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**AGREEMENT OF PURCHASE AND SALE  
EXPLORATION LICENCES 1070 AND 1120  
AND ASSOCIATED AMI AGREEMENT**

Made as of September 23, 2011

Between

**CANADIAN IMPERIAL VENTURE CORP.**

and

**SHOAL POINT ENERGY LTD.**

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**SCHEDULES**

- "A" - Definitions and Other Interpretative Provisions
- "B" - Representations and Warranties
- "C" - Vendor's Closing Certificate
- "D" - Purchaser's Closing Certificate
- "E" - Escrow Agreement
- "F" - Form of Warrant Certificate

## **AGREEMENT OF PURCHASE AND SALE**

### **EXPLORATION LICENCES 1070 AND 1120 AND ASSOCIATED AMI AGREEMENT**

**THIS AGREEMENT OF PURCHASE AND SALE** is made as of **September 23, 2011** between **CANADIAN IMPERIAL VENTURE CORP.**, a British Columbia corporation, and **SHOAL POINT ENERGY LTD.**, an Ontario corporation.

Vendor wishes to sell the EL 1070 and 1120 Assets (as defined herein) to Purchaser, and Purchaser wishes to purchase the same from Vendor, pursuant to the terms and conditions set forth in this Agreement.

**NOW THEREFORE**, in consideration of the premises and the mutual covenants contained herein, Vendor and Purchaser agree as follows:

#### **ARTICLE 1 INTERPRETATION**

##### **1.01 Definitions and Other Interpretative Provisions**

The definitions and other interpretative provisions in Schedule "A" are incorporated herein by this reference.

##### **1.02 Schedules**

The following Schedules are attached to this Agreement:

Schedule "A" -	Definitions and Other Interpretative Provisions
Schedule "B" -	Representations and Warranties
Schedule "C" -	Vendor's Closing Certificate
Schedule "D" -	Purchaser's Closing Certificate
Schedule "E" -	Escrow Agreement
Schedule "F" -	Form of Warrant Certificate

#### **ARTICLE 2 PURCHASE AND SALE**

##### **2.01 Agreement of Purchase And Sale**

Subject to the terms and conditions of this Agreement, Purchaser agrees to purchase and accept from Vendor, and Vendor agrees to sell and assign to Purchaser, the EL 1070 and 1120 Assets.

##### **2.02 Purchase Price**

The Purchase Price shall be satisfied as follows:

- (a) **Cash Consideration.** Purchaser shall pay Vendor the following by wire transfer of immediately available funds to an account designated by Vendor, certified cheque, solicitor's trust cheque or bank draft:

- (i) \$300,000 at the Closing Place at the Closing Time; and
  - (ii) \$200,000 at CIVC's address for service as hereinafter specified on or before April 25, 2012.
- (b) **Share/Warrant Consideration.** Purchaser shall issue the Private Placement Shares and Warrants to Vendor at the Closing Place at the Closing Time.

### **2.03 Allocation of Purchase Price**

The Purchase Price shall be allocated entirely to the associated Petroleum Substances. The Parties agree that the aforesaid allocation is reasonable and that they shall file their respective tax returns for the applicable fiscal periods in a manner consistent with the aforesaid allocation.

### **2.04 Taxes, Assessments and Levies**

The Parties agree that it shall be Purchaser's responsibility to file, report and pay any and all HST or other taxes, assessments or levies arising under federal or provincial legislation as a result of the transactions contemplated by this Agreement and indemnify Vendor from the payment of such taxes, assessments or levies.

### **2.05 Costs**

Purchaser shall bear all costs incurred in registering any conveyances of title to the EL 1070 and 1120 Assets and all costs of preparing and registering any further assurances required to convey the EL 1070 and 1120 Assets hereunder. Otherwise, each Party shall bear and be responsible for all costs and expenses incurred by it in negotiating and preparing this Agreement, any deeds, documents and other writings delivered in conjunction with or in furtherance hereof and in otherwise performing the matters addressed herein.

## **ARTICLE 3 CLOSING**

### **3.01 Time and Place of Closing**

Subject to the satisfaction of the conditions set forth in Sections 3.03 (in the case of Purchaser) and 3.04 (in the case of Vendor) hereof (or the waiver thereof by the Party entitled to waive that condition), Closing shall take place at the Closing Place at the Closing Time.

### **3.02 Deliveries at Closing**

The following deliveries shall be made at Closing:

- (a) **Vendor's Deliveries.** Vendor shall deliver:
  - (i) a certified copy of a resolution of CIVC's shareholders approving the subject transactions;
  - (ii) a copy of the final acceptance issued by the TSX Venture Exchange to CIVC in respect of the sale of the EL 1070 and 1120 Assets;
  - (iii) Vendor's Closing Certificate, executed by Vendor;

- (iv) the General Conveyance, executed by Vendor;
  - (v) the Specific Conveyances, executed (as applicable) by Vendor and Creditor Corp.;
  - (vi) the Creditor Corp. Discharges, executed by Creditor Corp.;
  - (vii) the AMI Termination Agreement, executed by Vendor;
  - (viii) the Mutual Release, executed by Vendor;
  - (ix) the Escrow Agreement, executed by Vendor and the Escrow Agent;
  - (x) a receipt executed by the Vendor, acknowledging the payment of the monies due from Purchaser at Closing and the delivery of the certificates representing the Private Placement Shares and Warrants; and
  - (xi) such other documents as may be specifically or normally required in order to consummate the transactions contemplated hereby.
- (b) **Purchaser's Deliveries.** Purchaser shall deliver:
- (i) Purchaser's Closing Certificate, executed by Purchaser;
  - (ii) the General Conveyance, executed by Purchaser;
  - (iii) the Specific Conveyances, executed by Purchaser;
  - (iv) the AMI Termination Agreement, executed by Purchaser;
  - (v) the Mutual Release, executed by Purchaser;
  - (vi) \$300,000 as provided for in Section 2.02(a)(i);
  - (vii) certificates registered in the name of the Vendor (or a nominee of the Vendor as reasonably requested by the Vendor) representing the Private Placement Shares and Warrants and the Escrow Shares, duly authorized and issued by Purchaser;
  - (viii) a certified copy of a directors' resolution of Purchaser appointing a nominee of Vendor to serve as a director of Purchaser until the next annual general meeting;
  - (ix) a certified copy of the notice of change filed with the Companies Branch (Ontario) relating to the appointment of the Vendor's nominee to the board of directors of Purchaser;
  - (x) the Escrow Agreement, executed by Purchaser; and
  - (xi) such other documents as may be specifically or normally required in order to consummate the transactions contemplated hereby.

### 3.03 Conditions to Obligations of Purchaser

The obligation of Purchaser to consummate the transactions to be performed by it in connection with the Closing is subject to satisfaction of the following conditions:

- (a) **Representations, Warranties and Covenants.** The representations and warranties made to Purchaser by Vendor in this Agreement shall be true and accurate in all material respects at and as of the Closing Time with the same effect as though such representations and warranties had been given at and as of the Closing Time, except to the extent such representations and warranties expressly relate to an earlier time, in which case such representations and warranties shall be true and correct in all material respects at and as of such earlier time. Vendor shall also have performed or complied with, in all material respects, all of its obligations under this Agreement which are to be performed or complied with by it as of the Closing.
- (b) **No Material Adverse Change.** The EL 1070 and 1120 Assets shall not have suffered a Material Adverse Change between the date of this Agreement and the Closing Time.
- (c) **No Injunction.** No order, decree or ruling by any court or governmental agency shall be in effect that enjoins, restrains, conditions or prohibits consummation of the transactions contemplated by this Agreement.
- (d) **Delivery of Documents.** Vendor shall have delivered to Purchaser the documents and instruments identified in Section 3.02(a) above.

### 3.04 Conditions to Obligations of Vendor

The obligation of Vendor to consummate the transactions to be performed by it in connection with the Closing is subject to satisfaction of the following conditions:

- (a) **Representations, Warranties and Covenants.** The representations and warranties made to Vendor by Purchaser in this Agreement shall be true and accurate in all material respects at and as of the Closing Time with the same effect as though such representations and warranties had been given at and as of the Closing Time, except to the extent such representations and warranties expressly relate to an earlier time, in which case such representations and warranties shall be true and correct in all material respects at and as of such earlier time. Purchaser shall also have performed or complied with, in all material respects, all of its obligations under this Agreement which are to be performed or complied with by it as of the Closing.
- (b) **No Material Adverse Change.** Neither SPE nor its underlying assets and undertakings shall have suffered a Material Adverse Change between the date of this Agreement and the Closing Time.
- (c) **No Injunction.** No order, decree or ruling by any court or governmental agency shall be in effect that enjoins, restrains, conditions or prohibits consummation of the transactions contemplated by this Agreement.

- (d) **TSX Venture Exchange Acceptance.** The Vendor shall have received final acceptance from the TSX Venture Exchange of the transaction contemplated by this Agreement.
- (e) **Shareholder Approval.** The shareholders of the Vendor shall have passed a resolution approving the transaction contemplated by this Agreement on the terms set forth in this Agreement.
- (f) **Delivery of Documents.** Purchaser shall have delivered to Vendor the documents and instruments identified in Section 3.02(b) above.

### **3.05 Waiver of Conditions**

The conditions in Sections 3.03 and 3.04 are for the sole benefit of Purchaser and Vendor, respectively. The Party for the benefit of which the conditions in Sections 3.03 and 3.04 have been included may waive any of them, in whole or in part, by written notice to the other Party, without prejudice to any of the rights of the Party waiving such condition, including reliance on or enforcement of the representations, warranties or covenants which are preserved and pertain to conditions similar to the condition so waived.

### **3.06 Efforts to Fulfill Conditions**

Vendor and Purchaser shall each use reasonable commercial efforts to cause the conditions set forth in Sections 3.03 and 3.04 to be fulfilled and satisfied as soon as practicable.

## **ARTICLE 4 NO ACCOUNTING OR ADJUSTMENT**

### **4.01 Benefits And Obligations To Be Apportioned**

Except as may be expressly provided in this Agreement, the Parties acknowledge there shall be no accounting or adjustment made between them with respect to or on account of any income, expenses and other monetary benefits and obligations of every kind and nature accrued, accruing, paid, payable, received or receivable in respect of the EL 1070 and 1120 Assets.

## **ARTICLE 5 COVENANTS**

### **5.01 Vendor Nominee on Purchaser's Board of Directors**

Purchaser covenants that so long as Vendor holds a minimum of 10.17% of the issued and outstanding common shares of Purchaser, Vendor will nominate, at each annual general meeting of Purchaser, a nominee of Vendor to serve as a director of Purchaser.

### **5.02 Public Announcements**

Neither Party shall make any press release or other announcement in connection with this Agreement without the written consent of the other Party and accommodating all reasonable requests of the other Party regarding postponement or cancellation of such press release or announcement. The Parties shall cooperate with each other in relaying to third parties information concerning this Agreement and the transactions contemplated herein, and shall discuss drafts of all press releases and other releases of information for dissemination to the



public pertaining hereto. However, nothing in this Section 5.01 shall prevent a Party from furnishing any information to any governmental agency or regulatory authority or to the public, if required by the Regulations or securities laws applicable to such Party; provided that a Party which proposes to make such a public disclosure shall, to the extent reasonably possible, provide the other Party with a draft of such statement prior to its release to enable such other Party to review the draft and advise that Party of any comments it may have with respect thereto. Subject to the foregoing, both Parties acknowledge that it is their intent to each press release the execution and delivery of this Agreement

### **5.03 Restrictions on Purchaser's Proposal of Operations**

Prior to Closing, Purchaser shall not, without the written consent of Vendor, propose to Vendor, or request Vendor to propose to others, the conduct of any operations or the exercise of any right or option in respect of the EL 1070 Shallow Rights or the EL 1120 Farmout Shallow Rights.

### **5.04 Further Assurances**

The Parties shall execute, acknowledge and deliver such instruments and take such other actions as may be reasonably necessary to fulfil their respective obligations under this Agreement.

## **ARTICLE 6 REPRESENTATIONS AND WARRANTIES**

### **6.01 Reciprocal Representations and Warranties of Vendor**

Each Party makes the Reciprocal Representations and Warranties to the other Party.

### **6.02 Additional CIVC Representations and Warranties**

In addition, CIVC makes the Additional CIVC Representations and Warranties to SPE.

### **6.03 Additional SPE Representations and Warranties**

In addition, SPE makes the Additional SPE Representations and Warranties to CIVC.

### **6.04 Disclaimer and Release**

- (a) **No Additional Representations or Warranties.** Neither Party makes any representations or warranties in addition to those expressly set forth in Sections 6.01, 6.02 and 6.03. Except and to the extent expressly set forth in Sections 6.01 and 6.02, Vendor does not warrant title to the EL 1070 and 1120 Assets or make any representations or warranties with respect to: (i) the quantity, quality, recoverability, anticipated rates of production or deliverability of any associated Petroleum Substances; (ii) any estimates as to the value of the EL 1070 and 1120 Assets or the revenues applicable to future production therefrom; (iii) any engineering, geological or other interpretations or economic evaluations respecting the EL 1070 and 1120 Assets; (iv) the quality, condition, serviceability or merchantability of the EL 1070 and 1120 Assets; (v) the suitability of their use for any purpose; or (vi) any environmental matters relating to the EL 1070 and 1120 Assets. Without restricting the generality of the foregoing, Purchaser acknowledges that it has made its own independent investigation, analysis,

evaluation and inspection of the EL 1070 and 1120 Assets and the state and condition thereof and that it has relied solely on such investigation, analysis, evaluation and inspection as to its assessment of the condition, quantum and value of the EL 1070 and 1120 Assets.

- (b) **Release of Vendor Indemnified Parties.** Except with respect to the representations and warranties in Sections 6.01 and 6.02, Purchaser forever releases and discharges Vendor Indemnified Parties from any Claims by Purchaser or Purchaser's assigns and successors, as a result of the use or reliance upon advice, information or materials pertaining to the EL 1070 and 1120 Assets which was delivered or made available to Purchaser by any Vendor Indemnified Party prior to or pursuant to this Agreement, including any evaluations, projections, reports and interpretive or non-factual materials prepared by or for Vendor, or otherwise in Vendor's possession.
- (c) **Release of Purchaser Indemnified Parties.** Except with respect to the representations and warranties in Sections 6.01 and 6.03, Vendor forever releases and discharges Purchaser Indemnified Parties from any claims by Vendor or Vendor's assigns and successors, as a result of the use or reliance upon advice, information or materials pertaining to the Private Placement Shares and Warrants and the Escrow Shares which was delivered or made available to Vendor by any Purchaser Indemnified Party prior to or pursuant to this Agreement, including any evaluations, projections, reports and interpretative or non-factual materials prepared by or for Purchaser, or otherwise in Purchaser's possession.

#### **6.05 Substitution and Subrogation**

The assignment and conveyance in respect of the EL 1070 and 1120 Assets to be effected in furtherance of this Agreement is made with full right of substitution and subrogation of Purchaser in and to all covenants, representations, warranties and indemnities previously given or made by others in respect of the EL 1070 and 1120 Assets or any part or portion thereof.

### **ARTICLE 7 LIABILITY AND INDEMNIFICATION**

#### **7.01 Indemnification by Vendor**

Subject to Section 7.03, from and after the Closing and to the fullest extent permitted by law, Vendor shall be responsible for and shall indemnify and save Purchaser Indemnified Parties harmless from and against:

- (a) **Representations and Warranties.** Any breach of its Reciprocal Representations and Warranties and the Additional CIVC Representations and Warranties; and
- (b) **Other Matters.** Any other matters for which Vendor has expressly agreed to indemnify Purchaser under this Agreement.

The indemnification obligations set forth in this Section 7.01, however, are not a title warranty and do not provide either an extension of any representation or warranty contained in this Agreement or an additional remedy with respect to Vendor's breach of any such representation or warranty.

## 7.02 Indemnification by Purchaser

Subject to Section 7.03, from and after the Closing and to the fullest extent permitted by law, Purchaser shall be responsible for and shall indemnify and save Vendor Indemnified Parties harmless from and against:

- (a) **Representations and Warranties.** Any breach of its Reciprocal Representations and Warranties and the Additional SPE Representations and Warranties;
- (b) **Claims.** All Claims directly or indirectly relating to the EL 1070 and 1120 Assets, whether attributable to the period of time before or after the Effective Date, including all Claims referred to in Section 7.04; and
- (c) **Other Matters.** Any other matters for which Purchaser has expressly agreed to indemnify Vendor under this Agreement.

The indemnification obligations set forth in this Section 7.01, however, do not provide either an extension of any representation or warranty contained in this Agreement or an additional remedy with respect to Purchaser's breach of any such representation or warranty.

## 7.03 Limitations

The indemnification obligations of the Parties shall be subject to the following limitations:

- (a) **Survival Period for Representations and Warranties.** The representations and warranties of the Parties contained in this Agreement shall survive the Closing for one year after the Effective Date; provided that no representation or warranty of a Party contained herein shall be deemed untrue or incorrect, and such Party shall not be deemed to have breached a representation or warranty, as a consequence of the existence of any fact, circumstance or event of which (i) is disclosed in response to another representation or warranty contained in this Agreement or (ii) the Party to whom the representation or warranty is made is aware as of the Closing Time.
- (b) **Limitation Period for Claims Against Vendor.** Written notice of any Claim for indemnification by Vendor must have been provided by Purchaser Indemnified Party within one year following the Effective Date, specifying the subject matter of the Claim in reasonable detail;
- (c) **Aggregate Vendor Liability.** The aggregate liability of Vendor to Purchaser Indemnified Parties shall not exceed the Purchase Price;
- (d) **Reductions Applied to Claims Against Vendor.** The amount of any Claim in respect of which indemnification shall be sought from Vendor shall be reduced by (i) any insurance proceeds realized or that may be realized by any Purchaser Indemnified Party in respect of such Claim, net of any reasonable costs of realizing such insurance proceeds, and (ii) any recoveries with respect to such Claim which may be realized by any Purchaser Indemnified Party from Persons other than Vendor, net of any reasonable costs of pursuing such recoveries; and
- (e) **Damage Exclusions.** No Party shall be liable to the other for indirect, consequential, special or punitive damages, including loss of future revenue,

income or profits, diminution of value or loss of business reputation or opportunity; provided that the foregoing limitation shall not limit or otherwise apply to (i) Vendor's right to recover any such damages in connection with Purchaser's failure to consummate the Closing in breach of this Agreement, and (ii) any such damages sought by third parties against a Vendor Indemnified Party or Purchaser Indemnified Party in connection with Claims that may be indemnified by the applicable Party under this Agreement.

#### **7.04 EL 1070 and 1120 Assets Acquired on "As Is" Basis**

Notwithstanding the foregoing provisions of this Article, Purchaser acknowledges that it is acquiring the EL 1070 and 1120 Assets on an "as is" basis, as of the Effective Date. Purchaser acknowledges that it is familiar with the condition of the EL 1070 and 1120 Assets, including the past and present use thereof and that it is not relying upon any representation or warranty of Vendor as to the condition, environmental or otherwise, of the EL 1070 and 1120 Assets, except as may be specifically made pursuant to this Agreement. Provided that Closing has occurred, Purchaser further agrees that it shall (a) be solely liable and responsible for any and all Claims relating to events or conditions on, prior to and after the Effective Date which Vendor may suffer, sustain, pay or incur; and (b) indemnify and save Vendor Indemnified Parties harmless from any and all Claims whatsoever which may be brought against or suffered by Vendor Indemnified Parties or which they may sustain, pay or incur, in either case as a direct result of any matter or thing arising out of, resulting from, attributable to or connected with any Environmental Liabilities pertaining to the EL 1070 and 1120 Assets, or any of them, including damage from or removal of hazardous or toxic substances, clean-up and the Abandonment and Reclamation Obligations. Once Closing has occurred, Purchaser shall be solely responsible for all Environmental Liabilities respecting the EL 1070 and 1120 Assets and the performance of the Abandonment and Reclamation Obligations (as between Vendor and Purchaser), and hereby releases Vendor Indemnified Parties from any Claims Purchaser may have against Vendor Indemnified Parties with respect to all such liabilities and responsibilities. The Parties have taken into account Purchaser's assumption of responsibility for the future Abandonment and Reclamation Obligations associated with the EL 1070 and 1120 Assets, as set forth in this Agreement, and Vendor's release of responsibility therefor when they determined the Purchase Price.

#### **7.05 Exclusive Remedies**

Each of the Parties acknowledges that after Closing, subject to the terms of the Escrow Agreement, the remedies set forth in this Article 7 are the sole and exclusive remedies of the Parties with respect to the transactions contemplated by this Agreement.

#### **7.06 No Indemnitee Claims**

Each Party acknowledges and agrees that, to the extent it becomes obligated hereunder to indemnify the other Party in respect of any matter, it will not be entitled to any rights or remedies against, as applicable, the Purchaser Indemnitee Parties or the Vendor Indemnitee Parties under Canadian common law or statute in respect of the indemnified obligations, including the right to name any of the aforesaid parties as a third party to any action commenced by any Person against the indemnifying Party.

## ARTICLE 8 TERMINATION

### 8.01 Termination

This Agreement may be terminated and the transactions contemplated by this Agreement may be abandoned at any time prior to the Closing, as follows:

- (a) **Mutual Agreement.** By written agreement of Vendor and Purchaser;
- (b) **Purchaser.** By Purchaser, if the conditions in Section 3.03 have not been satisfied or waived in writing by Purchaser on or before October 31, 2011 (unless the failure results primarily from Purchaser breaching any representation, warranty or covenant contained in this Agreement); or
- (c) **Vendor.** By Vendor, if the conditions set forth in Section 3.04 have not been satisfied or waived in writing by Vendor on or before October 31, 2011 (unless the failure results primarily from Vendor breaching any representation, warranty or covenant contained in this Agreement).

### 8.02 Effect of Termination

If this Agreement is terminated pursuant to Section 8.01, all rights and obligations of the Parties under or pursuant to this Agreement shall terminate without further liability or obligation by any Party to the other except for any liability of any Party then in breach.

## ARTICLE 9 MISCELLANEOUS

### 9.01 Assignment

This Agreement may not be assigned by a Party without the prior written consent of the other Party, which consent may be unreasonably and arbitrarily withheld.

### 9.02 Enurement

This Agreement shall be binding upon and shall enure to the benefit of the Parties and their respective administrators, trustees, receivers, receiver-managers, successors and permitted assigns.

### 9.03 Notices

The addresses for service and the fax numbers and email addresses of the parties are as follows:



**Vendor:**  
Canadian Imperial Venture Corp.  
189 Water Street  
St. John's, NL A1C 6J9  
Facsimile: 709.739.6605  
Email: gedwards@canadianimperial.com  
Attention: Gerard Edwards, President

**Purchaser:**  
Shoal Point Energy Ltd.  
Suite 501, 65 Queen Street West  
Toronto, ON M5H 2M5  
Facsimile: 647.438.6246  
Email: glangdon@shoalpointenergy.com  
Attention: George Langdon, President

All notices, communications and statements required, permitted or contemplated hereunder shall be in writing and shall be delivered as follows:

- (a) **Personal Delivery or Courier Service:** by personal delivery or courier service on a Party at the address of such Party set out above, in which case the item so served shall be deemed to have been received on the date of delivery if such delivery takes place prior to 5:00 p.m. (local time) on a Business Day. If the actual delivery of such notice occurs after 5:00 p.m. on a Business Day or on a day that is not a Business Day, then such notice shall be deemed to have been received on the first Business Day following the date on which such actual delivery was made; or
- (b) **Facsimile and Email Transmission:** by facsimile or email transmission to a Party to the fax number or email address of such Party set out above, in which case the item so transmitted shall be deemed to have been received when received in its entirety in a legible form if such transmission and receipt are completed prior to 5:00 p.m. (local time) on a Business Day. If such transmission and receipt are completed after 5:00 p.m. on a Business Day or on a day that is not a Business Day, then such notice shall be deemed to have been received on the first Business Day following the date on which such transmission and receipt were completed.

A Party may from time to time change its address for service, its fax number or its email address by giving written notice of such change to the other Party.

#### **9.04 No Rights Conferred on Non-Parties**

This Agreement is solely for the benefit of the Parties and shall not otherwise be deemed to confer upon or give to any third party any right, claim, cause of action or other interest herein.

#### **9.05 Confidentiality**

Except as may be required by applicable law or regulatory policy, the existence and contents of this Agreement shall be held in strict confidence by the Parties.

#### **9.06 Counterparts and Facsimile/Electronic Execution**

This Agreement may be executed in counterparts, each of which shall be deemed an original, and all of which, taken together, shall constitute one instrument. In addition, facsimile or electronic copies of executed counterparts shall be conclusively regarded for all purposes as originally executed counterparts pending the delivery of the originals.

**IN WITNESS WHEREOF**, the Parties have duly executed this Agreement effective the day and year first above written.

**CANADIAN IMPERIAL VENTURE CORP.**

**SHOAL POINT ENERGY LTD.**

Per: “Gerard Edwards”  
Gerard Edwards, President

Per: “George Langdon”  
George Langdon, President

This is the execution page to an Agreement of Purchase and Sale respecting Exploration Licences 1070 and 1120 and an associated AMI Agreement made as of September 23, 2011 between Canadian Imperial Venture Corp. and Shoal Point Energy Ltd.

## SCHEDULE "A"

### DEFINITIONS AND OTHER INTERPRETATIVE PROVISIONS

#### 1. DEFINITIONS

The following words and phrases appearing in the Agreement have the meanings set forth below:

**"Abandonment and Reclamation Obligations"** means all obligations to (a) abandon any wells and restore and reclaim the surface sites thereof, (b) decommission and remove any site equipment and the facilities and equipment comprised in the Tangibles and reclaim and restore the surface sites thereof and (c) reclaim and restore the surface of any related lands, all in accordance with the Regulations.

**"Additional CIVC Representations and Warranties"** means the representations and warranties listed in section 2 of Schedule "B".

**"Additional SPE Representations and Warranties"** means the representations and warranties listed in section 3 of Schedule "B".

**"Affiliate"** means, with respect to any Person, any other Person that, directly or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with, such Person. For purposes of this definition, **"control"** of any Person (including the terms **"controlled by"** and **"under common control with"**) means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through ownership of voting securities, by contract or otherwise.

**"Agreement"** means the agreement to which this Schedule is attached and all Schedules attached thereto together with all instruments supplemental thereto or in amendment or confirmation thereof.

**"AMI Agreement"** means that certain Area of Mutual Interest Agreement dated April 13, 2011 between SPE and CIVC.

**"AMI Termination Agreement"** means a mutually acceptable Agreement between the Parties terminating the AMI Agreement.

**"Applicable Securities Legislation"** means the *Securities Act* (Ontario) as amended, together with all the regulations and rules made and promulgated thereunder and all administrative policy statements, instruments, blanket orders and rulings, notices, and other administrative directions issued by the Ontario Securities Commission.

**"Business Day"** means any day other than a Saturday, Sunday or day on which national banking institutions in the Provinces of Newfoundland and Labrador or Ontario are authorized or required to close.

**"CIVC"** or **"Vendor"** means Canadian Imperial Venture Corp.

**"C-NLOPB"** means the Canada-Newfoundland and Labrador Offshore Petroleum Board.



**"Claims"** means all losses, damages, expenses (including reasonable legal and other professional fees), liabilities (whether accrued, actual, contingent, latent or otherwise), judgments, penalties, fines, claims, lawsuits, causes of action, proceedings, investigations and demands of whatever nature or kind and all costs incurred in investigating or pursuing any of the foregoing or any proceeding relating to any of the foregoing.

**"Closing"** means the closing of the transactions contemplated by the Agreement to the extent specified in Article 3 of the Agreement.

**"Closing Place"** means Miller Thomson LLP's offices, 3000, 700 – 9<sup>th</sup> Avenue SW, Calgary, AB.

**"Closing Time"** means 10:00 a.m., Calgary time, on the later of:

- (a) October 25, 2011; and
- (b) the second Business Day after satisfaction or waiver of the conditions set forth in Sections 3.03 and 3.04 (other than conditions that by their nature are to be satisfied at the Closing, but subject to the satisfaction or waiver of such conditions), unless another time or date, or both, are agreed to in writing by the Parties.

**"Creditor Corp."** means CIVC Creditor Corporation.

**"Creditor Corp. Discharges"** means registrable discharges of the security registrations made by Creditor Corp. in respect of the Creditor Corp. Royalty Agreement to the extent the same encumber CIVC.

**"Creditor Corp. Royalty Agreement"** means that certain Overriding Royalty Agreement dated November 18, 2009 between CIVC and SPE, as Royalty Payor and CIVC Creditor Corporation, as Royalty Owner.

**"Creditor Corp. Restructuring Agreement"** means that certain Restructuring Agreement dated November 18, 2009 among CIVC, SPE and Creditor Corp.

**"Deep Rights"** means all Petroleum Substances and all other associated rights within those strata within and stratigraphically below the Ordovician Carbonate Platform which, for the avoidance of doubt, excludes the Cape Cormorant and Table Cove Formations and is comprised of the following:

- (a) the Table Point Formation;
- (b) the St. George's Group, consisting of the Aguathuna, Catoche, Boat Harbour and Watts Bight Formations;
- (c) the Port Au Port Group, consisting of the Berry Head, Petit Jardin and March Point Formations;
- (d) the Labrador Group, consisting of the Hawke Bay and Forteau Formations;

- (e) the Lighthouse Cove and Bradore Formations; and
- (f) the Grenville Basement.

"**Effective Date**" means the date of Closing.

"**EL 1070**" means Exploration Licence 1070 dated January 15, 2002 issued by the C-NLOPB, as extended, which allows for the exploration for Petroleum Substances in the area more particularly described therein.

"**EL 1070 Deep Rights**" means, to the extent granted by EL 1070, the Deep Rights underlying the EL 1070 Lands.

"**EL 1070 Lands**" means the lands described in and currently subject to EL 1070 and the Petroleum Substances within, upon or under such lands.

"**EL 1070 Shallow Rights**" means all Petroleum Substances and all other associated rights within all strata underlying the EL 1070 Lands (other than the EL 1070 Deep Rights) to the extent granted by EL 1070, including the Cape Cormorant and Table Cove Formations.

"**EL 1070 Working Interest**" means CIVC's entire working interest in the Petroleum Substances, Tangibles and Miscellaneous Interests associated with the EL 1070 Shallow Rights.

"**EL 1070 and 1120 Assets**" means the EL 1070 Working Interest and the EL 1120 Farmin Interest.

"**EL 1120**" means Exploration Licence 1120 dated January 15, 2010 issued by the C-NLOPB which allows for the exploration for Petroleum Substances in the area more particularly described therein.

"**EL 1120 Deep Rights**" means, to the extent granted by EL 1120, the Deep Rights underlying the EL 1120 Farmout Lands.

"**EL 1120 Farmin Interest**" means CIVC's entire participating interest as derived pursuant to the AMI Agreement in the EL 1120 Farmout Shallow Rights farmed out to SPE by Ptarmigan pursuant to the Ptarmigan Farmin Agreement.

"**EL 1120 Farmout Lands**" means that portion of the EL 1120 Lands comprised of:

<u>Latitude</u>	<u>Longitude</u>	<u>Sections</u>
49° 10' N	58° 15' W	70, 78-80, 86-90, 93, 94, 95, 96, 97, 98, 99 (sub-sections A, B, G, H), and offshore portions of sections 59, 60, 67-69, 75-77, 82-85 and 92
49° 10' N	58° 30' W	3, 4, 5, 6, 11, 12, 13, 14, 15 (sub-sections A, B, G, H), 21, 22, 23, 31 and offshore portions of sections 1 and 2

49° 00' N                      58° 30' W                      17-20, 24-30, 32, 33, 34, 35, 36, 37, 38, 39,  
40, 41, 42, 43, 44, 45, 46, 47, 48, 51, 52, 53,  
54, 55, 61 and offshore portions of sections  
6-10, 13-16, 21-23 and 31

containing 62,298 acres, more or less.

\*North American Datum 1927.

**"EL 1120 Farmout Shallow Rights"** means an 80% working interest in:

- (a) all Petroleum Substances and all other associated rights within all strata underlying the EL 1120 Farmout Lands (other than the EL 1120 Deep Rights) to the extent granted by EL 1120, including the Goose Tickle and Table Cove Formations, all rocks lying within and stratigraphically above the Green Point Formation and Cow Head Group, all rocks contained structurally within the Humber Arm Allochthon and all rocks to the seabed; and
- (b) all associated Tangibles and Miscellaneous Interests.

**"EL 1120 Lands"** means the lands described in and subject to EL 1120 and the Petroleum Substances within, upon or under such lands.

**"EL 1120 Tangibles"** means any facilities and any other tangible depreciable property, EL 1070 and 1120 Assets and equipment used or intended to be used with respect to the EL 1120 Farmout Shallow Rights to produce, store, process, gather, treat, measure, make marketable or inject Petroleum Substances or in connection with water injection or removal operations.

**"Environment"** means the components of the earth and includes ambient air, land, surface and sub-surface strata, groundwater, surface water, all layers of the atmosphere, all organic and inorganic matter and living organisms, and the interacting natural systems that include such components.

**"Environmental Liabilities"** means:

- (a) any and all Claims arising directly or indirectly from contamination or other adverse situations pertaining to the Environment and relating to or caused by the EL 1070 and 1120 Assets or operations thereon or related thereto, however and by whomsoever caused, and whether such Claim, contamination or other adverse situation occurs or arises in whole or in part prior to, at or subsequent to the Effective Date; and
- (b) all past, present and future Claims and obligations arising directly or indirectly, whether prior to, at or subsequent to the Effective Date, from (i) Environmental Matters; (ii) non-compliance with, violation of or liability under any Regulations pertaining to the Environment; or (iii) the Abandonment and Reclamation Obligations.

**"Environmental Matters"** means, in relation to the Environment, any activity, event or circumstance in respect of or relating to past, present or future activities regarding the EL 1070 and 1120 Assets including:

- (a) the storage, use, holding, collection, accumulation, assessment, generation, manufacture, construction, processing, treatment, stabilization, disposition, handling, transportation or release of hydrocarbons, hazardous substances and environmental contaminants;
- (b) the protection of the Environment; or
- (c) pollution, reclamation or restoration of the Environment.

**"Escrow Agent"** means Miller Thomson LLP, the solicitors for CIVC.

**"Escrow Agreement"** means an Escrow Agreement in the form attached as Schedule "E".

**"Escrow Shares"** means 1,000,000 previously unissued common shares of the Purchaser registered in the name of Vendor or its nominee.

**"General Conveyance"** means a mutually acceptable General Conveyance between the parties assigning, transferring and conveying the EL 1070 and 1120 Assets from Vendor to Purchaser.

**"Green Point Formation"** means the entire Cambrian Ordovician aged organic rich shale stratigraphic unit within the Cow Head Group.

**"HST"** means the Harmonized Sales Tax.

**"Material Adverse Change"** means a material adverse change, other than any change relating to or resulting from: (a) general economic, financial, currency exchange, securities markets or commodity prices in Canada or elsewhere; (b) conditions affecting the oil and gas exploration, exploitation, development and production industry as a whole, and not specifically relating to any Person and/or its subsidiaries, including changes in laws, taxes or royalties; (c) any decline in crude oil or natural gas prices on a current or forward looking basis; (d) any matter which has been publicly disclosed or has been communicated in writing (as applicable) to Purchaser or Vendor as of the date hereof; (e) any change in the amount of water content of production of associated Petroleum Substances; and (f) any changes arising from matters permitted or contemplated by this Agreement or consented to or approved in writing (as applicable) by Purchaser or Vendor.

**"Miscellaneous Interests"** means all property, assets, interests and rights related to, as applicable, the EL 1070 Shallow Rights or the EL 1120 Farmout Shallow Rights, other than the associated Petroleum Substances and Tangibles *per se*, including;

- (a) all wells, including the related wellbores and the casing contained therein;
- (b) all associated title and operational instruments, contracts and agreements;
- (c) all associated records, books, documents, files, reports and data; and

- (d) all related licences, permits and other approvals and authorizations granted by any government,

but specifically excluding agreements, documents or data to the extent that they pertain to proprietary technology or interpretations, are owned or licenced by third parties with restrictions on their deliverability or disclosure or are commercial agreements of general application with third parties which are not specifically required for the use and operation of, as applicable, the EL 1070 Shallow Rights or the EL 1120 Farmout Shallow Rights.

**"Mutual Release"** means a mutually acceptable Release between the Parties pursuant to which each Party releases the other Party from all pre-Closing Claims it may have against such other Party related to EL 1070, EL 1120 and the AMI Agreement.

**"Ordovician Carbonate Platform"** means all those strata within the Ordovician carbonate platform as defined in the geological literature related to Western Newfoundland and Labrador.

**"Party"** means Vendor or Purchaser, and **"Parties"** means both Vendor and Purchaser.

**"Permitted Encumbrances"** means:

- (e) the terms and conditions of EL 1070, EL 1120 and any other Title Documents;
- (f) the rights reserved to or vested in any grantor, government or other public authority by the terms of EL 1070, EL 1120 or any other Title Document or by the Regulations;
- (g) the terms and conditions of the Creditor Corp. Royalty Agreement;
- (h) easements, rights of way, servitudes or other similar rights in land, including rights of way and servitudes for highways, railways, sewers, drains, gas and oil pipelines, gas and water mains, electric light, power, telephone or cable television conduits, poles, wire or cables;
- (i) the right to levy taxes on Petroleum Substances or the income or revenue therefrom and governmental requirements pertaining to production rates or the conduct of operations or otherwise affecting the value of any of the EL 1070 and 1120 Assets;
- (j) the Regulations and any rights reserved to or vested in any municipality or governmental, statutory or public authority to control or regulate any of the EL 1070 and 1120 Assets in any manner; and
- (k) the reservations, limitations, provisos and conditions in any grants or transfers from the Crown in right of the Province of Newfoundland and Labrador and statutory exceptions to title.

**"Person"** means any individual, body corporate, partnership (limited or general), trust, trustee, executor or similar official, governmental body or entity or other entity.

**"Petroleum Substances"** means crude oil, crude bitumen and products derived therefrom, synthetic crude oil, petroleum, natural gas, natural gas liquids, sulphur and every other mineral or substance, whether liquid, solid or gaseous, or any of them.

**"Private Placement Shares"** means 20,000,000 previously unissued common shares of the Purchaser;

**"Private Placement Shares and Warrants"** means collectively, the Private Placement Shares and the Private Placement Warrants;

**"Private Placement Warrants"** means the share purchase warrants entitling the holder to acquire on exercise of such warrants, 10,000,000 previously unissued common shares of the Purchaser at a price of \$0.40 per common share for a period of two years from the date on which the Closing takes place, such warrants to be represented by a certificate in the form attached as Schedule "F" to the Agreement;

**"Ptarmigan"** means Ptarmigan Energy Inc.

**"Ptarmigan Farmin Agreement"** means that certain Letter Farmin Agreement dated April 13, 2011 between Ptarmigan, as Farmor and SPE, as Farmee respecting EL 1120.

**"Purchase Price"** means the sum of \$500,000 plus the value of the Private Placement Shares and Warrants, the same representing the aggregate purchase price for the EL 1070 and 1120 Assets.

**"Purchaser Indemnified Parties"** means Purchaser, its Affiliates and their respective directors, officers, agents, consultants and employees.

**"Purchaser's Closing Certificate"** means a Certificate in the form attached as Schedule "D".

**"Reciprocal Representations and Warranties"** means those representations and warranties listed in section 1 of Schedule "B".

**"Regulations"** means all statutes, laws, rules, orders and regulations in effect from time to time and made by governments or governmental boards or agencies having jurisdiction over Vendor, Purchaser, the EL 1070 and 1120 Assets, the Private Placement Shares and Warrants and the transactions contemplated in the Agreement.

**"Security Interests"** means any assignment, security, mortgage, encumbrance, charge, pledge, negative pledge, lien or other security interest whatsoever or howsoever created or arising whether absolute or contingent, fixed or floating, perfected or not, which encumbers the title of Vendor in and to the EL 1070 and 1120 Assets or any part or portion thereof.

**"SPE" or "Purchaser"** means Shoal Point Energy Ltd.

**"SPE Disclosure Record"** means SPE's annual reports, financial statements, annual information forms, information circulars, material change reports, technical reports, press releases and all documents and information filed or delivered by SPE with the Ontario Securities Commission as required under Applicable Securities Legislation for the previous 12 months.



**"Specific Conveyances"** means all conveyances, assignments, registerable transfers, novations, bills of sale and other documents or instruments, other than the General Conveyance, that are reasonably required or desirable to assign, transfer and convey the interests and obligations of Vendor in respect of the EL 1070 and 1120 Assets to Purchaser and to novate Purchaser in the place and stead of Vendor with respect to the EL 1070 and 1120 Assets and all of Vendor's interests and obligations relating thereto as contemplated in the Agreement including:

- (a) a Form 1 Transfer and Form 15 Notice of Disposition respecting Vendor's recorded interest in EL 1070;
- (b) a replacement Declaration of Trust with respect to the EL 1070 Shallow Rights;
- (c) a replacement Declaration of Trust with respect to the EL 1070 Deep Rights;
- (d) an Assignment and Novation Agreement with respect to the Creditor Corp. Royalty Agreement; and
- (e) an Assignment and Novation Agreement with respect to the Creditor Corp. Restructuring Agreement.

**"Title Documents"** means EL-1070, EL 1120 and any other governmental leases, licenses, permits and other documents of title by virtue of which the holder thereof is entitled to drill for, win, take, own or remove the Petroleum Substances within the EL 1070 Shallow Rights and the EL 1120 Farmout Shallow Rights.

**"Vendor's Closing Certificate"** means a Certificate in the form attached as Schedule "C".

**"Vendor Indemnified Parties"** means Vendor, its Affiliates and their respective directors, officers, agents, consultants and employees.

## **2. CALCULATION OF TIME PERIOD**

When calculating the period of time before which, within which or following which any act is to be done or step taken pursuant to the Agreement, the date that is the reference date in calculating such period shall be excluded. If the last day of such period is a non-Business Day, the period in question shall end on the next succeeding Business Day.

## **3. DOLLARS**

Any reference in the Agreement to "\$" or "dollars" shall mean Canadian dollars.

## **4. SCHEDULES**

The Schedules to the Agreement are hereby incorporated in and made an integral part of the Agreement as if set forth in full in the main body thereof. Any capitalized terms used in any Schedule but not otherwise defined therein shall be defined as set forth in the Agreement.

## **5. GENDER AND NUMBER**

Unless the context requires otherwise, any reference in the Agreement to gender shall include all genders, and words imparting the singular number only shall include the plural and vice versa.

## **6. HEADINGS**

The division of the Agreement into Articles, Sections and other subdivisions and the insertion of headings are for convenience of reference only and shall not affect or be utilized in construing or interpreting the Agreement. All references in the Agreement to any "Section" are to the corresponding Section of the Agreement unless otherwise specified.

## **7. USE OF DERIVATIVES**

If a derivative form of a term or expression that is already specifically defined in the Agreement is also used in the Agreement, then such derivative form shall have a meaning that corresponds to the applicable defined term or expression.

## **8. USE OF INDUSTRY TERMS**

Terms and expressions that are not specifically defined in the Agreement, but which have generally accepted meanings in the custom, usage and literature of the petroleum and natural gas industry in Western Canada or Newfoundland and Labrador as of the date of the Agreement, shall have such generally accepted meanings when used in the Agreement unless the contrary is specified or provided for elsewhere in the Agreement.

## **9. USE OF HEREIN AND SIMILAR EXPRESSIONS**

The words "herein," "hereinafter," "hereof," "hereunder" and similar expressions refer to the Agreement as a whole and not merely to a subdivision in which such words appear unless the context otherwise requires.

## **10. USE OF INCLUDING AND VARIATIONS**

The word "including" or any variation thereof means "including, without limitation" and shall not be construed to limit any general statement that it follows to the specific or similar items or matters immediately following it.

## **11. NEGOTIATED TRANSACTION**

The Parties have participated jointly in the negotiation and drafting of the Agreement and, in the event an ambiguity or question of intent or interpretation arises, the Agreement shall be construed as jointly drafted by the Parties and no presumption or burden of proof shall arise favouring or disfavouring any Party by virtue of the authorship of any provision of the Agreement.



## **12. STATUTORY REFERENCES**

A reference to a statute includes all rules and regulations made pursuant to such statute and, unless otherwise specified, the provisions of any statute or regulation or rule which amends, supplements or supersedes any such statute or any such regulation or rule.

## **13. CONTRACTUAL REFERENCES**

Any reference in the Agreement to another contract, agreement, instrument or other document shall be deemed to refer to such contract, agreement, instrument or other document as it has been amended, modified, replaced or supplemented from time to time up to the applicable time.

## **14. KNOWLEDGE AND AWARENESS**

Where in the Agreement a representation or warranty is made on the basis of a Party's knowledge or awareness, such knowledge or awareness consists of the knowledge or awareness of the current directors, officers, employees and contractors of such Party having made due inquiry and does not include the knowledge or awareness of any other Person.

## **15. INTERPRETATION IF CLOSING DOES NOT OCCUR**

In the event that Closing does not occur, each provision of the Agreement which presumes that Purchaser has acquired the EL 1070 and 1120 Assets hereunder shall be construed as having been contingent upon Closing having occurred.

## **16. CONFLICTS**

If there is any conflict or inconsistency between a provision in the main body of the Agreement and that of a Schedule, the provision in the main body of the Agreement shall prevail. Wherever any provision of the Agreement conflicts with any documentation issued in furtherance thereof, the provision of the Agreement shall prevail. If any term or condition of the Agreement conflicts with a term or condition contained in EL 1070 or EL 1120 or the Regulations, the term or condition of EL 1070, EL 1120 or the Regulations shall prevail, and the Agreement shall be deemed to be amended to the extent required to eliminate any such conflict.

## **17. GOVERNING LAW**

This Agreement shall be subject to and be interpreted, construed and enforced in accordance with the laws in effect in the Province of Newfoundland and Labrador. Each Party accepts the courts of the Province of Newfoundland and Labrador and all courts of appeal therefrom as the proper and exclusive venue for litigation that may arise in connection with or as a result of the Agreement.

## **18. HST**

Any dollar amounts referenced in the Agreement are exclusive of HST and other similar federal or provincial sales taxes and levies, if any, unless expressly stated to the contrary.

**19. ENTIRE AGREEMENT AND AMENDMENT**

Together with the specific documents to be delivered at Closing, the Agreement supersedes all prior understandings between the Parties with respect to the subject transactions and constitutes the entire agreement and understanding of the Parties with respect to the subject matter thereof and may not be amended, modified, altered or superseded except by a written instrument executed by the Parties.

**20. SEVERABILITY**

Each portion of the Agreement is intended to be severable. If any term or provision thereof is illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the validity of the remainder of the Agreement.

**21. WAIVER**

No waiver by any Party of any breach (whether actual or anticipated) of any of the terms, conditions, representations or warranties contained in the Agreement shall take effect or be binding upon that Party unless the waiver is expressed in writing under the authority of that Party. Any waiver so given shall extend only to the particular breach so waived and shall not limit or affect any rights with respect to any other or future breach.

**22. TIME OF THE ESSENCE**

Time shall be of the essence in the Agreement.

**23. NO MERGER**

All of the covenants, representations, warranties and indemnities contained in the Agreement shall survive the execution and delivery of the Agreement and shall be deemed to apply to all documents delivered in furtherance hereof and there shall not be any merger of the foregoing in such further documents notwithstanding any rule of law, equity or statute to the contrary, all such rules being waived.

**24. INDEPENDENT LEGAL ADVICE**

Each Party acknowledges that it has had the opportunity to seek independent legal advice with respect to the matters addressed herein and that it has not been influenced by any representations or statements made by or on behalf of the other Party that are not reflected herein. SPE specifically acknowledges that Miller Thomson LLP has represented CIVC with respect to the subject transactions and has not provided any legal advice or representation to SPE in this regard.

## SCHEDULE "B"

### REPRESENTATIONS AND WARRANTIES

#### 1. RECIPROCAL REPRESENTATIONS AND WARRANTIES

- (a) **Organization and Standing.** It is a corporation, duly organized, validly existing and registered under the laws of its jurisdiction of incorporation and is authorized to carry on business in the Province of Newfoundland and Labrador.
- (b) **Authority.** It has the power and authority to enter into and perform the Agreement and to carry out the transactions contemplated therein.
- (c) **Enforceability.** The Agreement and all other agreements and instruments executed in accordance therewith constitute the valid and binding obligation of it, enforceable in accordance with their respective terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors rights generally or laws concerning equitable remedies (regardless of whether such enforceability is considered in a proceeding in equity or at law).
- (d) **No Conflict.** Neither the execution and delivery of the Agreement nor the consummation of the transactions contemplated by the Agreement (i) violate any provision of its organizational documents; (ii) subject to any required consents, result in the breach of any agreement or instrument to which it is a party or is otherwise bound; or (iii) violate the Regulations or any judgment, decree or order applicable to it, the EL 1070 and 1120 Assets (in the case of CIVC) or the Private Placement Shares and Warrants and the Escrow Shares (in the case of SPE).
- (e) **No Claims.** There are no unsatisfied Claims in existence or threatened that are reasonably likely to prohibit or restrain its ability to enter into the Agreement or consummate the transactions contemplated thereby.
- (f) **No Finders' Fees.** It has not incurred any obligation or liability, contingent or otherwise, for brokers' or finders' fees with respect to the transactions contemplated by the Agreement.

#### 2. ADDITIONAL CIVC REPRESENTATIONS AND WARRANTIES

- (a) **Residency for Tax Purposes.** CIVC is not a non-resident of Canada within the meaning of the *Income Tax Act* (Canada).
- (b) **No Reduction.** Except for the Permitted Encumbrances, the EL 1070 and 1120 Assets are not subject to reduction, by reference to payout of a well or otherwise, or to change to an interest of any other size or nature whatsoever by virtue of any right or interest granted by, through or under CIVC.
- (c) **Encumbrances.** CIVC does not warrant title to the EL 1070 and 1120 Assets but does warrant that the EL 1070 and 1120 Assets are free and clear of any royalty, net profits interest, Security Interest, right of first refusal or other burden,

preferential right or encumbrance created by, through or under Vendor, other than the Permitted Encumbrances.

- (d) **No Undisclosed Partners.** None of the EL 1070 and 1120 Assets are held for the benefit of any other parties.

### 3. **ADDITIONAL SPE REPRESENTATIONS AND WARRANTIES**

- (a) **No Regulatory Impediments.** SPE has made all necessary inquiries and is not aware of any regulatory impediment to the transfer to SPE of the licences, permits and approvals pertaining to the EL 1070 and 1120 Assets.
- (b) **Financing.** SPE has the financial capacity to consummate the transactions contemplated by this Agreement.
- (c) **Authorized Share Capital.** As of the date hereof, the authorized capital of SPE consists of an unlimited number of voting common shares with no par value and an unlimited number of preferred shares of which 176,256,812 common shares are issued and outstanding as fully paid and non-assessable and no person has any right, agreement or option, present or future, contingent or absolute, or any right capable of becoming such a right, agreement or option, for the issue or allotment of any unissued shares in the capital of SPE or any other security convertible into or exchangeable for any such shares, or to require SPE to purchase, redeem or otherwise acquire any of the issued and outstanding shares in its capital other than 50,442,476 share purchase warrants and 14,675,000 incentive stock options.
- (d) **Due Issuance of the Private Placement Shares and Warrants.** SPE has reserved or set aside sufficient shares in its treasury to issue the Private Placement Shares and the common shares issuable upon exercise of the Private Placement Warrants and all such shares will be duly and validly issued as fully paid and non-assessable, free of any liens or encumbrances and have been approved for listing on the Canadian National Stock Exchange.
- (e) **Disclosure Record.** The SPE Disclosure Record does not contain any misrepresentations (as such term is defined in the Applicable Securities Legislation) and SPE has for the previous 12 months filed all documents that are required to be filed under the continuous disclosure provisions of the Applicable Securities Legislation, including annual and interim financial information and annual reports, press releases disclosing material changes and material change reports except where the failure would not have a material adverse effect on the business or operations of SPE.
- (f) **Financial Statements.** The financial statements filed with the Ontario Securities Commission by SPE have been prepared in accordance with Canadian generally accepted accounting principles, present fairly, in all material respects, the financial position and all material liabilities (accrued, absolute, contingent or otherwise) of SPE, as of the date thereof, and there have been no adverse material changes in the financial position of SPE since the date thereof, and the

business of SPE has been carried on in the usual and ordinary course consistent with past practice since the date thereof;

- (g) **Auditors.** The auditors of SPE who audited the financial statements of SPE for the most recent financial year-end and who provided their audit report thereon are independent public accountants as required under Applicable Securities Legislation and there has never been a reportable event (within the meaning of National Instrument 51-102) with the present auditors of SPE.
- (h) **Subsidiary.** SPE has only one material subsidiary (as such term is defined in Applicable Securities Legislation), Shoal Point Energy Inc.
- (i) **Compliance with Laws.** To the knowledge of SPE, each of SPE and its subsidiary is in compliance with all applicable laws, regulations and statutes (including all environmental laws and regulations) in the jurisdictions in which it carries on business and which may materially affect SPE, has not received a notice of non-compliance, nor knows of, nor has reasonable grounds to know of, any facts that could give rise to a notice of non-compliance with any such laws, regulations and statutes, and is not aware of any pending change or contemplated change to any applicable law or regulation or governmental position that would materially affect the business of SPE or the business or legal environment under which SPE or its subsidiary operates.
- (j) **Permits.** To the knowledge of SPE, and except where the failure would not have a material adverse effect on the business or operations of SPE, each of SPE and its subsidiary has all licences, permits, approvals, consents, certificates, registrations and other authorizations (collectively the "Permits") under all applicable laws and regulations necessary for the operation of the businesses carried on or proposed to be commenced by SPE and each Permit is valid, subsisting and in good standing and neither SPE nor its subsidiary is in default or breach of any Permit, and to the best of the knowledge of SPE, no proceeding is pending or threatened to revoke or limit any Permit;
- (k) **Material Changes.** There is not any Material Change (as such term is defined in Applicable Securities Legislation) or change in any Material Fact (as such term is defined in Applicable Securities Legislation) relating to SPE which has not been fully disclosed to the public.
- (l) **Litigation.** Neither SPE nor its subsidiary is a party to any actions, suits or proceedings which could materially affect SPE's business or financial condition, and to the best of SPE's knowledge no such actions, suits or proceedings are contemplated or have been threatened.
- (m) **Judgments.** There are no judgments against SPE or its subsidiary which are unsatisfied, nor are there any consent decrees or injunctions to which SPE or its subsidiary is subject.
- (n) **Reporting Issuer Status.** SPE is a "reporting issuer" within the meaning of the Applicable Securities Legislation and is not in default of any of the requirements

of the Applicable Securities Legislation or any of the administrative policies or notices of the Ontario Securities Commission.

- (o) **Canadian National Stock Exchange.** SPE has complied with all regulations and policies of the Canadian National Stock Exchange including without limitation, received all required approvals (if any) for the transaction contemplated under this Agreement.
- (p) **Listing.** The common shares of SPE are listed on the Canadian National Stock Exchange and no order ceasing, halting or suspending trading in securities of SPE nor prohibiting the sale of such securities has been issued to and is outstanding against SPE or its directors, officers or promoters or against any other companies that have common directors, officers or promoters and to the knowledge of SPE no investigations or proceedings for such purposes are pending or threatened.
- (q) **Tax Returns.** SPE has filed all federal, provincial, local and foreign tax returns which are required to be filed, or has requested extensions thereof, and has paid all taxes required to be paid by it and any other assessment, fine or penalty levied against it, or any amounts due and payable to any governmental authority, to the extent that any of the foregoing is due and payable.



**SCHEDULE "C"**

**VENDOR'S CLOSING CERTIFICATE**

The undersigned, being the [●] of Canadian Imperial Venture Corp., a British Columbia corporation ("**Vendor**"), hereby certifies on behalf of Vendor, pursuant to Section 3.02(a)(iii) of that certain **AGREEMENT OF PURCHASE AND SALE ("Agreement")** dated **September 23, 2011** between **CANADIAN IMPERIAL VENTURE CORP.**, as Vendor and **SHOAL POINT ENERGY LTD.**, as Purchaser ("**Purchaser**"), the following at and as of the date of this Certificate:

1. **Vendor Representations and Warranties.** Each of Vendor's Reciprocal Representations and Warranties and the Additional CIVC Representations and Warranties is true and accurate in all material respects at and as of the Closing Time with the same effect as though such representations and warranties had been given at and as of the Closing Time, except to the extent such representations and warranties expressly relate to an earlier time, in which case such representations and warranties shall be true and correct in all material respects at and as of such earlier time.
2. **Vendor Obligations.** Vendor has performed or complied with, in all material respects, all of its obligations under the Agreement which are to be performed or complied with by it as of the Closing.
3. **Vendor Conditions.** All Closing conditions for the benefit of Vendor set forth in Section 3.04 of the Agreement have been satisfied or waived.

Terms capitalized but not defined herein shall have the meanings ascribed to such terms in the Agreement. This Certificate is made with full knowledge that Purchaser is relying on the same for the Closing of the transactions contemplated by the Agreement. This Certificate is made for and on behalf of Vendor and is binding upon it, and the undersigned is not incurring and will not incur any personal liability whatsoever with respect to it.

**IN WITNESS WHEREOF** I have executed this Certificate effective the \_\_\_\_\_ day of October, 2011.

**CANADIAN IMPERIAL VENTURE CORP.**

Per: \_\_\_\_\_

[●]

**SCHEDULE "D"**

**PURCHASER'S CLOSING CERTIFICATE**

The undersigned, being the [●] of Shoal Point Energy Ltd., an Ontario corporation ("**Purchaser**"), hereby certifies on behalf of Purchaser, pursuant to Section 3.02(b)(i) of that certain **AGREEMENT OF PURCHASE AND SALE ("Agreement")** dated **September 23, 2011**, between **CANADIAN IMPERIAL VENTURE CORP.**, as Vendor ("**Vendor**") and **SHOAL POINT ENERGY LTD.**, as Purchaser, the following at and as of the date of this Certificate:

1. **Purchaser Representations and Warranties.** Each of Purchaser's Reciprocal Representations and Warranties and the Additional SPE Representations and Warranties is true and accurate in all material respects at and as of the Closing Time with the same effect as though such representations and warranties had been given at and as of the Closing Time, except to the extent such representations and warranties expressly relate to an earlier time, in which case such representations and warranties shall be true and correct in all material respects at and as of such earlier time.
2. **Purchaser Obligations.** Purchaser has performed or complied with, in all material respects, all of its obligations under the Agreement which are to be performed or complied with by it as of the Closing.
3. **Purchaser Conditions.** All Closing conditions for the benefit of Purchaser set forth in Section 3.03 of the Agreement have been satisfied or waived.

Terms capitalized but not defined herein shall have the meanings ascribed to such terms in the Agreement. This Certificate is made with full knowledge that Vendor is relying on the same for the Closing of the transactions contemplated by the Agreement. This Certificate is made for and on behalf of Purchaser and is binding upon it, and the undersigned is not incurring and will not incur any personal liability whatsoever with respect to it.

**IN WITNESS WHEREOF** I have executed this Certificate effective the \_\_\_\_\_ day of October, 2011.

**SHOAL POINT ENERGY LTD.**

Per: \_\_\_\_\_



**SCHEDULE "E"**  
**ESCROW AGREEMENT**  
**(See attached)**

**ESCROW AGREEMENT**  
**October 25, 2011**

**AMONG**

**CANADIAN IMPERIAL VENTURE CORP.**, a British Columbia corporation ("**CIVC**")

and

**SHOAL POINT ENERGY LTD.**, an Ontario corporation ("**SPE**")

and

**MILLER THOMSON LLP**, Barristers and Solicitors, a limited liability partnership ("**MT**" or the "**Escrow Agent**")

**RECITALS**

- A.** CIVC and SPE have agreed to escrow the Escrow Shares with MT to facilitate the arrangements set forth in the Purchase and Sale Agreement; and
- B.** The parties wish to document the agreement they have reached with respect to the foregoing.

**THE PARTIES AGREE AS FOLLOWS.**

**ARTICLE 1 - INTERPRETATION**

**1.1 Definitions**

The following words and phrases appearing in this Agreement have the meanings ascribed thereto below, namely:

"**Agreement**" means this agreement and all schedules attached hereto together with all instruments supplemental hereto or in amendment or confirmation hereof;

"**Business Day**" means any day other than a Saturday, Sunday or day on which national banking institutions in Alberta, Ontario or Newfoundland and Labrador, as applicable, are authorized or required to close;

"**CIVC Payment Default Notice**" means a notice substantially in the form attached as Schedule "E";

"**Court**" means the Court of Queen's Bench in Calgary, Alberta;

"**Escrow Deadline**" means April 30, 2012;

"**Escrow Period**" means the period of time commencing on the date hereof and running until 12:01 a.m., Calgary time, on the day immediately following the date upon which the Escrow Shares have been released to CIVC or returned to SPE by the Escrow Agent in accordance with the terms hereof;

"**Escrow Shares**" means 1,000,000 previously unissued common shares of SPE registered in the name of CIVC or its nominee;

**"Final Payment"** means the \$200,000 payment to be made by SPE to CIVC pursuant to the terms of the Purchase and Sale Agreement;

**"Joint Payment Confirmation Notice"** means a notice substantially in the form attached as Schedule "A";

**"Joint Payment Default Notice"** means a notice substantially in the form attached as Schedule "D";

**"Payment Deadline"** means April 25, 2012;

**"Purchase and Sale Agreement"** means that certain Agreement of Purchase and Sale dated September 23, 2011, between CIVC, as Vendor and SPE, as Purchaser;

**"SPE Payment Confirmation Notice"** means a notice substantially in the form attached as Schedule "B"; and

**"SPE Payment Default Notice"** means a notice substantially in the form attached as Schedule "C".

## **1.2 Incorporation of Schedules**

The following schedules are attached to, and form a part of, this Agreement:

Schedule "A"	-	Joint Payment Confirmation Notice
Schedule "B"	-	SPE Payment Confirmation Notice
Schedule "C"	-	SPE Payment Default Notice
Schedule "D"	-	Joint Payment Default Notice
Schedule "E"	-	CIVC Payment Default Notice

## **1.3 Schedule References**

A reference in any schedule to another schedule shall be a reference to a schedule to this Agreement.

## **1.4 Article, Clause, Subclause, Paragraph and Subparagraph References**

Except as otherwise provided for herein, a reference in the main body of this Agreement or in any schedule to an article, clause, subclause, paragraph or subparagraph shall be a reference to an article, clause, subclause, paragraph or subparagraph within the main body of this Agreement or such schedule, as applicable.

## **1.5 Statutory References**

A reference in the main body of this Agreement or in any schedule to a statute, regulation, rule, policy or bylaw includes amendments thereto and consolidations, re-enactments and replacements thereof.

## **1.6 Construction**

Except as otherwise provided for herein, **"the Agreement"**, **"this Agreement"**, **"hereto"**, **"hereof"**, **"hereby"**, **"hereunder"**, **"herein"** and similar expressions refer to this Agreement as a whole and not to any particular article, clause, subclause, paragraph, subparagraph or other

portion hereof and "**including**" and "**in particular**" are used for illustration or emphasis only and not to limit the generality of any preceding words, whether or not non-limiting language (such as "without limitation", "but not limited to" and similar expressions) is used with reference thereto.

### **1.7 Headings**

The headings of articles, clauses, subclauses, paragraphs and subparagraphs in this Agreement are inserted for convenience of reference only and shall not affect the construction of the provisions hereof.

### **1.8 Gender and Number**

This Agreement shall be read with all changes in gender and number as may be required by the context.

### **1.9 Use of Derivatives**

If a derivative form of a term or expression that is already specifically defined in this Agreement is also used in this Agreement, then such derivative form shall have a meaning that corresponds to the applicable defined term or expression.

### **1.10 Conflict**

Wherever any provision, whether express or implied, of this Agreement conflicts or is at variance with any documentation issued in furtherance hereof, the provision of this Agreement shall prevail.

### **1.11 Weekend or Holiday Dates**

If any date for the fulfillment of an obligation falls on a Saturday, Sunday or any statutory or banking holiday observed in Alberta, Ontario or Newfoundland and Labrador, as applicable, such date will be postponed to the next following Business Day unless the parties expressly agree to the contrary.

### **1.12 Governing Law/Courts**

- (a) **Governing Laws**: This Agreement shall, in all respects, be subject to, interpreted, construed and enforced in accordance with and under the laws of Alberta and the laws of Canada applicable therein and shall, in every regard, be treated as a contract made in Alberta.
- (b) **Courts**: The parties irrevocably attorn and submit to the exclusive jurisdiction of the courts of Alberta and all courts of appeal therefrom in respect of all matters arising out of this Agreement.

### **1.13 Invalidity of Provisions**

If any provision of this Agreement or the application thereof to any person or circumstance shall to any extent be held invalid, illegal or unenforceable by a court of competent jurisdiction, the remainder of this Agreement, the application of such provision to persons or circumstances other than those to which it is held invalid, illegal or unenforceable or the validity, legality or enforceability of such provision in any other jurisdiction shall not, unless the parties expressly agree to the contrary, be in any way affected or impaired thereby and such provision

shall be severable from this Agreement to the extent of such invalidity, illegality or unenforceability.

#### **1.14 Entire Agreement and Amendment**

This Agreement, together with the Purchase and Sale Agreement, supersedes and replaces any and all prior agreements or understandings, whether written or verbal, between CIVC and SPE concerning the holding in escrow of the Escrow Shares and states and comprises the entire agreement between such parties in relation thereto and may only be amended by a formal written instrument executed by MT and proper signing officers for CIVC and SPE.

#### **1.15 Waiver**

The parties acknowledge and agree that any waiver of the provisions of this Agreement shall only be binding upon the waiving party if evidenced in writing and signed on behalf of the waiving party, any such waiver shall apply only to the particular breach, default, obligation or provision specifically identified and waived and not to any other breaches, defaults, obligations or provisions, whether or not similar, any such waiver shall not constitute a continuing waiver unless expressly stated and any delay or omission on the part of a party in exercising any right or power under this Agreement shall not impair the ability of such party to exercise such right or power or be considered to be a waiver of, or acquiescence to, any breach or default.

#### **1.16 Time of the Essence**

Time shall be of the essence in this Agreement.

#### **1.17 Negotiated Agreement**

The parties have participated jointly in the negotiation and drafting of this Agreement and, in the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as jointly drafted by the parties and no presumption or burden of proof shall arise favouring or disfavouring any party by virtue of the authorship of any provision of this Agreement.

### **ARTICLE 2 - ESCROW AGENT**

#### **2.1 Appointment and Acceptance**

CIVC and SPE appoint MT the escrow agent hereunder and MT accepts such appointment and agrees to act as escrow agent hereunder in accordance with the terms and conditions of this Agreement. Without limiting the generality of the foregoing, MT acknowledges that it will only release, deliver, relinquish possession of or otherwise deal with the Escrow Shares as specifically provided for in this Agreement.

CIVC and SPE acknowledge that MT has provided counsel to CIVC in connection with this Agreement and the Purchase and Sale Agreement and is acting hereunder for the convenience of CIVC and SPE. If a dispute arises between CIVC and SPE with respect to this Agreement, MT shall not be precluded from acting on behalf of CIVC with respect to such dispute; provided, however, in no event shall the obligations of MT to SPE as escrow agent hereunder be affected or reduced in any way.

## **2.2 Fees and Disbursements**

The Escrow Agent's fees and disbursements for services hereunder shall be borne by CIVC.

## **2.3 Duties**

With the exception only of applicable laws (including the *Legal Profession Act* (Alberta) and the rules thereunder), this Agreement sets forth, exclusively, the duties of the Escrow Agent in respect of the Escrow Shares and no other duties or obligations shall be implied or otherwise arise.

## **2.4 Liability**

The Escrow Agent shall not be liable for any error of judgment, any act done or step taken or omitted on the advice of independent counsel of its choice or otherwise in good faith, any mistake in fact or law or anything else which it may do or refrain from doing in connection with this Agreement or the Escrow Shares, except for its breach of this Agreement or its gross negligence or willful misconduct.

## **2.5 Indemnification**

Subject to Clause 2.2, CIVC and SPE shall jointly and severally indemnify and save the Escrow Agent harmless from and against any and all direct or indirect obligations, liabilities, losses, costs, expenses, penalties, fines, claims, actions or damages of any kind or nature whatsoever suffered, sustained, paid or incurred by the Escrow Agent as a result of it acting as the escrow agent hereunder, except to the extent the foregoing arise as a result of its breach of this Agreement or its gross negligence or willful misconduct.

## **2.6 Reliance**

The Escrow Agent may rely and act upon any instrument or signature believed by it to be genuine and may, in the absence of actual notice to the contrary, assume that any person purporting to give any notice, instruction or other communication under this Agreement has been duly authorized to do so.

## **2.7 Legal Action**

The Escrow Agent is not required to take, appear in, prosecute or defend any action or legal proceeding or file any income or other tax return in connection with this Agreement which may, in the reasonable opinion of the Escrow Agent, expose the Escrow Agent to any cost, expense, loss or liability unless the Escrow Agent is furnished with such further indemnity or other security in connection therewith as the Escrow Agent may reasonably request.

## **2.8 Resignation or Removal**

The Escrow Agent may resign by notice to CIVC and SPE or may be removed as the escrow agent hereunder by joint notice from CIVC and SPE to the Escrow Agent. Except as otherwise provided herein, the Escrow Agent shall be discharged of its duties hereunder on the earlier of the appointment of a successor escrow agent or 30 days after the resignation or removal notice was given. The successor escrow agent shall be jointly appointed by CIVC and SPE (or, in the event of disagreement, shall be appointed by arbitration under the *Arbitration Act* (Alberta)) and, upon delivery to all parties of a written instrument accepting such appointment, shall succeed to the position of the Escrow Agent hereunder. The escrow agent resigning or

being removed shall deliver to the successor escrow agent control of the Escrow Shares then remaining in trust, to be held by the successor escrow agent in trust in accordance with this Agreement. If a successor escrow agent is not appointed within 30 days after a resignation or removal notice is given, the escrow agent resigning or being removed shall retain the Escrow Shares as custodian until otherwise jointly directed by CIVC and SPE or by order of the Court, but without further liability or responsibility.

## **2.9 Disputes, Processes and Interpleader**

If any dispute arises out of this Agreement or any process is commenced in respect of the Escrow Shares, including court orders or garnishees, the Escrow Agent is empowered and entitled to comply with any orders, writs, judgments or decrees or, if it sees fit, to interplead the Escrow Shares into Court.

## **ARTICLE 3 - DELIVERY OF ESCROW SHARES**

### **3.1 Delivery of Escrow Shares**

The Escrow Agent acknowledges receipt of the Escrow Shares from SPE and agrees to hold and administer the same in trust in accordance with the terms hereof.

For so long as the Escrow Shares are held by the Escrow Agent, and notwithstanding that the Escrow Shares are registered in the name of CIVC:

- (a) neither CIVC nor the Escrow Agent shall be entitled to vote the Escrow Shares;
- (b) SPE shall ensure that all notices required to be delivered pursuant to applicable securities laws in respect of the Escrow Shares are delivered to the Escrow Agent, who shall be responsible for delivering them to CIVC;
- (c) SPE shall ensure that all cash and tangible and intangible property which is required to be paid or delivered to the holder of the Escrow Shares are delivered to the Escrow Agent; and
- (d) the Escrow Agent shall hold all such cash and property received by it in connection with the Escrow Shares in trust pursuant to the provisions of this Agreement and shall, upon termination of the escrow, deliver such cash and property to the person who is entitled to receive the Escrow Shares pursuant to Article 4, or shall (if the Escrow Shares are interpleaded) also interplead such cash and property.

## **ARTICLE 4 - RELEASE OR RETURN OF ESCROW SHARES**

### **4.1 Joint Payment Confirmation Notice**

If CIVC or SPE provide the Escrow Agent with a fully executed Joint Payment Confirmation Notice on or before the Escrow Deadline, the Escrow Agent, as soon as commercially reasonable following receipt of the Joint Payment Confirmation Notice, shall return the Escrow Shares to SPE.

### **4.2 SPE Payment Confirmation Notice**

If SPE provides the Escrow Agent with an executed SPE Payment Confirmation Notice and evidence that the SPE Payment Confirmation Notice was delivered to CIVC on or before the Escrow Deadline, the Escrow Agent shall:



- (a) **Return of Escrow Shares:** In the event the Escrow Agent and SPE do not receive a notice of objection from CIVC to the SPE Payment Confirmation Notice within five Business Days of receiving the SPE Payment Confirmation Notice, return the Escrow Shares to SPE as soon as commercially reasonable thereafter; or
- (b) **Interplead:** In the event the Escrow Agent and SPE receive a notice of objection from CIVC to the SPE Payment Confirmation Notice within five Business Days of receiving the SPE Payment Confirmation Notice, interplead the Escrow Shares into Court unless otherwise jointly directed by CIVC and SPE in writing.

#### **4.3 SPE or Joint Payment Default Notice**

If, on or before the Escrow Deadline, SPE provides the Escrow Agent with an executed SPE Payment Default Notice or, alternatively, CIVC or SPE provide the Escrow Agent with a fully executed Joint Payment Default Notice, the Escrow Agent, as soon as commercially reasonable following receipt of the SPE Payment Default Notice or the Joint Payment Default Notice, shall release the Escrow Shares to CIVC.

#### **4.4 CIVC Payment Default Notice**

If CIVC provides the Escrow Agent with an executed CIVC Payment Default Notice and evidence that the CIVC Payment Default Notice was delivered to SPE on or before the Escrow Deadline, the Escrow Agent shall:

- (a) **Release of Escrow Shares:** In the event the Escrow Agent and CIVC do not receive a notice of objection from SPE to the CIVC Payment Default Notice within five Business Days of receiving the CIVC Payment Default Notice as provided below, the Escrow Agent shall release the Escrow Shares to CIVC; or
- (b) **Interplead:** In the event the Escrow Agent and CIVC receive a notice of objection from SPE to the CIVC Payment Default Notice within five Business Days of receiving the CIVC Payment Default Notice accompanied by documentary evidence that payment to CIVC has been made or attempted by SPE, interplead the Escrow Shares into Court unless otherwise jointly directed by SPE and CIVC in writing.

#### **4.5 No Payment Confirmation or Default Notice**

If the Escrow Agent has not been provided with an executed Joint Payment Confirmation Notice, SPE Payment Confirmation Notice, SPE Payment Default Notice, Joint Payment Default Notice or CIVC Payment Default Notice on or before the Escrow Deadline, the Escrow Agent shall interplead the Escrow Shares into Court unless otherwise jointly directed by SPE and CIVC in writing.



**ARTICLE 5  
MISCELLANEOUS**

**5.1 Notices**

The addresses for service and the fax numbers and email addresses of the parties are as follows:

**CIVC:**

Canadian Imperial Venture Corp.  
189 Water Street  
St. John's, NL A1C 6J9

Fax: 709.739.6605

Email: gedwards@canadianimperial.com

Attention: Gerard Edwards, President

**SPE:**

Shoal Point Energy Ltd.  
Suite 501, 65 Queen Street West  
Toronto, ON M5H 2M5

Fax: 647.438.6246

Email: glangdon@shoalpointenergy.com

Attention: George Langdon, President

**with a copy to:**

Miller Thomson LLP  
3000, 700 – 9<sup>th</sup> Avenue S.W.  
Calgary, AB T2P 3V4

Fax: 403.262.0007

Email: rgushue@millerthomson.com

Attention: Richard Gushue

**with a copy to:**

Davis LLP  
Livingston Place, West Tower  
Suite 1000, 250-2<sup>nd</sup> Street SW  
Calgary, AB T2P 0C1

Fax: 403-296-4474

Email: mstyczen@davis.ca

Attention: Michael Styczen

**Escrow Agent:**

Miller Thomson LLP  
3000, 700 – 9<sup>th</sup> Avenue S.W.  
Calgary, AB T2P 3V4

Fax: 403.262.0007

Email: rgushue@millerthomson.com

Attention: Richard Gushue

All notices, communications and statements required, permitted or contemplated in this Agreement shall be in writing and shall be delivered as follows:

- (a) **Personal Service or Courier Service:** By personal delivery or courier service on a party at the address of such party set out above, in which case the item so served shall be deemed to have been received on the date of delivery if such delivery takes place prior to 5:00 p.m. (local time) on a Business Day. If the actual delivery of such notice occurs after 5:00 p.m. on a Business Day or on a day that is not a Business Day, then such notice shall be deemed to have been received on the first Business Day following the date on which such actual delivery was made;
- (b) **Facsimile Transmission:** By facsimile transmission to a party to the fax number of such party set out above, in which case the item so transmitted shall be deemed to have been received when received in its entirety in a legible form if such transmission and receipt are completed prior to 5:00 p.m. (local time of the

recipient) on a Business Day. If such transmission and receipt are completed after 5:00 p.m. (local time of the recipient) on a Business Day or on a day that is not a Business Day, then such notice shall be deemed to have been received on the first Business Day following the date on which such transmission and receipt were completed; or

- (c) **Email Transmission:** By email transmission to a party to the email address of such party set out above, provided the sender does not receive a notification that the item was not received by the recipient or could not be delivered to the recipient. Items so transmitted shall be deemed to have been given when sent if such transmission is made prior to 5:00 p.m. (local time of the recipient) on a Business Day. If such transmission is made after 5:00 p.m. (local time of the recipient) on a Business Day or on a day that is not a Business Day, then such notice shall be deemed to have been given on the first Business Day following the date on which such transmission was made.

Any of the parties may from time to time change its address for service, its fax number or its email address by giving written notice of such change to the other parties.

Any instructions to or other communications with the Escrow Agent hereunder shall be made in writing by CIVC and SPE jointly, or by either of such parties with a copy to the other party, and served in the manner outlined above.

## **5.2 Further Assurances**

Each of the parties shall promptly execute and deliver all such deeds, documents, instruments and assurances and do or cause to be done all such acts and things as are necessary or advisable to fully perform and carry out the provisions and intent of this Agreement.

## **5.3 Non-Assignable**

Except as may be expressly provided herein, this Agreement is not assignable by any party.

## **5.4 Enurement**

This Agreement shall be binding upon and enure to the benefit of the parties and their respective successors, receivers, receiver-managers and trustees.

**5.5 Counterparts and Facsimile/Electronic Execution**

This Agreement and any notice required to be given hereunder may be executed in one or more counterparts, each of which shall be considered an original but all of which together shall constitute one and the same instrument. In addition, facsimile or scanned email copies of executed counterparts shall be conclusively regarded for all purposes as originally executed counterparts pending the delivery of the originals.

**EXECUTED AND DELIVERED.**

**CANADIAN IMPERIAL VENTURE CORP.**

Per: \_\_\_\_\_  
Gerard Edwards, President

**SHOAL POINT ENERGY LTD.**

Per: \_\_\_\_\_  
George Langdon, President

**MILLER THOMSON LLP**

Per: \_\_\_\_\_  
Richard L.G. Gushue

This is the execution page to an Escrow Agreement made among Canadian Imperial Venture Corp., Shoal Point Energy Ltd. and Miller Thomson LLP

**SCHEDULE "A"**

**JOINT PAYMENT CONFIRMATION NOTICE**

**[See attached page]**

**JOINT PAYMENT CONFIRMATION NOTICE**

**In the matter of an Agreement of Purchase and Sale dated September 23, 2011 between Canadian Imperial Venture Corp. ("CIVC") and Shoal Point Energy Ltd. ("SPE") and an Escrow Agreement ("Escrow Agreement") dated October 25, 2011 among CIVC, SPE and Miller Thomson LLP ("MT") in furtherance thereof**

---

**TO: MILLER THOMSON LLP**

The undersigned advise that SPE has paid the Final Payment to CIVC on or before the Payment Deadline and direct MT to return the Escrow Shares to SPE as provided in the Escrow Agreement.

Unless otherwise defined herein, all capitalized words and phrases herein shall have the meanings as ascribed in the Escrow Agreement.

This instrument may be executed in one or more counterparts, each of which shall be considered an original but all of which together shall constitute one and the same instrument. In addition, facsimile or scanned email copies of executed counterparts shall be conclusively regarded for all purposes as originally executed counterparts pending the delivery of the originals.

**DATED AND DELIVERED** on April [●], 2012.

**CANADIAN IMPERIAL VENTURE CORP.**

**SHOAL POINT ENERGY LTD.**

Per: \_\_\_\_\_

Per: \_\_\_\_\_

**SCHEDULE "B"**

**SPE PAYMENT CONFIRMATION NOTICE**

**[See attached page]**

**SPE PAYMENT CONFIRMATION NOTICE**

**In the matter of an Agreement of Purchase and Sale dated September 23, 2011 between Canadian Imperial Venture Corp. ("CIVC") and Shoal Point Energy Ltd. ("SPE") and an Escrow Agreement ("Escrow Agreement") dated October 25, 2011 among CIVC, SPE and Miller Thomson LLP ("MT") in furtherance thereof**

---

**TO: MILLER THOMSON LLP**

**AND TO: CANADIAN IMPERIAL VENTURE CORP.**

The undersigned advises that SPE has paid the Final Payment to CIVC on or before the Payment Deadline and directs MT to return the Escrow Shares to SPE or interplead the same as provided in the Escrow Agreement.

Unless otherwise defined herein, all capitalized words and phrases herein shall have the meanings as ascribed in the Escrow Agreement.

A facsimile or scanned email copy of this instrument executed by SPE shall be conclusively regarded for all purposes as an originally executed instrument pending the delivery of an original.

**DATED AND DELIVERED** on April [●], 2012.

**SHOAL POINT ENERGY LTD.**

Per: \_\_\_\_\_



**SCHEDULE "C"**

**SPE PAYMENT DEFAULT NOTICE**

**[See attached page]**

**SPE PAYMENT DEFAULT NOTICE**

**In the matter of an Agreement of Purchase and Sale dated September 23, 2011 between Canadian Imperial Venture Corp. ("CIVC") and Shoal Point Energy Ltd. ("SPE") and an Escrow Agreement ("Escrow Agreement") dated October 25, 2011 among CIVC, SPE and Miller Thomson LLP ("MT") in furtherance thereof**

---

**TO: MILLER THOMSON LLP**

**AND TO: CANADIAN IMPERIAL VENTURE CORP.**

The undersigned advises that SPE defaulted in the payment of the Final Payment to CIVC on or before the Payment Deadline and directs MT to release the Escrow Shares to CIVC as provided in the Escrow Agreement.

Unless otherwise defined herein, all capitalized words and phrases herein shall have the meanings as ascribed in the Escrow Agreement.

A facsimile or scanned email copy of this instrument executed by SPE shall be conclusively regarded for all purposes as an originally executed instrument pending the delivery of an original.

**DATED AND DELIVERED** on April [●], 2012.

**SHOAL POINT ENERGY LTD.**

Per: \_\_\_\_\_

**SCHEDULE "D"**

**JOINT PAYMENT DEFAULT NOTICE**

**[See attached page]**

**JOINT PAYMENT DEFAULT NOTICE**

**In the matter of an Agreement of Purchase and Sale dated September 23, 2011 between Canadian Imperial Venture Corp. ("CIVC") and Shoal Point Energy Ltd. ("SPE") and an Escrow Agreement ("Escrow Agreement") dated October 25, 2011 among CIVC, SPE and Miller Thomson LLP ("MT") in furtherance thereof**

---

**TO: MILLER THOMSON LLP**

The undersigned advise that SPE defaulted in the payment of the Final Payment to CIVC on or before the Payment Deadline and direct MT to release all of the Escrow Shares to CIVC as provided in the Escrow Agreement.

Unless otherwise defined herein, all capitalized words and phrases herein shall have the meanings as ascribed in the Escrow Agreement.

This instrument may be executed in one or more counterparts, each of which shall be considered an original but all of which together shall constitute one and the same instrument. In addition, facsimile or scanned email copies of executed counterparts shall be conclusively regarded for all purposes as originally executed counterparts pending the delivery of the originals.

**DATED AND DELIVERED** on April [●], 2012.

**CANADIAN IMPERIAL VENTURE CORP.**

**SHOAL POINT ENERGY LTD.**

Per: \_\_\_\_\_

Per: \_\_\_\_\_

**SCHEDULE "E"**

**CIVC PAYMENT DEFAULT NOTICE**

**[See attached page]**

**CIVC PAYMENT DEFAULT NOTICE**

**In the matter of an Agreement of Purchase and Sale dated September 23, 2011 between Canadian Imperial Venture Corp. ("CIVC") and Shoal Point Energy Ltd. ("SPE") and an Escrow Agreement ("Escrow Agreement") dated October 25, 2011 among CIVC, SPE and Miller Thomson LLP ("MT") in furtherance thereof**

---

**TO: MILLER THOMSON LLP**

**AND TO: SHOAL POINT ENERGY LTD.**

The undersigned advises that SPE defaulted in the payment of the Final Payment to CIVC on or before the Payment Deadline and directs MT to release the Escrow Shares to CIVC or interplead the same as provided in the Escrow Agreement.

Unless otherwise defined herein, all capitalized words and phrases herein shall have the meanings as ascribed in the Escrow Agreement.

A facsimile or scanned email copy of this instrument executed by CIVC shall be conclusively regarded for all purposes as an originally executed instrument pending the delivery of an original.

**DATED AND DELIVERED** on April [●], 2012.

**CANADIAN IMPERIAL VENTURE CORP.**

Per: \_\_\_\_\_

**SCHEDULE "F"**  
**FORM OF WARRANT CERTIFICATE**  
**(see attached)**



**Unless permitted under securities legislation, the holder of this security shall not trade the security before February ●, 2012.**

**WARRANT CERTIFICATE**

**SHOAL POINT ENERGY LTD.  
(incorporated under the laws of Ontario )**

Suite 501, 65 Queen Street West  
Toronto, Ontario, M5H 2M5  
Fax: 647.438.6246

Warrant Certificate No. «**Warrant\_No**»

Warrants to Purchase  
**10,000,000** Common Shares

This Warrant will be void and of no value unless exercised prior to 5:00 pm. (Toronto time) on **October ●, 2013** (the “Expiry Time”).

THIS IS TO CERTIFY THAT, for value received, **CANADIAN IMPERIAL VENTURE CORP.** (the “Holder”), of **189 Water Street, St. John’s, NL A1C 6J9, Fax: 709.739.6605** is entitled to purchase, at any time and from time to time, up to **10,000,000** fully paid and non-assessable common shares without par value (the “Shares”) in the capital of Shoal Point Energy Ltd. (the “Company”), upon and subject to the terms and conditions hereinafter referred to.

The Holder is entitled to purchase the Shares at and for a price (the “Exercise Price”) of **\$0.40** per Share until the Expiry Time.

Such right to purchase the Shares may only be exercised by the Holder within the time hereinbefore set out by:

- (i) duly completing, in the manner indicated, and executing the Exercise Form attached hereto; and
- (ii) surrendering this Warrant to the Company at Suite 501, 65 Queen Street West, Toronto, Ontario, M5H 2M5 together with cash or a certified cheque payable to the order of the Company in the amount of the aggregate exercise price of the Shares subscribed for.

This Warrant and such certified cheque or cash will be deemed to be so surrendered and exercised only upon actual receipt thereof by the Company (the “Exercise Date”).

Any Shares issued on the exercise of this Warrant will be issued effective on the Exercise Date. Unless otherwise directed, the Company will, within three business days of the Exercise Date, courier by overnight or same-day delivery to the Holder at the address indicated on the Exercise Form attached hereto a certificate or certificates representing such Shares.

The Holder may subscribe for and purchase any lesser number than the whole number of Shares purchasable under this Warrant and, in such event, will be entitled to receive a new Warrant with respect to the remaining balance of the Shares purchasable under this Warrant.

The Holder may transfer the Warrants represented hereby by duly completing and executing the Transfer Form attached hereto and this Share Purchase Warrant Certificate and the completed Transfer Form, together with such other documents as the Company may reasonably request, to the Company at the address shown on the attached Transfer Form or such other office as may be specified by the Company, in a written notice to the Holder, from time to time, provided that all such transfers shall be effected in accordance with all applicable securities laws.

**This Warrant is also subject to the following terms and conditions:**

1. In the event of any alteration of the Shares, including any subdivision, consolidation or reclassification, or in the event of any form of reorganization of the Company, including any amalgamation, merger or arrangement (collectively, a "Reorganization"), an adjustment will be made to the terms of the Warrants such that the Holder, upon exercise of any Warrants following the completion of the Reorganization, will be entitled to receive the same number and kind of securities that it would have been entitled to receive as a result of the Reorganization had it exercised its Warrants immediately prior to the Reorganization.
2. The Company will not effect any Reorganization which could result in a successor to the Company unless prior to or simultaneously with the consummation thereof, the entity succeeding the Company acknowledges in writing that it is bound by and will comply with the provisions set forth in this Warrant Certificate.
3. If, in case at any time:
  - (a) the Company pays any dividend payable in stock upon the Shares or makes any distribution to the holders of the Shares;
  - (b) the Company offers for subscription pro rata to the holders of its Shares any additional shares of stock of any class or other rights at a price per share less than 95% of the current market price at such record date;
  - (c) there is a voluntary or involuntary dissolution, liquidation or winding-up of the Company; or
  - (d) in case of any Reorganization;

then, and in any one or more of such cases, the Company will give to the Holder at least 20 days' prior written notice of the date on which the books of the Company will close or a record will be taken for such dividend, distribution or offer of subscription rights, or for determining rights to vote with respect to such dissolution, liquidation or winding-up or Reorganization and, in the case of such dissolution, liquidation or winding-up or Reorganization, at least 20 days' prior written notice of the date when the same will take place. Such notice in accordance with the foregoing clause will also specify, in the case of any such dividend, distribution or offer of subscriptions rights, the date on which the holders of the Shares will be entitled thereto, and such notice in accordance with the foregoing will also specify the date on which the holders of the Shares will be entitled to exchange the Shares for securities or other property deliverable upon such dissolution, liquidation or winding-up or Reorganization, as the case may be.

4. In accordance with this certificate, the Company will make adjustments as it considers necessary and equitable acting in good faith. If at any time a dispute arises with respect to adjustments provide for herein, such dispute will be conclusively determined by the auditors of the Company or if they are unable or unwilling to act, by such other firm of independent chartered accountants as may be selected by the directors of the Company and any such determination, absent manifest error, will be binding upon the Company, the Holder and shareholders of the Company. The Company will provide such auditors or accountants with access to all necessary records of the Company and fees payable to such accountants or auditors will be paid by the Company.
5. To the extent that this Warrant confers the right to purchase a fraction of a Share, such right may be exercised in respect of such fraction only in combination with another Warrant or other Warrants which in the aggregate entitle the Holder to purchase a whole number of Shares. No fractional Shares will be issued or consideration given in lieu thereof.
6. The Holder may, at any time prior to the Expiry Time, upon surrender hereof to the Company and upon payment of such applicable transfer charges as may be required by the Company from time to time, exchange this Warrant for other Warrants entitling the Holder to subscribe in the aggregate for the same number of Shares as are purchasable under this Warrant at the time of such exchange.
7. The Warrants represented by this Warrant Certificate may only be exercised by or on behalf of a Holder who, at the time of exercise, either:
  - (a) provides written certification that such person is not a U.S. Person (as such term is defined in Regulation S ("Regulation S") under the US Securities Act), is not exercising the Warrants represented hereby within the United States or for the account or benefit of a U.S. Person or person in the United States, and has complied in all other respects to the requirements of Regulation S of the US Securities Act, in the form provided in the attached Exercise Form;
  - (b) provides a written opinion of counsel satisfactory to the Company that the Shares to be delivered upon exercise of the Warrants have been registered under US Securities Act and the securities laws of all applicable states of the United States or are exempt from such registration requirements; or
  - (c) is the original subscriber for such Warrants, and makes the representations set forth in subparagraph 3 of the attached exercise form.

All certificates representing Shares issued to persons who shall fail to certify to the Company that they are not a U.S. Person and are not exercising this Warrant in the United States or for the account or benefit of a U.S. Person or person in the United States on the exercise of the rights represented by this Warrant Certificate will, unless such Shares are registered under the US Securities Act and the securities laws of all applicable states of the United States, bear the following legend:

"THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE

“U.S. SECURITIES ACT”). THE HOLDER HEREOF, BY PURCHASING SUCH SECURITIES, AGREES FOR THE BENEFIT OF THE COMPANY THAT SUCH SECURITIES MAY BE OFFERED, SOLD OR OTHERWISE TRANSFERRED ONLY (A) TO THE COMPANY; (B) OUTSIDE THE UNITED STATES IN ACCORDANCE WITH RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT OR (C) IN ACCORDANCE WITH THE EXEMPTION FROM REGISTRATION UNDER THE U.S. SECURITIES ACT PROVIDED BY RULE 144 THEREUNDER, IF AVAILABLE, AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS; OR (D) IN A TRANSACTION THAT DOES NOT REQUIRE REGISTRATION UNDER THE U.S. SECURITIES ACT OR ANY APPLICABLE STATE SECURITIES LAWS, AND, IN THE CASE OF PARAGRAPH (C) OR (D), THE SELLER FURNISHES TO THE COMPANY AN OPINION OF COUNSEL OF RECOGNIZED STANDING IN FORM AND SUBSTANCE SATISFACTORY TO THE COMPANY TO SUCH EFFECT. DELIVERY OF THIS CERTIFICATE MAY NOT CONSTITUTE GOOD DELIVERY IN SETTLEMENT OF TRANSACTIONS ON STOCK EXCHANGES IN CANADA. PROVIDED THAT THE COMPANY IS A “FOREIGN ISSUER” WITHIN THE MEANING OF REGULATION S AT THE TIME OF SALE AND THESE SECURITIES ARE BEING SOLD IN COMPLIANCE WITH RULE 904 OF REGULATIONS S, A NEW CERTIFICATE BEARING NO LEGEND MAY BE OBTAINED FROM PACIFIC CORPORATE TRUST COMPANY, AS REGISTRAR AND TRANSFER AGENT, UPON DELIVERY OF THIS CERTIFICATE AND A DULY EXECUTED DECLARATION, IN A FORM SATISFACTORY TO PACIFIC CORPORATE TRUST COMPANY AND THE COMPANY, TO THE EFFECT THAT SUCH SALE IS BEING MADE IN ACCORDANCE WITH RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT.”

provided, that if the Shares are being sold under clause (B) of the foregoing legend at a time when the Company is a “foreign issuer” as defined in Rule 902 under the US Securities Act, the legend may be removed by providing a declaration to the transfer agent in such form as the Company may from time to time prescribe to the effect that the sale of the securities is being made in compliance with Rule 904 of Regulation S under the US Securities Act.

8. The terms and holding of this Warrant do not constitute the Holder to be a shareholder of the Company or entitle the Holder to any right or interest with respect thereto except as herein expressly provided.
9. The Company will at all times before the Expiry Time keep available, and reserve if necessary, out of its authorized shares, solely for the purpose of issue upon the exercise of this Warrant, such number of Shares of the Company as shall then be issuable upon the exercise of this Warrant. The Company covenants and agrees that all Shares which shall be so issuable will, upon issuance, be issued as fully paid and non-assessable and free from all liens, charges and encumbrances. The Company will use its reasonable commercial efforts to maintain the listing of its common shares on the Canadian National Stock Exchange or such other recognized stock exchange in Canada until the Expiry Time.

10. Any notice to be given hereunder to the Company or the Holder will be given in writing and either sent by telecopier or couriered by overnight or same day delivery to the Holder or the Company at the address indicated on the Warrant, or at such other address as the Holder or the Company may hereafter designate by notice in writing. If such notice is sent by telecopier or is delivered by courier, it will be deemed to have been given at the time of delivery.
11. This Warrant will be governed by and construed in accordance with the laws of the Province of Ontario.
12. Time will be of the essence hereof.

IN WITNESS WHEREOF the Company has caused this Warrant to be signed by its duly authorized officer as of the \_\_\_\_\_ day of \_\_\_\_\_, 2011.

**SHOAL POINT ENERGY LTD.**

By: \_\_\_\_\_  
Authorized Signatory

**EXERCISE FORM**

TO: SHOAL POINT ENERGY LTD.

Canadian Imperial Venture Corp. the holder of the within Warrant, does hereby subscribe for \_\_\_\_\_ Shares according to the conditions thereof and herewith makes payment in the amount of \$ \_\_\_\_\_ as the purchase price in full for the said number of Shares at the price of \$0.40 per Share until ●, 2013

By signing below, the undersigned represents and warrants to the Company that the undersigned (please check one):

_____	(i) is not (and is not exercising the Warrant for the account or benefit of) a U.S. person or person in the United States;  (ii) did not execute or deliver this exercise form while within the United States; and  (iii) has in all other respects complied with the terms of Regulation S of the United States Securities Act of 1933, as amended (the "US Securities Act"), or any successor rule or regulation of the United States Securities and Exchange Commission as presently in effect; or
_____	is tendering with this exercise form a written opinion of counsel satisfactory to the Company and the trustee for the Warrants to the effect that the securities to be delivered upon exercise of this Warrant have been registered under the US Securities Act and the securities laws of all applicable states of the United States or are exempt from registration thereunder.
	"United States" and "U.S. person" are as defined by Regulation S under the US Securities Act

«Name» hereby directs that the Shares hereby subscribed for be issued and delivered as follows:

Name(s) in full	Address	Number of Shares
_____	_____	_____
_____	_____	_____

DATED this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
Authorized Signatory

\_\_\_\_\_  
Address

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**TRANSFER OF SHARE PURCHASE WARRANTS**

TO: SHOAL POINT ENERGY LTD.

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto \_\_\_\_\_ (name), \_\_\_\_\_ (address), \_\_\_\_\_ Warrants of **SHOAL POINT ENERGY LTD.** (the "Company") registered in the name of the undersigned on the records of the Company represented by the \_\_\_\_\_ within certificate and irrevocably appoints \_\_\_\_\_ the attorney of the undersigned to transfer the said securities on the books or register with full power of substitution.

The undersigned hereby certifies that the transfer of these securities is not being made to, and the offer of these securities was not made to, and the person named above is not, a person in the United States (as such term is defined in Regulation S under the United States Securities Act of 1933, as amended).

DATED this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_

\_\_\_\_\_  
(Witness)

\_\_\_\_\_  
(Signature of Registered Warrant Holder)

\_\_\_\_\_  
(Print name of Registered Warrant Holder)

**Instructions:**

1. Signature of warrant holder must be the signature of the person appearing on the face of this Share Purchase Warrant Certificate.
2. If the Transfer of Warrants is signed by a trustee, executor, administrator, curator, guardian, attorney, officer of a corporation or any person acting in a fiduciary or representative capacity, the certificate must be accompanied by evidence of authority to sign satisfactory to the Company.