

Joint Venture Agreement

This agreement is entered into this 21th day of July, 2014

BETWEEN:

Keblo Energy, LLC, a Tennessee LLC
"Keblo"

AND:

Ona Power Oil & Gas Corp.
("Ona")

(Collectively, the "Parties")

WHEREAS:

- A. Keblo Energy, LLC has acquired certain leases in Fentress, Overton and Pickett Counties, Tennessee and Clinton and Cumberland Counties, Kentucky (the "Leases") all of which Leases are attached hereto.
- B. Ona Power Oil & Gas Corp is interested in drilling up to ten (10) wells upon certain of the Leases, plus a further 11th well, subject to the terms set out below.
- C. All currency stated herein is in US Dollars.

NOW THEREFORE the sum of Ten Dollars (\$10.00) the receipt and sufficiency of which the parties hereto acknowledge, the parties agree as follows:

1. The wells contemplated for drilling, as described in preambles A and B above, are as follows:
 - i) Lucky-Newberry#1K and #2K;
 - ii) Lucky-Allred #1K and #2K;
 - iii) Lucky-Green #1K and #2K;
 - iv) Lucky-Smith #1K and #2K;
 - v) Lucky-Moon #1K and #2K.

(the "Wells")

The Parties recognize and agree that the Wells are subject to the terms of a lease agreement pertaining to each well location. It is further acknowledged and understood by the Parties that the Wells may be changed, as agreed to in writing between the Parties.

Payment and Receipt of Monies

- a) Ona shall contribute Working Interest of 75% and Keblo shall contribute Working Interest of 25% towards cost of the Wells once placed into production.
- b) Ona shall receive monies as follows:

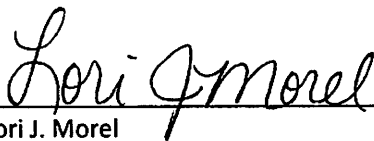
- i) Repayment of 100% of its expended capital on any well, inclusive of "dry holes". Dry hole costs shall be recovered by Ona on a pro-rata basis from the revenue produced per Viable well; and, until Ona has recovered its expended capital, it shall receive 63.75% of the Net Revenue Interest and Keblo shall receive 21.25% of the Net Revenue Interest.
- ii) Once Ona has recovered its expended capital as set out in sub-clause i) above, it shall then begin to receive 47% Net Revenue Interest and Keblo shall receive 38% of the Net Revenue Interest.

(collectively referred to herein as the "Interest")

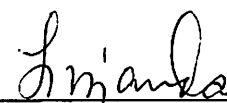
2. Ona is agreeable to drilling upon a minimum of five (5) of the Wells, to be decided upon between the Parties, and costs shall be accordance with the AFE for each of the Wells.
3. If at any time after the first five (5) Wells have been drilled and completed, or are considered dry holes, then Ona may elect to not proceed with drilling of the balance of the Wells. Ona may opt out of this Agreement after the drilling of five (5) Wells, in which case Ona will not receive the no-charge sand frac and/or acid job or the 11th well. In the event all Wells are drilled then a potential 11th well would receive a sand frac and/or acid job at no charge.
4. Ona will own fifty (50%) percent of every lease that it agrees to drill a well upon. The said lease ownership will be registered at the appropriate courthouse. If at any time after registration of said lease Ona elects to opt out of the lease and chooses not to drill upon said lease Ona will be given a checkerboard option to drill another well location upon said lease. Both Parties shall then have 45 days to proceed with drilling the next agreed upon well location on the lease, once the remaining lease owner completes the well that Ona opted out of. Said remaining lease owner shall have 45 days to complete the well Ona opted out of.
5. Ona will be the Operator of said wells.
6. It is acknowledged and understood by the Parties hereto that the Interest in the Project has not been registered under The Securities Act of 1933, as amended (the "Act"), nor under any state securities laws, because such interest is sold and issued in reliance upon exemptions which are available only if the Ona, and all other selected investors participating in the placement of any Interest, acquire their respective Interest for investment purposes only and without a view to public redistribution.
7. The Parties acknowledge that they are familiar with the phrase "acquired for investment and not with a view to redistribution", and the special meanings given to such terms and various interpretations of regulatory agencies governing the offer and sale of securities.
8. The parties understand that no federal or state agency has made any finding or determination as to the fairness of this investment, nor any recommendation or endorsement of the Interest.
9. The parties represent that there are no legal restrictions applicable to either of them, which would preclude any purchase of any Interest for investment, as set forth herein.
10. Ona confirms that it has either, for itself or together with its advisor, sufficient knowledge and experience in financial business and tax matters to evaluate the risks and merits of the Project and understands that it is a speculative venture, and can bear the economic risk of this investment set out herein, including entire loss of such investment.

11. Keblo represents and warrants to Ona that it has full legal right and authority to enter into this Joint Venture Agreement pertaining to the Wells and that it has full and legal lease rights that permit it to do so AND; in the event that it turns out Keblo misrepresented or mistook its legal authority, Keblo hereby agrees to protect and save harmless Ona and its agents, contractors, employees, representatives or otherwise, from any liability for any claims or any loss or for damages alleged, whether real or contrived, arising out of Keblo's said misrepresentation, whether mistaken or not.
12. The Parties shall establish a limited liability company to manage the joint venture expenditures and costs only;
13. The Parties agree that Ona must fund the venture as set out herein within 90 days of the date hereof or the Parties must either: i) extend this Agreement or, ii) agree that by mutual consent this Agreement will be of no force and effect and shall be null and void for all intents and purposes and further, that the Parties hereby waive any and all rights of recourse that may be available to either of them, whether in law or in equity.
14. The Parties hereto confirm that and hereby state that no other promises or inducements, either oral or written were made to induce either party to sign this agreement.
15. No modification, variation or amendment of this Agreement will be effective unless evidenced in writing, executed by both of the parties.
16. This Agreement is subject to the approval of Canadian Securities regulator(s), if required.
17. This Agreement will be governed by and interpreted and enforced in accordance with the laws in force in the Province of British Columbia and the applicable federal laws of Canada. Each party irrevocably submits and attorns to the exclusive jurisdiction of the courts of British Columbia with respect to any matter arising hereunder or relating hereto.

Keblo Energy, LLC


Lori J. Morel

Ona Power Oil & Gas Corp.


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