the Client immediately after the required disclosure.

2.3 The Consultant shall only use the Confidential Information acquired in the performance of the Services for the purposes specified in the Scope of Work and this Agreement, and shall not permit the use of the Confidential Information for any other purposes.

2.4 All materials, data, designs, plans, drawings, specifications, research, reports, notes, estimates, summaries, calculations, surveys, papers, completed work, and work in progress and such other information and materials or parts thereof as are compiled, drawn and produced by the Consultant in performing the Services, including without limitation, computer printouts and computer models and all copyrights thereto and all patents, trademarks and Industrial designs arising therefrom, are the sole and exclusive property of the Government of Newfoundland and Labrador and the contents thereof are privileged and confidential. Nothing in this Agreement shall give the Consultant a right, however
arising, to assert any lien, claim, demand, property right, remedy or security right of any kind over the information provided to the Consultant pursuant to the terms of this Agreement. The Consultant acknowledges that the Client's right to this information shall at all times be paramount to any rights of the Consultant, at law or in equity, and that the Consultant's remedies against the Client for the Client's breaches under this Agreement do not include the right to deprive the Client of access to the Client's information in the Consultant's possession.

2.6 The Consultant shall provide to the Client and solely to the Client upon completion of the Services or upon earlier termination of this Agreement all Confidential Information acquired during the performance of the Services, or shall, at the request of the Client, destroy any and all copies and versions of the Confidential Information in the possession of the Consultant, his/her employees, servants and/or agents, and shall certify the destruction of same to the Client.

2.6 The Consultant acknowledges that, in addition to the requirements of this Agreement, the Confidential Information acquired by the Consultant, its employees, servants and/or agents in the performance of the Services and in particular personal information, is subject to privacy legislation in this jurisdiction, including but not limited to the Access to Information and Protection of Privacy Act, the Management of Information Act, SNL2005, cM-1.01, the Privacy Act, RSNL1990 cP-22, and Personal Health Information Act, SNL2008 cP-7.01, as well as other legislation which may apply in the jurisdiction of the Consultant's operation. The Consultant is responsible to ensure the compliance with and satisfaction of the legislative requirements of all such Information relating to the treatment of Confidential Information by the Consultant, its, his/her employees, servants and/or agents. The client may be compelled to disclose financial information pursuant to the first cited Act.

2.7 The Consultant shall ensure that it, his/her employees, servants and/or agents have in place and follow the appropriate systems, processes, protocols and policies to maintain the physical and electronic security of all Confidential Information, including but not restricted to the following:

(a) at a minimum, using the same level of physical and electronic security as the Consultant employs to avoid disclosure or dissemination of the Consultant's own confidential information, to prevent the disclosure of any of the Confidential Information to any third party, or to any of its employees, servants or agents other than those who are required to have access to properly perform the Services under this Agreement;

(b) establish and maintain security policies, standards and safeguards to prevent unauthorized access, collection, use, disclosure or disposal of the Confidential Information;

(c) ensure all employees, servants and/or agents of the Consultant comply with all policies, standards and safeguards established under this Article;

(d) advise the Client of any changes in its, his/her security systems, procedures, standards and practices that may affect the Confidential Information and seek the Client's consent prior to such changes; and

(e) satisfaction of the foregoing commitments includes, but is not restricted to, compliance with the requirements set out in Schedule "D", unless otherwise advised by the Client, and this includes:
(i) complying with all alterations or updates of Schedule "D" as may be provided to the Consultant from time to time; and

(ii) adhering to any additional instructions (including oral instructions) from the Client as they relate to the subject matter contained in Schedule "D" and this Article.

2.8 The Consultant shall only disclose confidential information to persons other than its employees, servants and/or agents with the prior written consent of the Client, and then only to those persons who need to know the information in order to carry out the duties associated with this Agreement and only after confirming that such persons agree to comply with the provisions of this Article including the requirements set out in Schedule "D".

2.9 The Consultant shall:

(a) notify the Client promptly of any unauthorized possession, use or knowledge, or attempt thereof, of the Client's information in the possession of the Consultant, including but not limited to data processing files, transmission messages or other confidential information by any person or entity which may become known to the Consultant;

(b) promptly furnish to the Client full details of the unauthorized possession, use or knowledge, or attempt thereof, and assist the Client in investigating or preventing the recurrence of any unauthorized possession, use or knowledge, or attempt thereof, of confidential information;

(c) use reasonable efforts to cooperate with the Client in any litigation and investigation against third parties deemed necessary by the Client to protect its proprietary rights;

(d) promptly use all reasonable efforts to prevent a recurrence of any such unauthorized possession, use or knowledge of confidential information; and

(e) refer to and follow the privacy breach protocol of the Government of Newfoundland and Labrador as it exists at the time of the breach and located on the Department of Justice website at: http://www.justice.gov.nl.ca/just/CIVIL/atipp/default.htm

Article - 3. EMPLOYEES OF THE CONSULTANT

3.1 The Consultant shall provide employees who are competent in their field of specialization. The Client will have the right to have the Consultant remove from the Work any person, who by misconduct or by failure to properly perform his/her duties is considered by the Client to be unfit for employment on the Work. If the Consultant fails to remove any unfit person from the Work as requested by the Client, then the Client may void this Agreement or refuse to accept subsequent Work in which the person was involved and may refuse to approve payment for such Work.
3.2 The Consultant shall not alter, remove or replace the employees or Representatives indicated in the Scope of Work without prior written approval by the Client.

Article - 4. ACCESS TO FACILITIES

4.1 The Client agrees to provide, where it is deemed by the Client, in its absolute and sole discretion to be necessary for the reasonable performance of the Work, working space and equipment access for the Consultant to perform the Work during Client office hours.

4.2 When using or accessing the premises of the Client, the Consultant and all officers, employees and agents of the Consultant shall comply with all security regulations and workplace policies and procedures in effect from time to time at the Client's facilities.

Article - 5. RECORDS AND AUDIT

5.1 The Consultant shall keep records, books of account and supporting documents in accordance with accepted accounting procedures and practices. The records shall be made available to the Client or its authorized representative for observation or audit at mutually convenient times and up to one year after discharge of this Agreement.

5.2 The Consultant shall furnish reports as required by the Client for the purpose of monitoring the progress of the Work.

Article - 6. TERMINATION

6.1 This Agreement is deemed to be concluded once the Work has been completed to the satisfaction of the Client and payment(s), as stipulated in the Agreement, has been issued to the Consultant.

6.2 Notwithstanding the provisions of this Agreement, either of the Parties may at any time by way of fourteen (14) days written notice to the other, terminate this Agreement.

6.3 Where this Agreement is terminated prior to the mutually agreed upon completion date, the Consultant shall thereupon be entitled to payment in accordance with this Agreement in respect of that part of the Work completed up to the date of termination, provided however, that the Consultant shall not be entitled to any other payment in respect of such termination, including, without prejudice to the generality of the foregoing, any payment for any consequential loss or damage or loss of profits arising from termination of this Agreement or in any other way related thereto. The Client shall retain the right of set off with respect to any earned but unpaid proceeds then owing pursuant to this Agreement.
Article - 7. LIABILITY

7.1 The Consultant agrees that in performance of the Work neither the Consultant nor any Consultant’s Representative shall be or be deemed to be an officer, servant, agent or partner of the Client.

7.2 The Client shall not be liable for, and the Consultant shall indemnify and save harmless the Client and the Client’s Representatives against all losses, costs, charges, or expenses incurred by the Client and its agents as a result of actions, claims or awards for compensation at law, equity or under any applicable legislation, made or brought by, against, suffered by or imposed upon the Client, or its Representatives by a third party, as a result of or related to the performance of this Agreement by the Consultant or the Consultant’s Representatives.

7.3 The Consultant shall defend any and all such actions and pay all legal charges, costs and other expenses arising therefrom. Notwithstanding the foregoing, the Client may at its own discretion retain its own solicitors to defend its interests in any such suit or claim, and the legal costs of that defense shall be paid by the Consultant.

Article - 8. COMPLIANCE WITH LAW

8.1 In respect of any work within the Province of Newfoundland and Labrador connected with or arising from this Agreement, the Consultant shall provide (where requested by the Client) evidence of compliance with all requirements of the Province of Newfoundland and Labrador with respect to Worker’s Compensation and or Occupational Health and Safety, including without limitation, any payments or compliance orders due or issued thereunder.

8.2 The Consultant shall ensure that the Consultant and its Representatives comply with all requirements of any governing federal, provincial or municipal legislation, by-laws or regulations applicable to the Consultant or the Consultant’s Representatives in the performance of the Work.

Article - 9. ARBITRATION

9.1 In the case of a dispute arising between the Client and the Consultant as to their respective rights and obligations under this Agreement, the parties shall first attempt to resolve all matters through friendly negotiation by a meeting between their representatives upon notice. A resolution reached in this way must be reached within 10 days of both parties having knowledge and notice of the dispute and be reduced to writing.

9.2 In the case of a dispute arising between the Client and the Consultant as to their respective rights and obligations under this Agreement, (that has not been resolved pursuant to Article 9.1), either party may give the other notice of such dispute and to request arbitration thereof. If both parties agree, the parties shall, with respect to the particular matters then in dispute, submit the same to arbitration in accordance with the provisions of the Arbitration Act, RSNL1990 cA-14, including such provisions for the appointment of arbitrators.
Article - 10. LAWS GOVERNING

10.1 This Agreement shall be governed by and interpreted in accordance with the laws of the Province of Newfoundland and Labrador and all actions, suits or proceedings arising out of this Agreement shall be determined in a court of competent jurisdiction in Newfoundland and Labrador subject to any right of appeal.

Article - 11. USE OF WORK

11.1 The Client shall have the right to use the Work or variations thereof in other operations of the Client.

Article - 12. CONFLICT OF INTEREST

12.1 No public employee or member of the House of Assembly of the Province of Newfoundland and Labrador shall be admitted to any part or share of the payments made pursuant to this Agreement or to any benefits arising therefrom except in accordance with the Conflict of Interest Act or the House of Assembly Act.

12.2 The Consultant and the Consultant's Representatives:

(a) shall conduct all duties related to this Agreement with Impartiality;

(b) shall not influence, seek to influence, or otherwise take part in a decision of the Client, knowing that the decision might further their private interests;

(c) shall not accept any commission, discount, allowance, payment, gift, or other benefit that is connected, directly or indirectly, with the performance of any duties related to this Agreement, that causes, or would appear to cause, a conflict of interest; and

(d) shall have no financial interest in the business of a third party that causes, or would appear to cause, a conflict of interest in connection with the performance of any duties related to this Agreement.

Article - 13. SUBCONTRACTORS

13.1 The Consultant shall not subcontract all or a portion of the Work without the prior written approval of the Client.

13.2 The entry into any subcontract shall not relieve the Consultant of any of its obligations under the terms of this Agreement.
Article - 14. GENERAL

(a) Articles 2 and 7 of this Agreement shall survive the termination or expiration of this Agreement.

(b) Neither party shall be considered in default in performance of its obligations hereunder to the extent that performance of such obligations is delayed, hindered, or prevented by force majeure. Force majeure shall be any cause beyond the control of the parties hereto which they could not reasonably have foreseen and guarded against.

(c) Time shall be of the essence of this Agreement.

(d) The failure of the Client to insist upon or enforce in any instance strict performance by the Consultant of any of the terms of this Agreement or to exercise any rights herein conferred shall not be construed as a waiver or a relinquishment to any extent of the Client's right to assert or rely upon any such terms or rights on any future occasion.

(e) If any provision of this Agreement is determined to be invalid or unenforceable, in whole or in part, such invalidity or unenforceability shall attach only to such provision, and all other provisions hereof shall continue in full force and effect.

(f) The division of this Agreement into Articles and Clauses and the insertion of headings are for the convenience of reference only and shall not affect the construction or interpretation of this Agreement.

(g) This Agreement shall inure to the benefit of and be binding upon the Parties hereto, their respective heirs, legal representatives, successors and assigns.

(h) The Consultant shall not assign this Agreement in whole or in part to any third party without the prior written approval of the Client.

END OF SCHEDULE C
The Consultant shall confirm with the client Department whether the Consultant will be required to use information technology resources, including computers, of the Government of Newfoundland and Labrador in the conduct of the work under the Agreement. The following requirements apply where the Consultant will not be using such assets, but will instead have access to confidential information (including personal information) ("Confidential Information") received from the Government of Newfoundland and Labrador ("Government") and will be storing, manipulating or accessing that Confidential Information on the Consultant’s own information technology resources.

- All portable storage devices or media (e.g., flash drives, memory sticks, portable hard drives, writeable compact discs or digital video discs, etc.) may only be used to transport and / or store Confidential Information where either the Confidential Information or the device or media is encrypted.

- Unless specifically separately authorized by the Agreement or otherwise, the Consultant is not permitted to attach non-government computers or other information technology systems to any Government network.

- Consultants are expected to implement and maintain up to date versions of all ordinary business software for the reasonable protection of information on computers attached to the Internet which will have access to or store Confidential Information, including security firewall and anti-viral software.

- Consultants are not permitted to use any Peer to Peer file sharing program (e.g., Limewire, etc.) or chat program (i.e., MSN, Skype) on any information technology asset which will contain Confidential Information, or which will be connected via a network to any computer which will contain Confidential Information.

- Email should not be used as a method to transmit Confidential Information across public networks such as the Internet unless the e-mail and/or its attachments are encrypted or zipped in a secure manner.

- The Consultant acknowledges that, in addition to the requirements of this Agreement, the Confidential Information acquired by the Consultant, its employees, servants and/or agents in the performance of the Services and in particular personal information, is subject to privacy legislation in various jurisdictions, including but not limited to the Access to Information and Protection of Privacy Act, and Management of Information Act, SNL2005, cM-1.01, and the Privacy Act, RSNL1990 CP-22, as well as other legislation which may apply in the jurisdiction of the Consultant’s operation. The Consultant is responsible to ensure the compliance with and satisfaction of the legislative requirements of all such information relating to the treatment of Confidential Information by the Consultant, its employees, servants and/or agents.
• Where a Consultant will be granted access to the Government computer network during the course of the work, in addition to the requirements noted above, the Consultant shall not:
  o Share personal computer drives or folders on a computer accessing the network; or
  o Access the network remotely, either through wired or wireless connections, except through the use of secure ID and virtual private network systems.

• These requirements apply to the Consultant and all agents, employees or permitted sub-Consultants of the Consultant, and it is the responsibility of the Consultant to ensure that all such agents, employees or permitted sub-Consultants are aware of these restrictions and are in compliance with them.

END OF SCHEDULE D
AGREEMENT

THIS AGREEMENT made at St. John’s, in the Province of Newfoundland and Labrador, on this 21st day of December, 2016.

BETWEEN: HER MAJESTY IN RIGHT OF NEWFOUNDLAND AND LABRADOR as represented by the Minister of Natural Resources (“the Client”)

AND: Skybattle Resources Ltd. (“the Consultant”)

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the mutual covenants expressed, and as amended, the Parties agree as follows:

1. Definitions

   In addition to the terms defined in the General Terms and Conditions attached as Schedule “C”, the following words and phrases shall have the following meanings:

   a. “Contract Documents” shall mean and include:
      i. This head agreement (the “Head Agreement”);
      ii. The Scope of Work attached as Schedule “A”;
      iii. The Special Terms and Conditions attached as Schedule “B”;
      iv. The General Terms and Conditions attached as Schedule “C”; and

   b. “Representatives” means directors, officers, employees, consultants, sub-consultants, agents, advisors or partners.

2. The Consultant’s Work

   The Consultant shall do all things necessary to fulfill all of the obligations of the Consultant as set out in the Contract Documents (the “Work”). The Work shall be performed by the Consultant to the satisfaction of the Client.
3. **Payment**

1.1 **Consideration**

It is agreed and understood that payments made for the satisfactory performance of the Work pursuant to this Agreement shall be made in accordance with either Option 1, 2 or 3 below.

Payment Option #1 [Not Applicable]

Subject to Article 1.3, upon presentation of itemized and substantiated invoices satisfactory to the Client, the Client shall pay to the Consultant, for the satisfactory performance of the Work, **Insert text of dollar value ($ Insert numeric dollar value)** (plus HST) in accordance with the following payment schedule:

(i) **Periodic payments – set out time or milestones for payments**

Payment Option #2 [Applicable]

Subject to Article 1.3, upon presentation of itemized and substantiated invoices satisfactory to the Client, the Client shall pay to the Consultant, for the satisfactory performance of the Work, the following time rate schedule for activities actually expended in performance of the Work (plus HST):

(i) **John R. Hogg, P. Geo (AB), P. Geol (NWT/NU), P. Geo. (NL), AAPG Certified Petroleum Geologist**

Payment Option #3 [Not Applicable]

Subject to Article 1.3, upon the satisfactory completion of the Work and the presentation of itemized and substantiated invoices satisfactory to the Client, the Client shall pay to the Consultant, **Insert Absolute Limit on Cost of Services** (plus HST).

1.2 **Reimbursement of Expenses**

It is agreed and understood that reimbursements for the Consultant's expenses pursuant to this Agreement shall be made in accordance with either Option A or B below.

Reimbursement Option A [Applicable]

(a) The Client shall only be responsible for the following reimbursable expenses, payable at cost, provided the Consultant can demonstrate to the Client that such expenses were incurred in relation to the Work, and that documentation, satisfactory to the Client, is provided in support of the reimbursable expense claimed and is attached to the applicable invoice,
including for example, originals of supporting receipts, invoices or statements issued by non-parties to this Agreement:

(i) Travel, meals, accommodations, registrations, printing and duplicating, courier, long distance telephone and/or facsimile charges, and other approved third party purchases.

(b) All claims submitted for reimbursable expenses in accordance with this Article 1.2 shall be reimbursed at rates not to exceed those established by Treasury Board pursuant to the guidelines and policies of the Client even if such rates are lower than the actual costs incurred by the Consultant.

Reimbursement Option B [Not Applicable]

The Client shall not be responsible for any expenses incurred by the Consultant, including, without limitation, out of pocket expenses such as travel, meals, accommodations, legal advice, support staff, printing and duplicating, courier, long distance telephone and/or facsimile charges, without the prior written approval of the Client.

1.3 Payment General

(a) Regardless of the payment option selected in Article 1.1 and/or 1.2, the Parties agree and confirm that total amounts payable for the Work shall not exceed a monetary ceiling of Fifteen Thousand Dollars ($15,000) and that a minimum of ten percent (10%) of the total fees payable for the Work will be withheld until such time as the project is completed to the satisfaction of the Client.

(b) The Consultant shall remain obligated to complete the Work notwithstanding that the actual costs of the Consultant, whether in respect of professional services or in respect of costs or expenses incurred, may exceed the total aggregate sum set out in Article 1.3(a).

(c) The Parties agree and confirm that as set out in section 25(6) of the Financial Administration Act, RSNL1990 cF-8, as amended, all fees payable in accordance with this Agreement are subject to there being an appropriation for the work for the fiscal year in which payment under this Agreement is due.

(d) Payment will be made within 60 calendar days of receipt of a properly documented invoice.

(e) All invoices shall clearly show the amount of HST billed by the Consultant as a separate item.

(f) The Consultant shall conform to any request that may be made by the Client to alter the form of invoice customarily used by the Consultant as may be reasonably required for the purposes of the Client's internal accounting systems. The Consultant agrees that each invoice shall clearly show and identify the work or service which is being charged
under that invoice to the Client. The invoice shall have appended thereto any documentation required by the Client.

(g) The Client shall not be responsible to pay any amounts invoiced by the Consultant which may arise from work, services or expenses incurred to remedy errors or omissions in the Work for which the Consultant is responsible.

(h) The Consultant shall submit invoices to:
Department of Natural Resources
P.O. Box 8700
St. John’s, NL A1B 4J6
Attention: Mr. Wes Foote, P. Eng., ADM, Petroleum Development

4. Notices

All notices, claims, payments, reports and other communications required under this Agreement shall be in writing. The addresses for service are as follows:

For the Client:

Mr. Wes Foote, P. Eng., ADM, Petroleum Development
Department of Natural Resources
P.O. Box 8700, St. John’s, NL A1B 4J6
Phone: (709) 729-2206
Fax: (709) 729-2871
Email: wesfoote@gov.nl.ca

For the Consultant:

John R. Hogg, President
Skybattle Resources Ltd.
9256 Oakmount Drive S.W.
Calgary, Alberta T2V 4X9
Phone: 403-281-8775
Cell: 
E-mail: 

Notices, requests or documents shall be deemed to have been received by the addressee as follows:

(a) As of the date on which they are delivered where delivery is by a party or by messenger or special courier service;

(b) As of the date on which they are sent where delivery is by telexcopyer or other means of electronic communication; and

(c) Six (6) days after delivery to Canada Post Corporation where the postal service is used.
5. **Entire Agreement**

   It is hereby agreed that the Contract Documents constitute the entire agreement between the parties (the “Agreement”). There are no understandings, representations or warranties of any kind except as expressly set forth herein. No changes, alterations, modifications or amendments of this Agreement shall be effective unless made in writing and signed by those persons designated for such purpose. This Agreement may be amended or otherwise modified by e-mail.

6. **Representations and Warranties**

   The Consultant hereby represents and warrants that every fact stated or represented by the Consultant or its Representatives to the Client in connection with any proposal made by the Consultant in respect of the Work is true and agrees that the Client shall be conclusively deemed to have relied on each such representation or statement in entering into this Agreement.

7. **Conflict Between Provisions**

   In the event of any conflict or inconsistency between provisions in the Contract Documents, the Contract Documents shall have precedence as follows: first the Head Agreement, second the Special Terms and Conditions, third the General Terms and Conditions, fourth the Protocols for Security of Government Information on Information Technology assets of Contractors, fifth the Scope of Work, and last, any documents incorporated by reference in any of the foregoing.

8. **Start and Completion Date**

   The Consultant shall commence activities in relation to the Work with the start and completion dates mutually agreed upon as follows:

   - **Start Date:** January 10, 2017
   - **Completion Date:** March 31, 2017

9. **Effective Date**

   The effective date of this Agreement shall be the earlier of the start date referred to in Clause 8 or the date on the first page of this Head Agreement.

10. **Paragraph Numbering**

    In the event that the General Terms and Conditions are modified, the numbering references in the General Terms and Conditions shall remain unchanged.
11. **Counterparts**

This Agreement may be executed in any number of counterparts, each of which will be considered an original of this Agreement, and which together will constitute one and the same instrument. No Party will be bound to this Agreement unless and until all Parties have executed a counterpart. A facsimile signature or an otherwise electronically reproduced signature of either Party shall be deemed to be an original.

**HER MAJESTY IN RIGHT OF NEWFOUNDLAND AND LABRADOR**

[Signature]

Minister of Natural Resources, or his/her authorized designate

**Skybattle Resources Ltd.**

[Signature]

Authorized Signature

Date: 12/21/16
SCHEDULE "A"

SCOPE OF WORK

The Consultant shall complete the work and/or perform the following services:

The consultant will provide expert technical and policy advice as required relating to the Department's mandate in relation to geoscience activities, including training. This may include, but is not limited to, serving as a geological technical advisor, providing assessments, critique, analysis, advice related to conducting specialized and/or comprehensive geological investigations of stratigraphy, structure, sedimentology and overall hydrocarbon habitat in the Province's onshore and offshore, and advice relating to geoscience developments locally, provincially, nationally and internationally. The Consultant is expected to draw upon its own resources, expertise, contacts, networks and previous experience in providing technical assessments, critique and advice and input to the Client.

While the specific work and assignments of the consultant will be determined as required, some specific duties include:

- Providing updates, summaries, briefings, information and assessments to the Client concerning issues, initiatives, discussions, news and events relating to the geological aspects locally, provincially, nationally and internationally;
- Providing advice on the development of a policy for the application of hydraulic fracturing, to mobilize hydrocarbons from both conventional and unconventional resources;
- Provide advice on the development of policy for the protection of potable groundwater and the disposal of drilling waste fluids in subsurface aquifers for the provinces conventional and unconventional resources;
- Providing geological training to geoscience staff on an as needed basis related to basin and resource assessments, geochemistry, petrophysics, well log interpretation with a particular focus on data integration to construct maps for use in resource and reserve calculations and to identify leads and prospects and potential play fairways; and
- Providing advice on the development of a strategic plan to acquire geoscience data in advance of a Request For Nominations and Call For Postings in the Newfoundland and Labrador onshore region.

General duties include:

- Providing advice related to ongoing daily exploration and drilling operations and the regulatory aspects;
- Providing technical input and advice on the development of a strategic plan focusing on a regional geological assessment in the Newfoundland and Labrador onshore region;
- Preparing geological based reports and presentations in support of Call for Bids for the NL offshore region or Request for Bids in the NL onshore region;
- Providing advice and geological materials, where applicable, to assist in the promotion of the oil and gas prospectivity of our onshore and offshore region, including speaking engagements at approved geoscience technical meetings and conferences;
- Assessing opportunities and help facilitate speaking opportunities, conferences, meetings and other events related to petroleum geology, for Newfoundland and Labrador representatives; and
• Advising on what may be required in terms of its own planning and resource allocation in order to facilitate the necessary level of awareness, understanding and knowledge of opportunities regarding Newfoundland and Labrador energy resources to the geoscience community to help the Client achieve its strategic goals.

Contract Schedule

While there is no defined schedule, the consultant agrees that there is a critical turnaround time requirement on the high level review activities relating to issues as they arise. This may vary from an immediate review with a response time of 1-4 hours to 5-10 days for a review, critique and preparation of findings and recommendations in a presentation format.

Deliverables

The deliverables may vary with the assigned work and may include telephone conversations, e-mail correspondence, single-page to multi-page electronic documents, power point slide presentations and complete reports.

Contract Cost

The total cost of this contract is CDN $15,000.00, excluding taxes. The hourly rate shall be [Redacted] inclusive for advisory services.

S.35.1.d  S.35.1.f  S.35.1.g
SCHEDULE “B”

SPECIAL TERMS AND CONDITIONS (as necessary)

1. No Special Terms and Conditions

[Signature]
Deputy Minister

[Redacted]
Consultant

[Date] 12/21/16
SCHEDULE "C"

GENERAL TERMS AND CONDITIONS

Article 1 - Information Supplied By The Client
Article 2 - Confidentiality, Materials and Copyright
Article 3 - Employees of the Consultant
Article 4 - Access to Facilities
Article 5 - Records and Audit
Article 6 - Termination
Article 7 - Liability
Article 8 - Compliance with Law
Article 9 - Arbitration
Article 10 - Laws Governing
Article 11 - Use of Work
Article 12 - Conflict of Interest
Article 13 - Subcontractors
Article 14 - General
GENERAL TERMS AND CONDITIONS

Article - 1. INFORMATION SUPPLIED BY THE CLIENT

1.1 The Client will furnish to the Consultant all available information necessary for the performance of the Work. The Client makes no guarantee either expressed or implied as to the accuracy of the information supplied. The Consultant shall review the information for accuracy and applicability.

1.2 Where discrepancies, omissions or obscurities in the information are evident, the Consultant shall bring them to the attention of the Client and secure written instructions from the Client before proceeding with any work.

Article - 2. CONFIDENTIALITY, MATERIALS AND COPYRIGHT

2.1 For the purposes of this Article "Confidential Information" means:

(a) all communications and instructions from the Client respecting the Services, including the fact of this Agreement;

(b) all information acquired by the Consultant, his/her employees, servants and/or agents respecting policy consideration and development, business decisions, internal deliberations, discussions and considerations and any other aspect of the decision-making process of the Client;

(c) all oral, written, electronic, and machine readable information and data and any accompanying supporting materials and documentation, including without limitation, materials, documents, reports, databases, information and data of whatever nature and kind concerning the affairs of the Client, disclosed directly or indirectly to the Consultant, his/her employees, servants and/or agents during the performance of the Services or in any way related thereto;

(d) all personal information, as defined from time to time under the Access to Information and Protection of Privacy Act, SNL2002 cA-1.1, or the Personal Health Information Act, SNL2008 cP-7.01, to mean recorded information about an identifiable individual, including

(i) the individual's name, address or telephone number,

(ii) the individual's race, national or ethnic origin, colour, or religious or political beliefs or associations,

(iii) the individual's age, sex, sexual orientation, marital status or family status,

(iv) an identifying number, symbol or other particular assigned to the Individual,
(v) the individual's fingerprints, blood type or inheritable characteristics,

(vi) information about the individual's health care status or history, including a physical or mental disability,

(vii) information about the individual's educational, financial, criminal or employment status or history,

(viii) the opinions of a person about the individual, and

(ix) the individual's personal views or opinions

for any individual, which is, directly or indirectly, disclosed to or collected by the Consultant, its, his/her employees, servants and/or agents during the performance of the Services or in any way related thereto;

(e) all information that is developed based upon Confidential Information including the work product of the Consultant, its, his/her employees, servants and/or agents; and

(f) Confidential Information shall not include any information which:

(i) at the time such information was provided to the Consultant was or thereafter became part of the public domain through no act or omission of the Consultant or its, his/her Representatives; or

(ii) is information which the Consultant can show possession of prior to the date of this Agreement and which was received or developed by the Consultant free of obligations of confidentiality to the Client.

2.2 The Consultant shall treat all Confidential Information acquired by the Consultant in the performance of the Services as privileged and confidential and shall not divulge the same to any person or persons at any time without the express written approval of the Client, unless required to do so by law, which may include a subpoena or other similar process or in connection with litigation, arbitration or other proceeding or by virtue of an Act or Regulations. In the event that such disclosure is required, the Consultant shall give the Client prompt notice of the requirement upon becoming aware that such disclosure is required. Where circumstances did not permit the Consultant to provide such notice prior to disclosure, the Consultant shall provide such notice to the Client immediately after the required disclosure.

2.3 The Consultant shall only use the Confidential Information acquired in the performance of the Services for the purposes specified in the Scope of Work and this Agreement, and shall not permit the use of the Confidential Information for any other purposes.

2.4 All materials, data, designs, plans, drawings, specifications, research, reports, notes, estimates, summaries, calculations, surveys, papers, completed work, and work in progress and such other information and materials or parts thereof as are compiled, drawn and produced by the Consultant in performing the Services, including without limitation, computer printouts and computer models and all copyrights thereto and all patents, trademarks and industrial designs arising therefrom, are the sole and exclusive property of the Government of Newfoundland and Labrador and the contents thereof are privileged and confidential. Nothing in this Agreement shall give the Consultant a right, however
arising, to assert any lien, claim, demand, property right, remedy or security right of any kind over the information provided to the Consultant pursuant to the terms of this Agreement. The Consultant acknowledges that the Client's right to this information shall at all times be paramount to any rights of the Consultant, at law or in equity, and that the Consultant's remedies against the Client for the Client's breaches under this Agreement do not include the right to deprive the Client of access to the Client's information in the Consultant's possession.

2.5 The Consultant shall provide to the Client and solely to the Client upon completion of the Services or upon earlier termination of this Agreement all Confidential Information acquired during the performance of the Services, or shall, at the request of the Client, destroy any and all copies and versions of the Confidential Information in the possession of the Consultant, his/her employees, servants and/or agents, and shall certify the destruction of same to the Client.

2.6 The Consultant acknowledges that, in addition to the requirements of this Agreement, the Confidential Information acquired by the Consultant, its employees, servants and/or agents in the performance of the Services and in particular personal information, is subject to privacy legislation in this jurisdiction, including but not limited to the Access to Information and Protection of Privacy Act, the Management of Information Act, SNL2006, cM-1.01, the Privacy Act, RSNL1990 cP-22, and Personal Health Information Act, SNL2008 cP-7.01, as well as other legislation which may apply in the jurisdiction of the Consultant's operation. The Consultant is responsible to ensure the compliance with and satisfaction of the legislative requirements of all such information relating to the treatment of Confidential Information by the Consultant, its, his/her employees, servants and/or agents. The client may be compelled to disclose financial information pursuant to the first cited Act.

2.7 The Consultant shall ensure that it, his/her employees, servants and/or agents have in place and follow the appropriate systems, processes, protocols and policies to maintain the physical and electronic security of all Confidential Information, including but not restricted to the following:

(a) at a minimum, using the same level of physical and electronic security as the Consultant employs to avoid disclosure or dissemination of the Consultant's own confidential information, to prevent the disclosure of any of the Confidential Information to any third party, or to any of its employees, servants or agents other than those who are required to have access to properly perform the Services under this Agreement;

(b) establish and maintain security policies, standards and safeguards to prevent unauthorized access, collection, use, disclosure or disposal of the Confidential Information;

(c) ensure all employees, servants and/or agents of the Consultant comply with all policies, standards and safeguards established under this Article;

(d) advise the Client of any changes in its, his/her security systems, procedures, standards and practices that may affect the Confidential Information and seek the Client's consent prior to such changes; and

(e) satisfaction of the foregoing commitments includes, but is not restricted to, compliance with the requirements set out in Schedule "D", unless otherwise advised by the Client, and this includes:
(i) complying with all alterations or updates of Schedule "D" as may be provided to the Consultant from time to time; and

(ii) adhering to any additional instructions (including oral instructions) from the Client as they relate to the subject matter contained in Schedule "D" and this Article.

2.8 The Consultant shall only disclose confidential information to persons other than its employees, servants and/or agents with the prior written consent of the Client, and then only to those persons who need to know the information in order to carry out the duties associated with this Agreement and only after confirming that such persons agree to comply with the provisions of this Article including the requirements set out in Schedule "D".

2.9 The Consultant shall:

(a) notify the Client promptly of any unauthorized possession, use or knowledge, or attempt thereof, of the Client's information in the possession of the Consultant, including but not limited to data processing files, transmission messages or other confidential information by any person or entity which may become known to the Consultant;

(b) promptly furnish to the Client full details of the unauthorized possession, use or knowledge, or attempt thereof, and assist the Client in investigating or preventing the recurrence of any unauthorized possession, use or knowledge, or attempt thereof, of confidential information;

(c) use reasonable efforts to cooperate with the Client in any litigation and investigation against third parties deemed necessary by the Client to protect its proprietary rights;

(d) promptly use all reasonable efforts to prevent a recurrence of any such unauthorized possession, use or knowledge of confidential information; and

(e) refer to and follow the privacy breach protocol of the Government of Newfoundland and Labrador as it exists at the time of the breach and located on the Department of Justice website at: http://www.justice.gov.nl.ca/just/CIVIL/atipp/default.htm

Article - 3. EMPLOYEES OF THE CONSULTANT

3.1 The Consultant shall provide employees who are competent in their field of specialization. The Client will have the right to have the Consultant remove from the Work any person, who by misconduct or by failure to properly perform his/her duties is considered by the Client to be unfit for employment on the Work. If the Consultant fails to remove any unfit person from the Work as requested by the Client, then the Client may void this Agreement or refuse to accept subsequent Work in which the person was involved and may refuse to approve payment for such Work.
3.2 The Consultant shall not alter, remove or replace the employees or Representatives indicated in the Scope of Work without prior written approval by the Client.

Article - 4. ACCESS TO FACILITIES

4.1 The Client agrees to provide, where it is deemed by the Client, in its absolute and sole discretion to be necessary for the reasonable performance of the Work, working space and equipment access for the Consultant to perform the Work during Client office hours.

4.2 When using or accessing the premises of the Client, the Consultant and all officers, employees and agents of the Consultant shall comply with all security regulations and workplace policies and procedures in effect from time to time at the Client's facilities.

Article - 5. RECORDS AND AUDIT

5.1 The Consultant shall keep records, books of account and supporting documents in accordance with accepted accounting procedures and practices. The records shall be made available to the Client or its authorized representative for observation or audit at mutually convenient times and up to one year after discharge of this Agreement.

5.2 The Consultant shall furnish reports as required by the Client for the purpose of monitoring the progress of the Work.

Article - 6. TERMINATION

6.1 This Agreement is deemed to be concluded once the Work has been completed to the satisfaction of the Client and payment(s), as stipulated in the Agreement, has been issued to the Consultant.

6.2 Notwithstanding the provisions of this Agreement, either of the Parties may at any time by way of fourteen (14) days written notice to the other, terminate this Agreement.

6.3 Where this Agreement is terminated prior to the mutually agreed upon completion date, the Consultant shall thereupon be entitled to payment in accordance with this Agreement in respect of that part of the Work completed up to the date of termination, provided however, that the Consultant shall not be entitled to any other payment in respect of such termination, including, without prejudice to the generality of the foregoing, any payment for any consequential loss or damage or loss of profits arising from termination of this Agreement or in any other way related thereto. The Client shall retain the right of set off with respect to any earned but unpaid proceeds then owing pursuant to this Agreement.
Article - 7. LIABILITY

7.1 The Consultant agrees that in performance of the Work neither the Consultant nor any Consultant's Representative shall be or be deemed to be an officer, servant, agent or partner of the Client.

7.2 The Client shall not be liable for, and the Consultant shall indemnify and save harmless the Client and the Client’s Representatives against all losses, costs, charges, or expenses incurred by the Client and its agents as a result of actions, claims or awards for compensation at law, equity or under any applicable legislation, made or brought by, against, suffered by or imposed upon the Client, or its Representatives by a third party, as a result of or related to the performance of this Agreement by the Consultant or the Consultant’s Representatives.

7.3 The Consultant shall defend any and all such actions and pay all legal charges, costs and other expenses arising therefrom. Notwithstanding the foregoing, the Client may at its own discretion retain its own solicitors to defend its interests in any such suit or claim, and the legal costs of that defense shall be paid by the Consultant.

Article - 8. COMPLIANCE WITH LAW

8.1 In respect of any work within the Province of Newfoundland and Labrador connected with or arising from this Agreement, the Consultant shall provide (where requested by the Client) evidence of compliance with all requirements of the Province of Newfoundland and Labrador with respect to Worker’s Compensation and or Occupational Health and Safety, including without limitation, any payments or compliance orders due or issued thereunder.

8.2 The Consultant shall ensure that the Consultant and its Representatives comply with all requirements of any governing federal, provincial or municipal legislation, by-laws or regulations applicable to the Consultant or the Consultant’s Representatives in the performance of the Work.

Article - 9. ARBITRATION

9.1 In the case of a dispute arising between the Client and the Consultant as to their respective rights and obligations under this Agreement, the parties shall first attempt to resolve all matters through friendly negotiation by a meeting between their representatives upon notice. A resolution reached in this way must be reached within 10 days of both parties having knowledge and notice of the dispute and be reduced to writing.

9.2 In the case of a dispute arising between the Client and the Consultant as to their respective rights and obligations under this Agreement, (that has not been resolved pursuant to Article 9.1), either party may give the other notice of such dispute and to request arbitration thereof. If both parties agree, the parties shall, with respect to the particular matters then in dispute, submit the same to arbitration in accordance with the provisions of the Arbitration Act, RSNL1990 cA-14, including such provisions for the appointment of arbitrators.
Article - 10. LAWS GOVERNING

10.1 This Agreement shall be governed by and interpreted in accordance with the laws of the Province of Newfoundland and Labrador and all actions, suits or proceedings arising out of this Agreement shall be determined in a court of competent jurisdiction in Newfoundland and Labrador subject to any right of appeal.

Article - 11. USE OF WORK

11.1 The Client shall have the right to use the Work or variations thereof in other operations of the Client.

Article - 12. CONFLICT OF INTEREST

12.1 No public employee or member of the House of Assembly of the Province of Newfoundland and Labrador shall be admitted to any part or share of the payments made pursuant to this Agreement or to any benefits arising therefrom except in accordance with the Conflict of Interest Act or the House of Assembly Act.

12.2 The Consultant and the Consultant's Representatives:

(a) shall conduct all duties related to this Agreement with Impartiality;

(b) shall not influence, seek to influence, or otherwise take part in a decision of the Client, knowing that the decision might further their private interests;

(c) shall not accept any commission, discount, allowance, payment, gift, or other benefit that is connected, directly or indirectly, with the performance of any duties related to this Agreement, that causes, or would appear to cause, a conflict of interest; and

(d) shall have no financial interest in the business of a third party that causes, or would appear to cause, a conflict of interest in connection with the performance of any duties related to this Agreement.

Article - 13. SUBCONTRACTORS

13.1 The Consultant shall not subcontract all or a portion of the Work without the prior written approval of the Client.

13.2 The entry into any subcontract shall not relieve the Consultant of any of its obligations under the terms of this Agreement.
Article - 14. GENERAL

(a) Articles 2 and 7 of this Agreement shall survive the termination or expiration of this Agreement.

(b) Neither party shall be considered in default in performance of its obligations hereunder to the extent that performance of such obligations is delayed, hindered, or prevented by force majeure. Force majeure shall be any cause beyond the control of the parties hereto which they could not reasonably have foreseen and guarded against.

(c) Time shall be of the essence of this Agreement.

(d) The failure of the Client to insist upon or enforce in any instance strict performance by the Consultant of any of the terms of this Agreement or to exercise any rights herein conferred shall not be construed as a waiver or a relinquishment to any extent of the Client’s right to assert or rely upon any such terms or rights on any future occasion.

(e) If any provision of this Agreement is determined to be invalid or unenforceable, in whole or in part, such invalidity or unenforceability shall attach only to such provision, and all other provisions hereof shall continue in full force and effect.

(f) The division of this Agreement into Articles and Clauses and the insertion of headings are for the convenience of reference only and shall not affect the construction or interpretation of this Agreement.

(g) This Agreement shall inure to the benefit of and be binding upon the Parties hereto, their respective heirs, legal representatives, successors and assigns.

(h) The Consultant shall not assign this Agreement in whole or in part to any third party without the prior written approval of the Client.

END OF SCHEDULE C
SCHEDULE "D"

Protocols for Security of Government Information on Information Technology assets of Contractors

The Consultant shall confirm with the client Department whether the Consultant will be required to use information technology resources, including computers, of the Government of Newfoundland and Labrador in the conduct of the work under the Agreement. The following requirements apply where the Consultant will not be using such assets, but will instead have access to confidential information (including personal information) ("Confidential Information") received from the Government of Newfoundland and Labrador ("Government") and will be storing, manipulating or accessing that Confidential Information on the Consultant's own information technology resources.

- All portable storage devices or media (e.g., flash drives, memory sticks, portable hard drives, writeable compact discs or digital video discs, etc.) may only be used to transport and / or store Confidential Information where either the Confidential Information or the device or media is encrypted.

- Unless specifically separately authorized by the Agreement or otherwise, the Consultant is not permitted to attach non-government computers or other information technology systems to any Government network.

- Consultants are expected to implement and maintain up to date versions of all ordinary business software for the reasonable protection of information on computers attached to the Internet which will have access to or store Confidential Information, including security firewall and anti-viral software.

- Consultants are not permitted to use any Peer to Peer file sharing program (e.g., Limewire, etc.) or chat program (i.e., MSN, Skype) on any information technology asset which will contain Confidential Information, or which will be connected via a network to any computer which will contain Confidential Information.

- Email should not be used as a method to transmit Confidential Information across public networks such as the Internet unless the e-mail and/or its attachments are encrypted or zipped in a secure manner.

- The Consultant acknowledges that, in addition to the requirements of this Agreement, the Confidential Information acquired by the Consultant, its employees, servants and/or agents in the performance of the Services and in particular personal information, is subject to privacy legislation in various jurisdictions, including but not limited to the Access to Information and Protection of Privacy Act, and Management of Information Act, SNL2005, cM-1.01, and the Privacy Act, RSNL1990 cP-22, as well as other legislation which may apply in the jurisdiction of the Consultant's operation. The Consultant is responsible to ensure the compliance with and satisfaction of the legislative requirements of all such information relating to the treatment of Confidential Information by the Consultant, its employees, servants and/or agents.
Where a Consultant will be granted access to the Government computer network during the course of the work, in addition to the requirements noted above, the Consultant shall not:

- Share personal computer drives or folders on a computer accessing the network; or
- Access the network remotely, either through wired or wireless connections, except through the use of secure ID and virtual private network systems.

These requirements apply to the Consultant and all agents, employees or permitted sub-Consultants of the Consultant, and it is the responsibility of the Consultant to ensure that all such agents, employees or permitted sub-Consultants are aware of these restrictions and are in compliance with them.

END OF SCHEDULE D
AGREEMENT

THIS AGREEMENT made at St. John's, in the Province of Newfoundland and Labrador, on this 20th day of June, 2017.

BETWEEN: HER MAJESTY IN RIGHT OF NEWFOUNDLAND AND LABRADOR as represented by the Minister of Natural Resources ("the Client")

AND: Skybattle Resources Ltd. ("the Consultant")

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the mutual covenants expressed, and as amended, the Parties agree as follows:

1. Definitions
   In addition to the terms defined in the General Terms and Conditions attached as Schedule "C", the following words and phrases shall have the following meanings:

   a. "Contract Documents" shall mean and include:
      i. This head agreement (the "Head Agreement");
      ii. The Scope of Work attached as Schedule "A";
      iii. The Special Terms and Conditions attached as Schedule "B";
      iv. The General Terms and Conditions attached as Schedule "C"; and
      v. Protocols for Security of Government Information on Information Technology assets of Contractors attached as Schedule "D".

   b. "Representatives" means directors, officers, employees, consultants, sub-consultants, agents, advisors or partners.

2. The Consultant's Work
   The Consultant shall do all things necessary to fulfill all of the obligations of the Consultant as set out in the Contract Documents (the "Work"). The Work shall be performed by the Consultant to the satisfaction of the Client.
3. Payment

1.1 Consideration

It is agreed and understood that payments made for the satisfactory performance of the Work pursuant to this Agreement shall be made in accordance with either Option 1, 2 or 3 below.

Payment Option #1 [Not Applicable]

Subject to Article 1.3, upon presentation of itemized and substantiated invoices satisfactory to the Client, the Client shall pay to the Consultant, for the satisfactory performance of the Work, **insert text of dollar value (\$ insert numeric dollar value)** (plus HST) in accordance with the following payment schedule:

(i) **Periodic payments – set out time or milestones for payments**

Payment Option #2 [Applicable]

Subject to Article 1.3, upon presentation of itemized and substantiated invoices satisfactory to the Client, the Client shall pay to the Consultant, for the satisfactory performance of the Work, the following time rate schedule for activities actually expended in performance of the Work (plus HST):

(i) **John R. Hogg, P. Geo (AB), P. Geol (NWT/NU), P. Geo. (NL), AAPG Certified Petroleum Geologist - **

Payment Option #3 [Not Applicable]

Subject to Article 1.3, upon the satisfactory completion of the Work and the presentation of itemized and substantiated invoices satisfactory to the Client, the Client shall pay to the Consultant, **Insert Absolute Limit on Cost of Services** (plus HST).

1.2 Reimbursement of Expenses

It is agreed and understood that reimbursements for the Consultant’s expenses pursuant to this Agreement shall be made in accordance with either Option A or B below.

Reimbursement Option A [Applicable]

(a) The Client shall only be responsible for the following reimbursable expenses, payable at cost, provided the Consultant can demonstrate to the Client that such expenses were incurred in relation to the Work, and that documentation, satisfactory to the Client, is provided in support of the reimbursable expense claimed and is attached to the applicable invoice,
including for example, originals of supporting receipts, invoices or statements issued by non-parties to this Agreement:

(i) Travel, meals, accommodations, registrations, printing and duplicating, courier, long distance telephone and/or facsimile charges, and other approved third party purchases.

(b) All claims submitted for reimbursable expenses in accordance with this Article 1.2 shall be reimbursed at rates not to exceed those established by Treasury Board pursuant to the guidelines and policies of the Client even if such rates are lower than the actual costs incurred by the Consultant.

Reimbursement Option B [Not Applicable]

The Client shall not be responsible for any expenses incurred by the Consultant, including, without limitation, out of pocket expenses such as travel, meals, accommodations, legal advice, support staff, printing and duplicating, courier, long distance telephone and/or facsimile charges, without the prior written approval of the Client.

1.3 Payment General

(a) Regardless of the payment option selected in Article 1.1 and/or 1.2, the Parties agree and confirm that total amounts payable for the Work shall not exceed a monetary ceiling of Twenty Thousand Dollars ($20,000) and that a minimum of ten percent (10%) of the total fees payable for the Work will be withheld until such time as the project is completed to the satisfaction of the Client.

(b) The Consultant shall remain obligated to complete the Work notwithstanding that the actual costs of the Consultant, whether in respect of professional services or in respect of costs or expenses incurred, may exceed the total aggregate sum set out in Article 1.3(a).

(c) The Parties agree and confirm that as set out in section 25(6) of the Financial Administration Act, RSNL1990 cF-8, as amended, all fees payable in accordance with this Agreement are subject to there being an appropriation for the work for the fiscal year in which payment under this Agreement is due.

(d) Payment will be made within 60 calendar days of receipt of a properly documented invoice.

(e) All invoices shall clearly show the amount of HST billed by the Consultant as a separate item.

(f) The Consultant shall conform to any request that may be made by the Client to alter the form of invoice customarily used by the Consultant as may be reasonably required for the purposes of the Client's internal accounting systems. The Consultant agrees that each invoice shall clearly show and identify the work or service which is being charged
under that invoice to the Client. The invoice shall have appended thereto any documentation required by the Client.

(g) The Client shall not be responsible to pay any amounts invoiced by the Consultant which may arise from work, services or expenses incurred to remedy errors or omissions in the Work for which the Consultant is responsible.

(h) The Consultant shall submit invoices to:
Department of Natural Resources
P.O. Box 8700
St. John's, NL A1B 4J6
Attention: Mr. Wes Foote, P. Eng., ADM, Petroleum Development

4. **Notices**

All notices, claims, payments, reports and other communications required under this Agreement shall be in writing. The addresses for service are as follows:

**For the Client:**

Mr. Wes Foote, P. Eng., ADM, Petroleum Development
Department of Natural Resources
P.O. Box 8700, St. John's, NL A1B 4J6
Phone: (709) 729-2206
Fax: (709) 729-2871
Email: wesfoote@gov.nl.ca

**For the Consultant:**

John R. Hogg, President
Skybattle Resources Ltd.
9256 Oakmount Drive S.W.
Calgary, Alberta T2V 4X9
Phone: 403-281-8775
Cell: [redacted]
Email: [redacted]

Notices, requests or documents shall be deemed to have been received by the addressee as follows:

(a) As of the date on which they are delivered where delivery is by a party or by messenger or special courier service;

(b) As of the date on which they are sent where delivery is by telex or other means of electronic communication; and

(c) Six (6) days after delivery to Canada Post Corporation where the postal service is used.
5. **Entire Agreement**

   It is hereby agreed that the Contract Documents constitute the entire agreement between the parties (the "Agreement"). There are no understandings, representations or warranties of any kind except as expressly set forth herein. No changes, alterations, modifications or amendments of this Agreement shall be effective unless made in writing and signed by those persons designated for such purpose. This Agreement may be amended or otherwise modified by e-mail.

6. **Representations and Warranties**

   The Consultant hereby represents and warrants that every fact stated or represented by the Consultant or its Representatives to the Client in connection with any proposal made by the Consultant in respect of the Work is true and agrees that the Client shall be conclusively deemed to have relied on each such representation or statement in entering into this Agreement.

7. **Conflict Between Provisions**

   In the event of any conflict or inconsistency between provisions in the Contract Documents, the Contract Documents shall have precedence as follows: first the Head Agreement, second the Special Terms and Conditions, third the General Terms and Conditions, fourth the Protocols for Security of Government Information on Information Technology assets of Contractors, fifth the Scope of Work, and last, any documents incorporated by reference in any of the foregoing.

8. **Start and Completion Date**

   The Consultant shall commence activities in relation to the Work with the start and completion dates mutually agreed upon as follows:

   Start Date:       June 20, 2017
   Completion Date: March 31, 2018

9. **Effective Date**

   The effective date of this Agreement shall be the earlier of the start date referred to in Clause 8 or the date on the first page of this Head Agreement.

10. **Paragraph Numbering**

    In the event that the General Terms and Conditions are modified, the numbering references in the General Terms and Conditions shall remain unchanged.
11. **Counterparts**

This Agreement may be executed in any number of counterparts, each of which will be considered an original of this Agreement, and which together will constitute one and the same instrument. No Party will be bound to this Agreement unless and until all Parties have executed a counterpart. A facsimile signature or an otherwise electronically reproduced signature of either Party shall be deemed to be an original.

HER MAJESTY IN RIGHT OF NEWFOUNDLAND AND LABRADOR

[Signature]

Minister of Natural Resources, or his/her authorized designate

Skybattle Resources Ltd.

[Signature]

Authorized Signature

Date: 02/09/17
SCHEDULE “A”

SCOPE OF WORK

The Consultant shall complete the work and/or perform the following services:

The consultant will provide expert technical and policy advice as required relating to the Department’s mandate in relation to geoscience activities, including training. This may include, but is not limited to, serving as a geological technical advisor, providing assessments, critique, analysis, advice related to conducting specialized and/or comprehensive geological investigations of stratigraphy, structure, sedimentology and overall hydrocarbon habitat in the Province’s onshore and offshore, and advice relating to geoscience developments locally, provincially, nationally and internationally. The Consultant is expected to draw upon its own resources, expertise, contacts, networks and previous experience in providing technical assessments, critique and advice and input to the Client.

While the specific work and assignments of the consultant will be determined as required, some specific duties include:

- Providing updates, summaries, briefings, information and assessments to the Client concerning issues, initiatives, discussions, news and events relating to the geoscience field locally, provincially, nationally and internationally;
- Providing advice on the development of a policy for the application of hydraulic fracturing, to mobilize hydrocarbons from both conventional and unconventional resources;
- Provide advice on the development of policy for the protection of potable groundwater and the disposal of drilling waste fluids in subsurface aquifers for the provinces conventional and unconventional resources;
- Providing geological training to geoscience staff on an as needed basis related to basin and resource assessments, geochemistry, petrophysics, well log interpretation with a particular focus on data integration to construct maps for use in resource and reserve calculations and to identify leads and prospects and potential play fairways;
- Providing advice on the development of a strategic plan to acquire geoscience data in advance of a Request For Nominations and Call For Postings in the Newfoundland and Labrador onshore region;

General duties include:

- Providing advice related to ongoing daily exploration and drilling operations and the regulatory aspects;
- Providing advice on implementation of the geoscience initiatives;
- Providing technical input and advice on the development of a strategic plan focusing on a regional geological assessment in the Newfoundland and Labrador onshore region;
- Preparing geoscience based reports and presentations in support of Call for Bids for the NL offshore region or Request for Bids in the NL onshore region.
- Providing advice and geoscience materials, where applicable, to assist in the promotion of the oil and gas prospectivity of our onshore and offshore region, including speaking engagements at approved geoscience technical meetings and conferences;
• Assessing opportunities and help facilitate speaking opportunities, conferences, meetings and other events related to petroleum geoscience, for Newfoundland and Labrador representatives; and
• Advising on what may be required in terms of its own planning and resource allocation in order to facilitate the necessary level of awareness, understanding and knowledge of opportunities regarding Newfoundland and Labrador energy resources to the geoscience community to help the Client achieve its strategic goals.

**Contract Schedule**

While there is no defined schedule, the consultant agrees that there is a critical turnaround time requirement on the high level review activities relating to issues as they arise. This may vary from an immediate review with a response time of 1-4 hours to 20-30 days for a review, critique and preparation of findings and recommendations in a presentation format.

**Deliverables**

The deliverables may vary with the assigned work and may include telephone conversations, e-mail correspondence, single-page to multi-page electronic documents, power point slide presentations and complete reports.

**Contract Cost**

The total cost of this contract is CDN $20,000.00, excluding taxes. The hourly rate shall be inclusive for advisory services.

S.35.1.d  S.35.1.f  S.35.1.g
SCHEDULE "B"

SPECIAL TERMS AND CONDITIONS (as necessary)

1. No Special Terms and Conditions

Deputy Minister 07/12/17

Consultant 07/09/17

John Hogg
President
Skylattice Resources Ltd.
SCHEDULE “C”

GENERAL TERMS AND CONDITIONS

Article 1 - Information Supplied By The Client
Article 2 - Confidentiality, Materials and Copyright
Article 3 - Employees of the Consultant
Article 4 - Access to Facilities
Article 5 - Records and Audit
Article 6 - Termination
Article 7 - Liability
Article 8 - Compliance with Law
Article 9 - Arbitration
Article 10 - Laws Governing
Article 11 - Use of Work
Article 12 - Conflict of Interest
Article 13 - Subcontractors
Article 14 - General
GENERAL TERMS AND CONDITIONS

Article - 1. INFORMATION SUPPLIED BY THE CLIENT

1.1 The Client will furnish to the Consultant all available information necessary for the performance of the Work. The Client makes no guarantee either expressed or implied as to the accuracy of the information supplied. The Consultant shall review the Information for accuracy and applicability.

1.2 Where discrepancies, omissions or obscurities in the information are evident, the Consultant shall bring them to the attention of the Client and secure written instructions from the Client before proceeding with any work.

Article - 2. CONFIDENTIALITY, MATERIALS AND COPYRIGHT

2.1 For the purposes of this Article "Confidential Information" means:

(a) all communications and instructions from the Client respecting the Services, including the fact of this Agreement;

(b) all information acquired by the Consultant, his/her employees, servants and/or agents respecting policy consideration and development, business decisions, internal deliberations, discussions and considerations and any other aspect of the decision-making process of the Client;

(c) all oral, written, electronic, and machine readable information and data and any accompanying supporting materials and documentation, including without limitation, materials, documents, reports, databases, information and data of whatever nature and kind concerning the affairs of the Client, disclosed directly or indirectly to the Consultant, his/her employees, servants and/or agents during the performance of the Services or in any way related thereto;

(d) all personal information, as defined from time to time under the Access to Information and Protection of Privacy Act, SNL2002 cA-1.1, or the Personal Health Information Act, SNL2008 cP-7.01, to mean recorded information about an identifiable individual, including

(i) the individual's name, address or telephone number,

(ii) the individual's race, national or ethnic origin, colour, or religious or political beliefs or associations,

(iii) the individual's age, sex, sexual orientation, marital status or family status,

(iv) an identifying number, symbol or other particular assigned to the individual,
(v) the individual's fingerprints, blood type or inheritable characteristics;

(vi) information about the individual's health care status or history, including a physical or mental disability;

(vii) information about the individual's educational, financial, criminal or employment status or history;

(viii) the opinions of a person about the individual, and

(ix) the individual's personal views or opinions

for any individual, which is, directly or indirectly, disclosed to or collected by the Consultant, its, his/her employees, servants and/or agents during the performance of the Services or in any way related thereto;

(e) all information that is developed based upon Confidential Information including the work product of the Consultant, its, his/her employees, servants and/or agents; and

(f) Confidential Information shall not include any information which:

(i) at the time such information was provided to the Consultant was or thereafter became part of the public domain through no act or omission of the Consultant or its, his/her Representatives; or

(ii) is information which the Consultant can show possession of prior to the date of this Agreement and which was received or developed by the Consultant free of obligations of confidentiality to the Client.

2.2 The Consultant shall treat all Confidential Information acquired by the Consultant in the performance of the Services as privileged and confidential and shall not divulge the same to any person or persons at any time without the express written approval of the Client, unless required to do so by law, which may include a subpoena or other similar process or in connection with litigation, arbitration or other proceeding or by virtue of an Act or Regulations. In the event that such disclosure is required, the Consultant shall give the Client prompt notice of the requirement upon becoming aware that such disclosure is required. Where circumstances did not permit the Consultant to provide such notice prior to disclosure, the Consultant shall provide such notice to the Client immediately after the required disclosure.

2.3 The Consultant shall only use the Confidential Information acquired in the performance of the Services for the purposes specified in the Scope of Work and this Agreement, and shall not permit the use of the Confidential Information for any other purposes.

2.4 All materials, data, designs, plans, drawings, specifications, research, reports, notes, estimates, summaries, calculations, surveys, papers, completed work, and work in progress and such other information and materials or parts thereof as are compiled, drawn and produced by the Consultant in performing the Services, including without limitation, computer printouts and computer models and all copyrights thereto and all patents, trademarks and industrial designs arising therefrom, are the sole and exclusive property of the Government of Newfoundland and Labrador and the contents thereof are privileged and confidential. Nothing in this Agreement shall give the Consultant a right, however
arising, to assert any lien, claim, demand, property right, remedy or security right of any kind over the information provided to the Consultant pursuant to the terms of this Agreement. The Consultant acknowledges that the Client's right to this information shall at all times be paramount to any rights of the Consultant, at law or in equity, and that the Consultant's remedies against the Client for the Client's breaches under this Agreement do not include the right to deprive the Client of access to the Client's information in the Consultant's possession.

2.5 The Consultant shall provide to the Client and solely to the Client upon completion of the Services or upon earlier termination of this Agreement all Confidential Information acquired during the performance of the Services, or shall, at the request of the Client, destroy any and all copies and versions of the Confidential Information in the possession of the Consultant, his/her employees, servants and/or agents, and shall certify the destruction of same to the Client.

2.6 The Consultant acknowledges that, in addition to the requirements of this Agreement, the Confidential Information acquired by the Consultant, its employees, servants and/or agents in the performance of the Services and in particular personal information, is subject to privacy legislation in this jurisdiction, including but not limited to the Access to Information and Protection of Privacy Act, the Management of Information Act, SNL2005, cM-1.01, the Privacy Act, RSRL990 cP-22, and Personal Health Information Act, SNL2008 cP-7.01, as well as other legislation which may apply in the jurisdiction of the Consultant's operation. The Consultant is responsible to ensure the compliance with and satisfaction of the legislative requirements of all such information relating to the treatment of Confidential Information by the Consultant, its, his/her employees, servants and/or agents. The client may be compelled to disclose financial information pursuant to the first cited Act.

2.7 The Consultant shall ensure that it, his/her employees, servants and/or agents have in place and follow the appropriate systems, processes, protocols and policies to maintain the physical and electronic security of all Confidential Information, including but not restricted to the following:

(a) at a minimum, using the same level of physical and electronic security as the Consultant employs to avoid disclosure or dissemination of the Consultant's own confidential information, to prevent the disclosure of any of the Confidential Information to any third party, or to any of its employees, servants or agents other than those who are required to have access to properly perform the Services under this Agreement;

(b) establish and maintain security policies, standards and safeguards to prevent unauthorized access, collection, use, disclosure or disposal of the Confidential Information;

(c) ensure all employees, servants and/or agents of the Consultant comply with all policies, standards and safeguards established under this Article;

(d) advise the Client of any changes in its, his/her security systems, procedures, standards and practices that may affect the Confidential Information and seek the Client's consent prior to such changes; and

(e) satisfaction of the foregoing commitments includes, but is not restricted to, compliance with the requirements set out in Schedule "D", unless otherwise advised by the Client, and this includes:
(i) complying with all alterations or updates of Schedule "D" as may be provided to the Consultant from time to time; and

(ii) adhering to any additional instructions (including oral instructions) from the Client as they relate to the subject matter contained in Schedule "D" and this Article.

2.8 The Consultant shall only disclose confidential information to persons other than its employees, servants and/or agents with the prior written consent of the Client, and then only to those persons who need to know the information in order to carry out the duties associated with this Agreement and only after confirming that such persons agree to comply with the provisions of this Article including the requirements set out in Schedule "D".

2.9 The Consultant shall:

(a) notify the Client promptly of any unauthorized possession, use or knowledge, or attempt thereof, of the Client's information in the possession of the Consultant, including but not limited to data processing files, transmission messages or other confidential information by any person or entity which may become known to the Consultant;

(b) promptly furnish to the Client full details of the unauthorized possession, use or knowledge, or attempt thereof, and assist the Client in investigating or preventing the recurrence of any unauthorized possession, use or knowledge, or attempt thereof, of confidential information;

(c) use reasonable efforts to cooperate with the Client in any litigation and investigation against third parties deemed necessary by the Client to protect its proprietary rights;

(d) promptly use all reasonable efforts to prevent a recurrence of any such unauthorized possession, use or knowledge of confidential information; and

(e) refer to and follow the privacy breach protocol of the Government of Newfoundland and Labrador as it exists at the time of the breach and located on the Department of Justice website at: http://www.justice.gov.nl.ca/just/CIVIL/atipp/default.htm

Article - 3. EMPLOYEES OF THE CONSULTANT

3.1 The Consultant shall provide employees who are competent in their field of specialization. The Client will have the right to have the Consultant remove from the Work any person, who by misconduct or by failure to properly perform his/her duties is considered by the Client to be unfit for employment on the Work. If the Consultant fails to remove any unfit person from the Work as requested by the Client, then the Client may void this Agreement or refuse to accept subsequent Work in which the person was involved and may refuse to approve payment for such Work.
3.2 The Consultant shall not alter, remove or replace the employees or Representatives indicated in the Scope of Work without prior written approval by the Client.

Article - 4. ACCESS TO FACILITIES

4.1 The Client agrees to provide, where it is deemed by the Client, in its absolute and sole discretion to be necessary for the reasonable performance of the Work, working space and equipment access for the Consultant to perform the Work during Client office hours.

4.2 When using or accessing the premises of the Client, the Consultant and all officers, employees and agents of the Consultant shall comply with all security regulations and workplace policies and procedures in effect from time to time at the Client’s facilities.

Article - 5. RECORDS AND AUDIT

5.1 The Consultant shall keep records, books of account and supporting documents in accordance with accepted accounting procedures and practices. The records shall be made available to the Client or its authorized representative for observation or audit at mutually convenient times and up to one year after discharge of this Agreement.

5.2 The Consultant shall furnish reports as required by the Client for the purpose of monitoring the progress of the Work.

Article - 6. TERMINATION

6.1 This Agreement is deemed to be concluded once the Work has been completed to the satisfaction of the Client and payment(s), as stipulated in the Agreement, has been issued to the Consultant.

6.2 Notwithstanding the provisions of this Agreement, either of the Parties may at any time by way of fourteen (14) days written notice to the other, terminate this Agreement.

6.3 Where this Agreement is terminated prior to the mutually agreed upon completion date, the Consultant shall thereupon be entitled to payment in accordance with this Agreement in respect of that part of the Work completed up to the date of termination, provided however, that the Consultant shall not be entitled to any other payment in respect of such termination, including, without prejudice to the generality of the foregoing, any payment for any consequential loss or damage or loss of profits arising from termination of this Agreement or in any other way related thereto. The Client shall retain the right of set off with respect to any earned but unpaid proceeds then owing pursuant to this Agreement.
Article 7. LIABILITY

7.1 The Consultant agrees that in performance of the Work neither the Consultant nor any Consultant’s Representative shall be or be deemed to be an officer, servant, agent or partner of the Client.

7.2 The Client shall not be liable for, and the Consultant shall indemnify and save harmless the Client and the Client’s Representatives against all losses, costs, charges, or expenses incurred by the Client and its agents as a result of actions, claims or awards for compensation at law, equity or under any applicable legislation, made or brought by, against, suffered by or imposed upon the Client, or its Representatives by a third party, as a result of or related to the performance of this Agreement by the Consultant or the Consultant’s Representatives.

7.3 The Consultant shall defend any and all such actions and pay all legal charges, costs and other expenses arising therefrom. Notwithstanding the foregoing, the Client may at its own discretion retain its own solicitors to defend its interests in any such suit or claim, and the legal costs of that defense shall be paid by the Consultant.

Article 8. COMPLIANCE WITH LAW

8.1 In respect of any work within the Province of Newfoundland and Labrador connected with or arising from this Agreement, the Consultant shall provide (where requested by the Client) evidence of compliance with all requirements of the Province of Newfoundland and Labrador with respect to Worker’s Compensation and or Occupational Health and Safety, including without limitation, any payments or compliance orders due or issued thereunder.

8.2 The Consultant shall ensure that the Consultant and its Representatives comply with all requirements of any governing federal, provincial or municipal legislation, by-laws or regulations applicable to the Consultant or the Consultant’s Representatives in the performance of the Work.

Article 9. ARBITRATION

9.1 In the case of a dispute arising between the Client and the Consultant as to their respective rights and obligations under this Agreement, the parties shall first attempt to resolve all matters through friendly negotiation by a meeting between their representatives upon notice. A resolution reached in this way must be reached within 10 days of both parties having knowledge and notice of the dispute and be reduced to writing.

9.2 In the case of a dispute arising between the Client and the Consultant as to their respective rights and obligations under this Agreement, (that has not been resolved pursuant to Article 9.1), either party may give the other notice of such dispute and to request arbitration thereof. If both parties agree, the parties shall, with respect to the particular matters then in dispute, submit the same to arbitration in accordance with the provisions of the Arbitration Act, RSNL.1990 cA-14, including such provisions for the appointment of arbitrators.
Article - 10. LAWS GOVERNING

10.1 This Agreement shall be governed by and interpreted in accordance with the laws of the Province of Newfoundland and Labrador and all actions, suits or proceedings arising out of this Agreement shall be determined in a court of competent jurisdiction in Newfoundland and Labrador subject to any right of appeal.

Article - 11. USE OF WORK

11.1 The Client shall have the right to use the Work or variations thereof in other operations of the Client.

Article - 12. CONFLICT OF INTEREST

12.1 No public employee or member of the House of Assembly of the Province of Newfoundland and Labrador shall be admitted to any part or share of the payments made pursuant to this Agreement or to any benefits arising therefrom except in accordance with the Conflict of Interest Act or the House of Assembly Act.

12.2 The Consultant and the Consultant's Representatives:

(a) shall conduct all duties related to this Agreement with Impartiality;
(b) shall not influence, seek to influence, or otherwise take part in a decision of the Client, knowing that the decision might further their private interests;
(c) shall not accept any commission, discount, allowance, payment, gift, or other benefit that is connected, directly or indirectly, with the performance of any duties related to this Agreement, that causes, or would appear to cause, a conflict of interest; and
(d) shall have no financial interest in the business of a third party that causes, or would appear to cause, a conflict of interest in connection with the performance of any duties related to this Agreement.

Article - 13. SUBCONTRACTORS

13.1 The Consultant shall not subcontract all or a portion of the Work without the prior written approval of the Client.

13.2 The entry into any subcontract shall not relieve the Consultant of any of its obligations under the terms of this Agreement.
Article - 14. GENERAL

(a) Articles 2 and 7 of this Agreement shall survive the termination or expiration of this Agreement.

(b) Neither party shall be considered in default in performance of its obligations hereunder to the extent that performance of such obligations is delayed, hindered, or prevented by force majeure. Force majeure shall be any cause beyond the control of the parties hereto which they could not reasonably have foreseen and guarded against.

(c) Time shall be of the essence of this Agreement.

(d) The failure of the Client to insist upon or enforce in any instance strict performance by the Consultant of any of the terms of this Agreement or to exercise any rights herein conferred shall not be construed as a waiver or a relinquishment to any extent of the Client's right to assert or rely upon any such terms or rights on any future occasion.

(e) If any provision of this Agreement is determined to be invalid or unenforceable, in whole or in part, such invalidity or unenforceability shall attach only to such provision, and all other provisions hereof shall continue in full force and effect.

(f) The division of this Agreement into Articles and Clauses and the insertion of headings are for the convenience of reference only and shall not affect the construction or interpretation of this Agreement.

(g) This Agreement shall inure to the benefit of and be binding upon the Parties hereto, their respective heirs, legal representatives, successors and assigns.

(h) The Consultant shall not assign this Agreement in whole or in part to any third party without the prior written approval of the Client.

END OF SCHEDULE C
SCHEDULE "D"

Protocols for Security of Government Information on Information Technology assets of Contractors

The Consultant shall confirm with the client Department whether the Consultant will be required to use information technology resources, including computers, of the Government of Newfoundland and Labrador in the conduct of the work under the Agreement. The following requirements apply where the Consultant will not be using such assets, but will instead have access to confidential information (including personal information) ("Confidential Information") received from the Government of Newfoundland and Labrador ("Government") and will be storing, manipulating or accessing that Confidential Information on the Consultant's own information technology resources.

- All portable storage devices or media (e.g., flash drives, memory sticks, portable hard drives, writeable compact discs or digital video discs, etc.) may only be used to transport and / or store Confidential Information where either the Confidential Information or the device or media is encrypted.

- Unless specifically separately authorized by the Agreement or otherwise, the Consultant is not permitted to attach non-government computers or other information technology systems to any Government network.

- Consultants are expected to implement and maintain up to date versions of all ordinary business software for the reasonable protection of information on computers attached to the Internet which will have access to or store Confidential Information, including security firewall and anti-viral software.

- Consultants are not permitted to use any Peer to Peer file sharing program (e.g., Limewire, etc.) or chat program (i.e., MSN, Skype) on any information technology asset which will contain Confidential Information, or which will be connected via a network to any computer which will contain Confidential Information.

- Email should not be used as a method to transmit Confidential Information across public networks such as the Internet unless the e-mail and/or its attachments are encrypted or zipped in a secure manner.

- The Consultant acknowledges that, in addition to the requirements of this Agreement, the Confidential Information acquired by the Consultant, its employees, servants and/or agents in the performance of the Services and in particular personal information, is subject to privacy legislation in various jurisdictions, including but not limited to the Access to Information and Protection of Privacy Act, and Management of Information Act, SNL2005, cM-1.01, and the Privacy Act, RSNL1990 cP-22, as well as other legislation which may apply in the jurisdiction of the Consultant's operation. The Consultant is responsible to ensure the compliance with and satisfaction of the legislative requirements of all such information relating to the treatment of Confidential Information by the Consultant, its employees, servants and/or agents.
• Where a Consultant will be granted access to the Government computer network during the course of the work, in addition to the requirements noted above, the Consultant shall not:
  
  o Share personal computer drives or folders on a computer accessing the network; or
  
  o Access the network remotely, either through wired or wireless connections, except through the use of secure ID and virtual private network systems.

• These requirements apply to the Consultant and all agents, employees or permitted sub-Consultants of the Consultant, and it is the responsibility of the Consultant to ensure that all such agents, employees or permitted sub-Consultants are aware of these restrictions and are in compliance with them.

END OF SCHEDULE D
AGREEMENT

THIS AGREEMENT made at St. John's, in the Province of Newfoundland and Labrador, on this 1st day of May 2018.

BETWEEN: HER MAJESTY IN RIGHT OF NEWFOUNDLAND AND LABRADOR as represented by the Minister of Natural Resources
          ("the Client")

AND: Skybattle Resources Ltd.
          ("the Consultant")

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the mutual covenants expressed, and as amended, the Parties agree as follows:

1. Definitions

   In addition to the terms defined in the General Terms and Conditions attached as Schedule “C”, the following words and phrases shall have the following meanings:

   a. "Contract Documents" shall mean and include:

      i. This head agreement (the "Head Agreement");

      ii. The Scope of Work attached as Schedule "A";

      iii. The Special Terms and Conditions attached as Schedule "B";

      iv. The General Terms and Conditions attached as Schedule "C"; and

      v. Protocols for Security of Government Information on Information Technology assets of Contractors attached as Schedule "D".

   b. "Representatives" means directors, officers, employees, consultants, sub-consultants, agents, advisors or partners.

2. The Consultant's Work

   The Consultant shall do all things necessary to fulfill all of the obligations of the Consultant as set out in the Contract Documents (the "Work"). The Work shall be performed by the Consultant to the satisfaction of the Client.
3. **Payment**

1.1 **Consideration**

It is agreed and understood that payments made for the satisfactory performance of the Work pursuant to this Agreement shall be made in accordance with either Option 1, 2 or 3 below.

Payment Option #1 **[Not Applicable]**

Subject to Article 1.3, upon presentation of itemized and substantiated invoices satisfactory to the Client, the Client shall pay to the Consultant, for the satisfactory performance of the Work, **Insert text of dollar value (§ Insert numeric dollar value)** (plus HST) in accordance with the following payment schedule:

(i) Periodic payments – set out time or milestones for payments

Payment Option #2 **[Applicable]**

Subject to Article 1.3, upon presentation of itemized and substantiated invoices satisfactory to the Client, the Client shall pay to the Consultant, for the satisfactory performance of the Work, the following time rate schedule for activities actually expended in performance of the Work (plus HST):

(i) **John R. Hogg, P. Geo (AB), P. Geol (NWT/NU), P. Geo. (NL), AAPG Certified Petroleum Geologist**

Payment Option #3 **[Not Applicable]**

Subject to Article 1.3, upon the satisfactory completion of the Work and the presentation of itemized and substantiated invoices satisfactory to the Client, the Client shall pay to the Consultant, **Insert Absolute Limit on Cost of Services** (plus HST).

1.2 **Reimbursement of Expenses**

It is agreed and understood that reimbursements for the Consultant’s expenses pursuant to this Agreement shall be made in accordance with either Option A or B below.

Reimbursement Option A **[Applicable]**

(a) The Client shall only be responsible for the following reimbursable expenses, payable at cost, provided the Consultant can demonstrate to the Client that such expenses were incurred in relation to the Work, and that documentation, satisfactory to the Client, is provided in support of the reimbursable expense claimed and is attached to the applicable invoice,
including for example, originals of supporting receipts, invoices or statements issued by non-parties to this Agreement:

(i)  Travel, meals, accommodations, registrations, printing and duplicating, courier, long distance telephone and/or facsimile charges, and other approved third party purchases.

(b)  All claims submitted for reimbursable expenses in accordance with this Article 1.2 shall be reimbursed at rates not to exceed those established by Treasury Board pursuant to the guidelines and policies of the Client even if such rates are lower than the actual costs incurred by the Consultant.

Reimbursement Option B  [Not Applicable]

The Client shall not be responsible for any expenses incurred by the Consultant, including, without limitation, out of pocket expenses such as travel, meals, accommodations, legal advice, support staff, printing and duplicating, courier, long distance telephone and/or facsimile charges, without the prior written approval of the Client.

1.3  Payment General

(a)  Regardless of the payment option selected in Article 1.1 and/or 1.2, the Parties agree and confirm that total amounts payable for the Work shall not exceed a monetary ceiling of Twenty Thousand Dollars ($20,000) and that a minimum of ten percent (10 %) of the total fees payable for the Work will be withheld until such time as the project is completed to the satisfaction of the Client.

(b)  The Consultant shall remain obligated to complete the Work notwithstanding that the actual costs of the Consultant, whether in respect of professional services or in respect of costs or expenses incurred, may exceed the total aggregate sum set out in Article 1.3(a).

(c)  The Parties agree and confirm that as set out in section 25(6) of the Financial Administration Act, RSNL1990 cF-8, as amended, all fees payable in accordance with this Agreement are subject to there being an appropriation for the work for the fiscal year in which payment under this Agreement is due.

(d)  Payment will be made within 60 calendar days of receipt of a properly documented invoice.

(e)  All invoices shall clearly show the amount of HST billed by the Consultant as a separate item.

(f)  The Consultant shall conform to any request that may be made by the Client to alter the form of invoice customarily used by the Consultant as may be reasonably required for the purposes of the Client's internal accounting systems. The Consultant agrees that each invoice shall clearly show and identify the work or service which is being charged
under that invoice to the Client. The invoice shall have appended thereto any documentation required by the Client.

(g) The Client shall not be responsible to pay any amounts invoiced by the Consultant which may arise from work, services or expenses incurred to remedy errors or omissions in the Work for which the Consultant is responsible.

(h) The Consultant shall submit invoices to:
Department of Natural Resources
P.O. Box 8700
St. John’s, NL A1B 4J6
Attention: Mr. Jovan Petrovic
Director, Petroleum Geoscience Division

4. Notices

All notices, claims, payments, reports and other communications required under this Agreement shall be in writing. The addresses for service are as follows:

For the Client:

Mr. Jovan Petrovic, Director, Petroleum Geoscience Division
Department of Natural Resources
P.O. Box 8700, St. John’s, NL A1B 4J6
Phone: (709) 729-1821
Fax: (709) 729-2508
Email: jovanpetrovic@gov.nl.ca

For the Consultant:

John R. Hogg, President
Skybattle Resources Ltd.
9256 Oakmount Drive S.W.
Calgary, Alberta T2V 4X9
Phone: 403-281-8775
Cell: [redacted]
e-mail: [redacted]

Notices, requests or documents shall be deemed to have been received by the addressee as follows:

(a) As of the date on which they are delivered where delivery is by a party or by messenger or special courier service;

(b) As of the date on which they are sent where delivery is by telex or other means of electronic communication; and

(c) Six (6) days after delivery to Canada Post Corporation where the postal service is used.
5. **Entire Agreement**

It is hereby agreed that the Contract Documents constitute the entire agreement between the parties (the "Agreement"). There are no understandings, representations or warranties of any kind except as expressly set forth herein. No changes, alterations, modifications or amendments of this Agreement shall be effective unless made in writing and signed by those persons designated for such purpose. This Agreement may be amended or otherwise modified by e-mail.

6. **Representations and Warranties**

The Consultant hereby represents and warrants that every fact stated or represented by the Consultant or its Representatives to the Client in connection with any proposal made by the Consultant in respect of the Work is true and agrees that the Client shall be conclusively deemed to have relied on each such representation or statement in entering into this Agreement.

7. **Conflict Between Provisions**

In the event of any conflict or inconsistency between provisions in the Contract Documents, the Contract Documents shall have precedence as follows: first the Head Agreement, second the Special Terms and Conditions, third the General Terms and Conditions, fourth the Protocols for Security of Government Information on Information Technology assets of Contractors, fifth the Scope of Work, and last, any documents incorporated by reference in any of the foregoing.

8. **Start and Completion Date**

The Consultant shall commence activities in relation to the Work with the start and completion dates mutually agreed upon as follows:

| Start Date: | May 1, 2018 |
| Completion Date: | March 31, 2019 |

9. **Effective Date**

The effective date of this Agreement shall be the earlier of the start date referred to in Clause 8 or the date on the first page of this Head Agreement.

10. **Paragraph Numbering**

In the event that the General Terms and Conditions are modified, the numbering references in the General Terms and Conditions shall remain unchanged.
11. **Counterparts**

This Agreement may be executed in any number of counterparts, each of which will be considered an original of this Agreement, and which together will constitute one and the same instrument. No Party will be bound to this Agreement unless and until all Parties have executed a counterpart. A facsimile signature or an otherwise electronically reproduced signature of either Party shall be deemed to be an original.

HER MAJESTY IN RIGHT OF NEWFOUNDLAND AND LABRADOR

Minister of Natural Resources, or his/her authorized designate

Skybattle Resources Ltd.

Authorized Signature

Date: **May 10, 2018**
SCHEDULE "A"

SCOPE OF WORK

The Consultant shall complete the work and/or perform the following services:

The consultant will provide expert technical and policy advice as required relating to the Department’s mandate in relation to geoscience activities, including training. This may include, but is not limited to, serving as a geological technical advisor, providing assessments, critique, analysis, advice related to conducting specialized and/or comprehensive geological investigations of stratigraphy, structure, sedimentology and overall hydrocarbon habitat in the Province’s onshore and offshore, and advice relating to geoscience developments locally, provincially, nationally and internationally. The Consultant is expected to draw upon its own resources, expertise, contacts, networks and previous experience in providing technical assessments, critique and advice and input to the Client.

While the specific work and assignments of the consultant will be determined as required, some specific duties include:

- Providing updates, summaries, briefings, information and assessments to the Client concerning issues, initiatives, discussions, news and events relating to the geoscience field locally, provincially, nationally and internationally;
- Providing advice on the development of a policy for the application of hydraulic fracturing, to mobilize hydrocarbons from both conventional and conventional resources;
- Provide advice on the development of policy for the protection of potable groundwater and the disposal of drilling waste fluids in subsurface aquifers for the provinces conventional and unconventional resources;
- Providing geological training to geoscience staff on an as needed basis related to basin and resource assessments, geochemistry, petrophysics, well log interpretation with a particular focus on data integration to construct maps for use in resource and reserve calculations and to identify leads and prospects and potential play fairways;
- Providing advice on the development of a strategic plan to acquire geoscience data in advance of a Request For Nominations and Call For Postings in the Newfoundland and Labrador onshore region;

General duties include:

- Providing advice related to ongoing daily exploration and drilling operations and the regulatory aspects;
- Providing advice on implementation of the geoscience initiatives;
- Providing technical input and advice on the development of a strategic plan focusing on a regional geological assessment in the Newfoundland and Labrador onshore region;
- Preparing geoscience based reports and presentations in support of Call for Bids for the NL offshore region or Request for Bids in the NL onshore region;
- Providing advice and geoscience materials, where applicable, to assist in the promotion of the oil and gas prospectivity of our onshore and offshore region, including speaking engagements at approved geoscience technical meetings and conferences;
• Assessing opportunities and help facilitate speaking opportunities, conferences, meetings and other events related to petroleum geoscience, for Newfoundland and Labrador representatives; and
• Advising on what may be required in terms of its own planning and resource allocation in order to facilitate the necessary level of awareness, understanding and knowledge of opportunities regarding Newfoundland and Labrador energy resources to the geoscience community to help the Client achieve its strategic goals.

**Contract Schedule**

While there is no defined schedule, the consultant agrees that there is a critical turnaround time requirement on the high level review activities relating to issues as they arise. This may vary from an immediate review with a response time of 1-4 hours to 20-30 days for a review, critique and preparation of findings and recommendations in a presentation format.

**Deliverables**

The deliverables may vary with the assigned work and may include telephone conversations, e-mail correspondence, single-page to multi-page electronic documents, power point slide presentations and complete reports.

**Contract Cost**

The total cost of this contract is CDN $20,000.00, excluding taxes. The hourly rate shall be \[ \text{S.35.1.d S.35.1.f S.35.1.g} \] inclusive for advisory services.
SCHEDULE “B”

SPECIAL TERMS AND CONDITIONS (as necessary)

1. No Special Terms and Conditions
**SCHEDULE "C"**

**GENERAL TERMS AND CONDITIONS**

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GENERAL TERMS AND CONDITIONS

Article - 1. INFORMATION SUPPLIED BY THE CLIENT

1.1 The Client will furnish to the Consultant all available information necessary for the performance of the Work. The Client makes no guarantee either expressed or implied as to the accuracy of the information supplied. The Consultant shall review the information for accuracy and applicability.

1.2 Where discrepancies, omissions or obscurities in the information are evident, the Consultant shall bring them to the attention of the Client and secure written instructions from the Client before proceeding with any work.

Article - 2. CONFIDENTIALITY, MATERIALS AND COPYRIGHT

2.1 For the purposes of this Article "Confidential Information" means:

(a) all communications and instructions from the Client respecting the Services, including the fact of this Agreement;

(b) all information acquired by the Consultant, his/her employees, servants and/or agents respecting policy consideration and development, business decisions, internal deliberations, discussions and considerations and any other aspect of the decision-making process of the Client;

(c) all oral, written, electronic, and machine readable information and data and any accompanying supporting materials and documentation, including without limitation, materials, documents, reports, databases, information and data of whatever nature and kind concerning the affairs of the Client, disclosed directly or indirectly to the Consultant, his/her employees, servants and/or agents during the performance of the Services or in any way related thereto;

(d) all personal information, as defined from time to time under the Access to Information and Protection of Privacy Act, SNL2002 cA-1.1, or the Personal Health Information Act, SNL2008 cP-7.01, to mean recorded information about an identifiable individual, including

(i) the individual's name, address or telephone number,

(ii) the individual's race, national or ethnic origin, colour, or religious or political beliefs or associations,

(iii) the individual's age, sex, sexual orientation, marital status or family status,

(iv) an identifying number, symbol or other particular assigned to the individual,
(v) the individual's fingerprints, blood type or inheritable characteristics,

(vi) information about the individual's health care status or history, including a physical or mental disability,

(vii) information about the individual's educational, financial, criminal or employment status or history,

(viii) the opinions of a person about the individual, and

(ix) the individual's personal views or opinions

for any individual, which is, directly or indirectly, disclosed to or collected by the Consultant, its, his/her employees, servants and/or agents during the performance of the Services or in any way related thereto;

(e) all information that is developed based upon Confidential Information including the work product of the Consultant, its, his/her employees, servants and/or agents; and

(f) Confidential Information shall not include any information which:

(i) at the time such information was provided to the Consultant was or thereafter became part of the public domain through no act or omission of the Consultant or its, his/her Representatives; or

(ii) is information which the Consultant can show possession of prior to the date of this Agreement and which was received or developed by the Consultant free of obligations of confidentiality to the Client.

2.2 The Consultant shall treat all Confidential Information acquired by the Consultant in the performance of the Services as privileged and confidential and shall not divulge the same to any person or persons at any time without the express written approval of the Client, unless required to do so by law, which may include a subpoena or other similar process or in connection with litigation, arbitration or other proceeding or by virtue of an Act or Regulations. In the event that such disclosure is required, the Consultant shall give the Client prompt notice of the requirement upon becoming aware that such disclosure is required. Where circumstances did not permit the Consultant to provide such notice prior to disclosure, the Consultant shall provide such notice to the Client immediately after the required disclosure.

2.3 The Consultant shall only use the Confidential Information acquired in the performance of the Services for the purposes specified in the Scope of Work and this Agreement, and shall not permit the use of the Confidential Information for any other purposes.

2.4 All materials, data, designs, plans, drawings, specifications, research, reports, notes, estimates, summaries, calculations, surveys, papers, completed work, and work in progress and such other information and materials or parts thereof as are compiled, drawn and produced by the Consultant in performing the Services, including without limitation, computer printouts and computer models and all copyrights thereto and all patents, trademarks and industrial designs arising therefrom, are the sole and exclusive property of the Government of Newfoundland and Labrador and the contents thereof are privileged and confidential. Nothing in this Agreement shall give the Consultant a right, however
arising, to assert any lien, claim, demand, property right, remedy or security right of any kind over the information provided to the Consultant pursuant to the terms of this Agreement. The Consultant acknowledges that the Client's right to this information shall at all times be paramount to any rights of the Consultant, at law or in equity, and that the Consultant's remedies against the Client for the Client's breaches under this Agreement do not include the right to deprive the Client of access to the Client's information in the Consultant's possession.

2.5 The Consultant shall provide to the Client and solely to the Client upon completion of the Services or upon earlier termination of this Agreement all Confidential Information acquired during the performance of the Services, or shall, at the request of the Client, destroy any and all copies and versions of the Confidential Information in the possession of the Consultant, his/her employees, servants and/or agents, and shall certify the destruction of same to the Client.

2.6 The Consultant acknowledges that, in addition to the requirements of this Agreement, the Confidential Information acquired by the Consultant, its employees, servants and/or agents in the performance of the Services and in particular personal information, is subject to privacy legislation in this jurisdiction, including but not limited to the Access to Information and Protection of Privacy Act, the Management of Information Act, SNL2005, cM-1.01, the Privacy Act, RSNL1990 cP-22, and Personal Health Information Act, SNL2008 cP-7.01, as well as other legislation which may apply in the jurisdiction of the Consultant's operation. The Consultant is responsible to ensure the compliance with and satisfaction of the legislative requirements of all such information relating to the treatment of Confidential Information by the Consultant, its, his/her employees, servants and/or agents. The client may be compelled to disclose financial information pursuant to the first cited Act.

2.7 The Consultant shall ensure that it, his/her employees, servants and/or agents have in place and follow the appropriate systems, processes, protocols and policies to maintain the physical and electronic security of all Confidential Information, including but not restricted to the following:

(a) at a minimum, using the same level of physical and electronic security as the Consultant employs to avoid disclosure or dissemination of the Consultant's own confidential information, to prevent the disclosure of any of the Confidential Information to any third party, or to any of its employees, servants or agents other than those who are required to have access to properly perform the Services under this Agreement;

(b) establish and maintain security policies, standards and safeguards to prevent unauthorized access, collection, use, disclosure or disposal of the Confidential Information;

(c) ensure all employees, servants and/or agents of the Consultant comply with all policies, standards and safeguards established under this Article;

(d) advise the Client of any changes in its, his/her security systems, procedures, standards and practices that may affect the Confidential Information and seek the Client's consent prior to such changes; and

(e) satisfaction of the foregoing commitments includes, but is not restricted to, compliance with the requirements set out in Schedule "D", unless otherwise advised by the Client, and this includes:
(i) complying with all alterations or updates of Schedule “D” as may be provided to the Consultant from time to time; and

(ii) adhering to any additional instructions (including oral instructions) from the Client as they relate to the subject matter contained in Schedule “D” and this Article.

2.8 The Consultant shall only disclose confidential information to persons other than its employees, servants and/or agents with the prior written consent of the Client, and then only to those persons who need to know the information in order to carry out the duties associated with this Agreement and only after confirming that such persons agree to comply with the provisions of this Article including the requirements set out in Schedule “D”.

2.9 The Consultant shall:

(a) notify the Client promptly of any unauthorized possession, use or knowledge, or attempt thereof, of the Client’s information in the possession of the Consultant, including but not limited to data processing files, transmission messages or other confidential information by any person or entity which may become known to the Consultant;

(b) promptly furnish to the Client full details of the unauthorized possession, use or knowledge, or attempt thereof, and assist the Client in investigating or preventing the recurrence of any unauthorized possession, use or knowledge, or attempt thereof, of confidential information;

(c) use reasonable efforts to cooperate with the Client in any litigation and investigation against third parties deemed necessary by the Client to protect its proprietary rights;

(d) promptly use all reasonable efforts to prevent a recurrence of any such unauthorized possession, use or knowledge of confidential information; and

(e) refer to and follow the privacy breach protocol of the Government of Newfoundland and Labrador as it exists at the time of the breach and located on the Department of Justice website at: http://www.justice.gov.nl.ca/just/CIVIL/atipp/default.htm

Article - 3. EMPLOYEES OF THE CONSULTANT

3.1 The Consultant shall provide employees who are competent in their field of specialization. The Client will have the right to have the Consultant remove from the Work any person, who by misconduct or by failure to properly perform his/her duties is considered by the Client to be unfit for employment on the Work. If the Consultant fails to remove any unfit person from the Work as requested by the Client, then the Client may void this Agreement or refuse to accept subsequent Work in which the person was involved and may refuse to approve payment for such Work.
3.2 The Consultant shall not alter, remove or replace the employees or Representatives indicated in the Scope of Work without prior written approval by the Client.

Article - 4. ACCESS TO FACILITIES

4.1 The Client agrees to provide, where it is deemed by the Client, in its absolute and sole discretion to be necessary for the reasonable performance of the Work, working space and equipment access for the Consultant to perform the Work during Client office hours.

4.2 When using or accessing the premises of the Client, the Consultant and all officers, employees and agents of the Consultant shall comply with all security regulations and workplace policies and procedures in effect from time to time at the Client’s facilities.

Article - 5. RECORDS AND AUDIT

5.1 The Consultant shall keep records, books of account and supporting documents in accordance with accepted accounting procedures and practices. The records shall be made available to the Client or its authorized representative for observation or audit at mutually convenient times and up to one year after discharge of this Agreement.

5.2 The Consultant shall furnish reports as required by the Client for the purpose of monitoring the progress of the Work.

Article - 6. TERMINATION

6.1 This Agreement is deemed to be concluded once the Work has been completed to the satisfaction of the Client and payment(s), as stipulated in the Agreement, has been issued to the Consultant.

6.2 Notwithstanding the provisions of this Agreement, either of the Parties may at any time by way of fourteen (14) days written notice to the other, terminate this Agreement.

6.3 Where this Agreement is terminated prior to the mutually agreed upon completion date, the Consultant shall thereupon be entitled to payment in accordance with this Agreement in respect of that part of the Work completed up to the date of termination, provided however, that the Consultant shall not be entitled to any other payment in respect of such termination, including, without prejudice to the generality of the foregoing, any payment for any consequential loss or damage or loss of profits arising from termination of this Agreement or in any other way related thereto. The Client shall retain the right of set off with respect to any earned but unpaid proceeds then owing pursuant to this Agreement.
Article - 7. LIABILITY

7.1 The Consultant agrees that in performance of the Work neither the Consultant nor any Consultant's Representative shall be or be deemed to be an officer, servant, agent or partner of the Client.

7.2 The Client shall not be liable for, and the Consultant shall indemnify and save harmless the Client and the Client's Representatives against all losses, costs, charges, or expenses incurred by the Client and its agents as a result of actions, claims or awards for compensation at law, equity or under any applicable legislation, made or brought by, against, suffered by or imposed upon the Client, or its Representatives by a third party, as a result of or related to the performance of this Agreement by the Consultant or the Consultant's Representatives.

7.3 The Consultant shall defend any and all such actions and pay all legal charges, costs and other expenses arising therefrom. Notwithstanding the foregoing, the Client may at its own discretion retain its own solicitors to defend its interests in any such suit or claim, and the legal costs of that defense shall be paid by the Consultant.

Article - 8. COMPLIANCE WITH LAW

8.1 In respect of any work within the Province of Newfoundland and Labrador connected with or arising from this Agreement, the Consultant shall provide (where requested by the Client) evidence of compliance with all requirements of the Province of Newfoundland and Labrador with respect to Worker's Compensation and or Occupational Health and Safety, including without limitation, any payments or compliance orders due or issued thereunder.

8.2 The Consultant shall ensure that the Consultant and its Representatives comply with all requirements of any governing federal, provincial or municipal legislation, by-laws or regulations applicable to the Consultant or the Consultant's Representatives in the performance of the Work.

Article - 9. ARBITRATION

9.1 In the case of a dispute arising between the Client and the Consultant as to their respective rights and obligations under this Agreement, the parties shall first attempt to resolve all matters through friendly negotiation by a meeting between their representatives upon notice. A resolution reached in this way must be reached within 10 days of both parties having knowledge and notice of the dispute and be reduced to writing.

9.2 In the case of a dispute arising between the Client and the Consultant as to their respective rights and obligations under this Agreement, (that has not been resolved pursuant to Article 9.1), either party may give the other notice of such dispute and to request arbitration thereof. If both parties agree, the parties shall, with respect to the particular matters then in dispute, submit the same to arbitration in accordance with the provisions of the Arbitration Act, RSNL 1990 cA-14, including such provisions for the appointment of arbitrators.
Article - 10. LAWS GOVERNING

10.1 This Agreement shall be governed by and interpreted in accordance with the laws of the Province of Newfoundland and Labrador and all actions, suits or proceedings arising out of this Agreement shall be determined in a court of competent jurisdiction in Newfoundland and Labrador subject to any right of appeal.

Article - 11. USE OF WORK

11.1 The Client shall have the right to use the Work or variations thereof in other operations of the Client.

Article - 12. CONFLICT OF INTEREST

12.1 No public employee or member of the House of Assembly of the Province of Newfoundland and Labrador shall be admitted to any part or share of the payments made pursuant to this Agreement or to any benefits arising therefrom except in accordance with the Conflict of Interest Act or the House of Assembly Act.

12.2 The Consultant and the Consultant's Representatives:

(a) shall conduct all duties related to this Agreement with impartiality;
(b) shall not influence, seek to influence, or otherwise take part in a decision of the Client, knowing that the decision might further their private interests;
(c) shall not accept any commission, discount, allowance, payment, gift, or other benefit that is connected, directly or indirectly, with the performance of any duties related to this Agreement, that causes, or would appear to cause, a conflict of interest; and
(d) shall have no financial interest in the business of a third party that causes, or would appear to cause, a conflict of interest in connection with the performance of any duties related to this Agreement.

Article - 13. SUBCONTRACTORS

13.1 The Consultant shall not subcontract all or a portion of the Work without the prior written approval of the Client.

13.2 The entry into any subcontract shall not relieve the Consultant of any of its obligations under the terms of this Agreement.
Article - 14. GENERAL

(a) Articles 2 and 7 of this Agreement shall survive the termination or expiration of this Agreement.

(b) Neither party shall be considered in default in performance of its obligations hereunder to the extent that performance of such obligations is delayed, hindered, or prevented by force majeure. Force majeure shall be any cause beyond the control of the parties hereto which they could not reasonably have foreseen and guarded against.

(c) Time shall be of the essence of this Agreement.

(d) The failure of the Client to insist upon or enforce in any instance strict performance by the Consultant of any of the terms of this Agreement or to exercise any rights herein conferred shall not be construed as a waiver or a relinquishment to any extent of the Client's right to assert or rely upon any such terms or rights on any future occasion.

(e) If any provision of this Agreement is determined to be invalid or unenforceable, in whole or in part, such invalidity or unenforceability shall attach only to such provision, and all other provisions hereof shall continue in full force and effect.

(f) The division of this Agreement into Articles and Clauses and the insertion of headings are for the convenience of reference only and shall not affect the construction or interpretation of this Agreement.

(g) This Agreement shall inure to the benefit of and be binding upon the Parties hereto, their respective heirs, legal representatives, successors and assigns.

(h) The Consultant shall not assign this Agreement in whole or in part to any third party without the prior written approval of the Client.

END OF SCHEDULE C
SCHEDULE "D"

Protocols for Security of Government Information on
Information Technology assets of Contractors

The Consultant shall confirm with the client Department whether the Consultant will be required
to use information technology resources, including computers, of the Government of
Newfoundland and Labrador in the conduct of the work under the Agreement. The following
requirements apply where the Consultant will not be using such assets, but will instead have
access to confidential information (including personal information) ("Confidential Information")
received from the Government of Newfoundland and Labrador ("Government") and will be
storing, manipulating or accessing that Confidential Information on the Consultant's own
information technology resources.

- All portable storage devices or media (e.g., flash drives, memory sticks, portable hard
drives, writeable compact discs or digital video discs, etc.) may only be used to transport
and / or store Confidential Information where either the Confidential Information or the
device or media is encrypted.

- Unless specifically separately authorized by the Agreement or otherwise, the Consultant is
not permitted to attach non-government computers or other information technology systems
to any Government network.

- Consultants are expected to implement and maintain up to date versions of all ordinary
business software for the reasonable protection of information on computers attached to the
Internet which will have access to or store Confidential Information, including security
firewall and anti-viral software.

- Consultants are not permitted to use any Peer to Peer file sharing program (e.g., Limewire,
etc.) or chat program (ie., MSN, Skype) on any information technology asset which will
contain Confidential Information, or which will be connected via a network to any computer
which will contain Confidential Information.

- Email should not be used as a method to transmit Confidential Information across public
networks such as the Internet unless the e-mail and/or its attachments are encrypted or
zipped in a secure manner.

- The Consultant acknowledges that, in addition to the requirements of this Agreement, the
Confidential Information acquired by the Consultant, its employees, servants and/or agents
in the performance of the Services and in particular personal information, is subject to
privacy legislation in various jurisdictions, including but not limited to the Access to
Information and Protection of Privacy Act, and Management of Information Act, SNL2005,
cM-1.01, and the Privacy Act, RSNL1990 cP-22, as well as other legislation which may
apply in the jurisdiction of the Consultant's operation. The Consultant is responsible to
ensure the compliance with and satisfaction of the legislative requirements of all such
information relating to the treatment of Confidential Information by the Consultant, its
employees, servants and/or agents.
Where a Consultant will be granted access to the Government computer network during the course of the work, in addition to the requirements noted above, the Consultant shall not:

- Share personal computer drives or folders on a computer accessing the network; or
- Access the network remotely, either through wired or wireless connections, except through the use of secure ID and virtual private network systems.

These requirements apply to the Consultant and all agents, employees or permitted sub-Consultants of the Consultant, and it is the responsibility of the Consultant to ensure that all such agents, employees or permitted sub-Consultants are aware of these restrictions and are in compliance with them.

END OF SCHEDULE D