

TRILLION ENERGY INTERNATIONAL INC.

Supplemental Debenture Indenture

Dated as of September 14, 2023

THIS SUPPLEMENTAL DEBENTURE INDENTURE dated as of September 14, 2023.

BETWEEN:

TRILLION ENERGY INTERNATIONAL INC., a corporation existing under the laws of the Province of British Columbia (the "**Corporation**"),

AND:

ODYSSEY TRUST COMPANY, a trust company continued under the laws of Canada, authorized to carry on the business of a trust company in the provinces of British Columbia and the Province of Alberta (the "**Trustee**")

WHEREAS:

- A. The Trustee and the Corporation entered into a debenture dated as of April 20, 2023 (the "**Debenture Indenture**") providing for the issue of up to an aggregate of 15,000 debentures ("**Debentures**") each convertible to acquire common shares of the Corporation (the "**Common Share**") at an conversion price of \$0.60 at any time prior to April 20, 2025.
- B. Pursuant to Article 15 of the Debenture Indenture provides that from time to time the Corporation (when authorized by action of the directors of the Corporation) and the Trustee may, subject to the provisions of the Debenture Indenture, execute and deliver by their proper officers, indentures or instruments supplemental to the Debenture Indenture, which thereafter shall form part of the Debenture Indenture.
- C. Pursuant to a directors resolution dated September 5, 2023, the issued and outstanding common shares in the capital of the Corporation will be consolidated on a 5:1 basis, effective September 18, 2023 (the "**Consolidation**").
- D. As a result of the Consolidation, the Trustee has agreed to enter into this Supplemental Debenture Indenture and to hold all rights, interests and benefits contained herein for and on behalf of those persons who become holders of Debentures issued pursuant to the Debenture Indenture as modified by this Supplemental Debenture Indenture from time to time.
- E. All necessary actions have been taken by the Corporation and all conditions have been complied with to make this supplemental indenture and the execution thereof legal and valid and in accordance with the laws relating thereto.

NOW THEREFORE THIS SUPPLEMENTAL DEBENTURE INDENTURE WITNESSES that for good and valuable consideration mutually given and received, the receipt and sufficiency of which are hereby acknowledged, it is hereby agreed and declared as follows:

- 1. The Schedules "A", "B" and "C" are incorporated into and form part of this Supplemental Debenture Indenture.
- 2. This Supplemental Debenture Indenture is incorporated into and supplemental to the Debenture Indenture and the Debenture Indenture shall henceforth be read in conjunction with this

Supplemental Debenture Indenture and Schedules "A", "B" and "C" and all the provisions of the Debenture Indenture, except only insofar as the same may be inconsistent with the express provisions hereof, shall apply and have the same effect as if all the provisions of the Debenture Indenture and of this Supplemental Debenture Indenture were contained in one instrument and the expressions used herein shall have the same meaning as is ascribed to the corresponding expressions in the Debenture Indenture.

3. On and after the date hereof, each reference to the Debenture Indenture, as amended by this Supplemental Debenture Indenture, "this indenture", "herein", "hereby", and similar references, and each reference to the Debenture Indenture in any other agreement, certificate, document or instrument relating thereto, shall mean and refer to the Debenture Indenture as amended hereby. Except as specifically amended by this Supplemental Debenture Indenture, all other terms and conditions of the Debenture Indenture shall remain in full force and unchanged.
4. Section 1.1 of the Debenture Indenture is hereby amended by the deletion of the current definition of "Conversion Price" in its entirety and replacing it with the following:

"Conversion Price" means the dollar amount for which each Common Share may be issued from time to time upon the conversion of the Debentures which are by their terms convertible in accordance with the provisions hereof, and for greater certainty, the Conversion Price shall be CAD\$3.00 per Common Share, being a ratio of 333.33 Common Shares per \$1,000 principal amount of Debentures;
5. The parties hereto confirm that the Debenture Indenture continues to be in full force and effect, unamended, except as provided herein, and the Corporation hereby confirms the Debenture Indenture in all other respects.
6. This Supplemental Debenture Indenture shall be governed by and be construed in accordance with the laws of Alberta and the federal laws of Canada applicable therein and shall be binding upon the parties hereto and their respective successors and assigns.
7. This Supplemental Debenture Indenture may be simultaneously executed in several counterparts, each of which when so executed shall be deemed to be an original and such counterparts together shall constitute one and the same instrument and notwithstanding their date of execution shall be deemed to bear the date set out at the top of the first page of this Supplemental Debenture Indenture.

IN WITNESS WHEREOF the parties hereto have executed this Supplemental Debenture Indenture under the hands of their proper officers in that behalf.

ODYSSEY TRUST COMPANY

Per: (signed) "Amy Douglas"
Authorized Signatory

Per: (signed) "Rachel Wales"
Authorized Signatory

TRILLION ENERGY INTERNATIONAL INC.

Per: (signed) "Arthur Halleran"
Authorized Signatory

SCHEDULE "A"

TO THE DEBENTURE INDENTURE BETWEEN

TRILLION ENERGY INTERNATIONAL INC.

AND

ODYSSEY TRUST COMPANY

FORM OF DEBENTURE

CUSIP – [●]

ISIN – [●]

No. [●]

[\$●]

TRILLION ENERGY INTERNATIONAL INC.

(a corporation continued under the laws of the Province of British Columbia)

12.0% CONVERTIBLE DEBENTURES DUE APRIL 30, 2025

Trillion Energy International Inc. (the "**Corporation**") for value received hereby acknowledges itself indebted and, subject to the provisions of the debenture indenture (the "**Indenture**") dated as of April 20, 2023 between the Corporation and Odyssey Trust Company (the "**Trustee**"), promises to pay to the registered holder hereof on April 30, 2025 (the "**Maturity Date**"), or on such earlier date as the principal amount hereof may become due in accordance with the provisions of the Indenture the principal sum of [●] Dollars (\$●) in lawful money of Canada on presentation and surrender of this Debenture at the main branch of the Trustee in Vancouver, British Columbia in accordance with the terms of the Indenture and, subject as hereinafter provided, to pay interest on the principal amount hereof from the date hereof, or from the last Interest Payment Date to which interest shall have been paid or made available for payment hereon, whichever is later, at the rate of 12.00% per annum (based on a year of 365 days), in like money, in arrears in (with the exception of the first interest payment which will include interest accrued from April 20, 2023) semi-annual installments (less any tax required by law to be deducted) on October 31 and April 30 in each year commencing on October 31, 2023 and the last payment (representing interest payable from the Interest Payment Date immediately prior to the Maturity Date to, but excluding, the Maturity Date) to fall due on the Maturity Date and, should the Corporation at any time make default in the payment of any principal, premium, if any, or interest, to pay interest on the amount in default at the same rate, in like money and on the same dates. For greater certainty, the first interest payment will include interest accrued from and including April 20, 2023 to October 31, 2023, which will be equal to \$\$63.78 for each \$1,000 principal amount of Debentures. Any payment required to be made on any day that is not a Business Day will be made on the next succeeding Business Day.

Upon and subject to the terms of the Indenture, the Corporation may elect, upon redemption, to satisfy interest hereon by delivering: (a) cash; (b) Freely Tradeable Common Shares; or (c) a combination of (a) and (b), to the Trustee pursuant to the Common Share Interest Payment.

Election and delivery of such cash or Freely Tradeable Common Shares, or any combination thereof, less the amount of any tax required to be withheld, shall satisfy and discharge all liability for interest on this Debenture to the extent of the sum represented thereby plus any tax withheld as aforesaid.

This Debenture is one of the 12.0% Convertible Debentures due April 30, 2025 (referred to herein as the "**Debentures**") of the Corporation issued under the provisions of the Indenture. The Debentures authorized for issue immediately are limited to an aggregate principal amount of \$15,000,000.00 million in lawful money of Canada. Reference is hereby expressly made to the Indenture for a description of the terms and conditions upon which the Debentures are or are to be issued and held and the rights and remedies of the holders of the Debentures and of the Corporation and of the Trustee, all to the same effect as if the provisions of the Indenture were herein set forth to all of which provisions the holder of this Debenture by acceptance hereof assents.

The Debentures are issuable only in denominations of \$1,000 and integral multiples thereof. Upon compliance with the provisions of the Indenture, the Debentures of any denomination may be exchanged for an equal aggregate principal amount of the Debentures in any other authorized denomination or denominations.

Any part, being \$1,000 or an integral multiple thereof, of the principal of this Debenture, provided that the principal amount of this Debenture is in a denomination in excess of \$1,000, is convertible, at the option of the holder hereof, upon surrender of this Debenture at the principal office of the Trustee in Vancouver, British Columbia, at any time prior to the close of business on the last Business Day immediately preceding the Maturity Date or, if this Debenture is called for redemption on or prior to such date, then, to the extent so called for redemption, up to but not after the close of business on the last Business Day immediately preceding the date specified for redemption of this Debenture or, if called for repurchase pursuant to the 90% Redemption Right on the Business Day immediately prior to the payment date, or, if subject to compulsory acquisition as provided for in the Indenture, on the Business Day immediately prior to the day on which such acquisition becomes effective, into Common Shares (without adjustment for interest accrued hereon or for dividends or distributions on Common Shares issuable upon conversion) at a conversion price of \$3.00 (the "**Conversion Price**") per Common Share, being a ratio of 333.33 Common Shares for each \$1,000 principal amount of Debentures, all subject to the terms and conditions and in the manner set forth in the Indenture. No Debentures may be converted during the five Business Days preceding and including October 31 and April 30 in each year, commencing October 31, 2023, as the registers of the Trustee will be closed during such periods. The Indenture makes provision for the adjustment of the Conversion Price in the events therein specified. No fractional Common Shares will be issued on any conversion and any Common Shares so issuable will be rounded down to the nearest whole number and the holder will not receive any consideration in respect of any such fraction. Holders converting their Debentures will receive accrued and unpaid interest thereon. If a Debenture is surrendered for conversion on an Interest Payment Date or during the five preceding Business Days, the person or persons entitled to receive Common Shares in respect of the Debentures so surrendered for conversion shall not become the holder or holders of record of such Common Shares until the Business Day following such Interest Payment Date and, for clarity, any interest payable on such Debentures will be for the account of the holder of record of such Debentures at the close of business on the relevant record date..

This Debenture may be redeemed at the option of the Corporation on the terms and conditions set out in the Indenture at the Redemption Price therein and herein set out provided that this Debenture is not redeemable before April 30, 2024, except in the event of the satisfaction of certain conditions after a Change of Control has occurred. On and after April 30, 2024 and at any time prior to April 30, 2025, the Debentures are redeemable at the option of the Corporation at a price equal to 105.0% of their principal amount plus accrued and unpaid interest and otherwise on the terms and conditions described in the Indenture. In connection with the redemption of the Debentures, the aggregate principal portion of the Redemption Price of the Debentures and any accrued and unpaid interest will be paid in cash.

Upon the occurrence of a Change of Control of the Corporation, the Corporation is required to make an offer to purchase all of the Debentures at a price equal to 100% of the principal amount of such Debentures plus accrued and unpaid interest (if any) up to, but excluding, the date the Debentures are so repurchased (the "**Debenture Offer**"). If 90% or more of the principal amount of all Debentures outstanding on the date the Corporation provides notice of the Change of Control to the Trustee have been tendered for purchase pursuant to the Debenture Offer, the Corporation has the right to redeem all the remaining outstanding Debentures on the same date and at the same price.

In addition to the requirement for the Corporation to make a Debenture Offer in the event of a Change of Control, if any part of the consideration for the Common Shares in the transaction or transactions constituting the Change of Control consists of:

- (a) cash, other than cash payments for fractional Common Shares and cash payments made in respect of dissenter's appraisal rights;
- (b) equity securities that are not traded or intended to be traded immediately following such transactions on a recognized stock exchange; or
- (c) other property that is not traded or intended to be traded immediately following such transactions on a recognized stock exchange,

then subject to regulatory approvals, during the period beginning 10 trading days before the anticipated date on which the Change of Control becomes effective and ending 30 days after the Debenture Offer is delivered, holders of Debentures will be entitled to convert their Debentures, subject to certain limitations, and receive, in addition to the number of Common Shares they would otherwise be entitled to receive, an additional number of Common Shares per \$1,000 principal amount of Debentures calculated in accordance with the terms of the Indenture.

If an Offer for all of the outstanding Debentures (other than the Offeror's Debentures) is made and 90% or more of the principal amount of all the Debentures (other than Debentures held at the date of the offer by or on behalf of the Offeror, associates or affiliates of the Offeror or anyone acting jointly or in concert with the Offeror) are taken up and paid for by the Offeror, the Offeror will be entitled to acquire the Debentures of those holders who did not accept the offer on the same terms as the Offeror acquired the first 90% of the principal amount of the Debentures.

On redemption or maturity of the Debentures, the Corporation shall satisfy its obligation to pay the aggregate principal amount of the Debentures due on redemption or maturity in cash. The Corporation shall pay any accrued and unpaid interest by delivering cash to the Trustee.

The indebtedness evidenced by this Debenture, and by all other Debentures now or hereafter certified and delivered under the Indenture, is a unsecured obligation of the Corporation.

The principal hereof may become or be declared due and payable before the stated maturity in the events, in the manner, with the effect and at the times provided in the Indenture.

The Indenture contains provisions making binding upon all holders of Debentures outstanding thereunder (or in certain circumstances specific series of Debentures) resolutions passed at meetings of such holders held in accordance with such provisions and instruments signed by the holders of a specified majority of Debentures outstanding (or specific series), which resolutions or instruments may have the effect of amending the terms of this Debenture or the Indenture.

The Indenture contains provisions disclaiming any personal liability on the part of holders of Common Shares and officers, directors and employees of the Corporation in respect of any obligation or claim arising out of the Indenture or this Debenture.

This Debenture may only be transferred, upon compliance with the conditions prescribed in the Indenture, in one of the registers to be kept at the principal office of the Trustee in the City of Vancouver and in such other place or places and/or by such other registrars (if any) as the Corporation with the approval of the Trustee may designate. No transfer of this Debenture shall be valid unless made on the register by the registered holder hereof or his executors or administrators or other legal representatives, or his or their attorney duly appointed by an instrument in form and substance satisfactory to the Trustee or other registrar, and upon compliance with such reasonable requirements as the Trustee and/or other registrar may prescribe and upon surrender of this Debenture for cancellation. Thereupon a new Debenture or Debentures in the same aggregate principal amount shall be issued to the transferee in exchange hereof.

This Debenture shall not become obligatory for any purpose until it shall have been certified by the Trustee under the Indenture.

If any of the provisions of this Debenture are inconsistent with the provisions of the Indenture, the provisions of the Indenture shall take precedence and shall govern.

Capitalized words or expressions used in this Debenture shall, unless otherwise defined herein, have the meaning ascribed thereto in the Indenture.

The Indenture and this Debenture shall be governed by, and construed in accordance with, the laws of the Province of Alberta and the federal laws of Canada applicable therein.

IN WITNESS WHEREOF TRILLION ENERGY INTERNATIONAL INC. has caused this
Debenture to be signed by its authorized representatives as of the ____ day of _____, 2023.

**TRILLION ENERGY INTERNATIONAL
INC.**

Per: _____
Name:
Title:

(FORM OF TRUSTEE'S CERTIFICATE)

This Debenture is one of the 12.0% Convertible Debentures due April 30, 2025 referred to in the Indenture within mentioned.

ODYSSEY TRUST COMPANY

Per: _____
(Authorized Officer)

(Form of Registration Panel)

(No writing hereon except by Trustee or other registrar)

Date of Registration	In Whose Name Registered	Signature of Trustee or Registrar

FORM OF ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto _____, whose address and social insurance number, if applicable, are set forth below, this Debenture (or \$_____ principal amount hereof*) of TRILLION ENERGY INTERNATIONAL INC. standing in the name(s) of the undersigned in the register maintained by the Corporation with respect to such Debenture and does hereby irrevocably authorize and direct the Trustee to transfer such Debenture in such register, with full power of substitution in the premises.

Dated: _____

Address of Transferee: _____

Social Insurance Number of Transferee, if applicable: _____

*If less than the full principal amount of the within Debenture is to be transferred, indicate in the space provided the principal amount (which must be \$1,000 or an integral multiple thereof, unless you hold a Debenture in a non-integral multiple of \$1,000 by reason of your having exercised your right to exchange upon the making of a Debenture Offer, in which case such Debenture is transferable only in its entirety) to be transferred.

1. The signature(s) to this assignment must correspond with the name(s) as written upon the face of this Debenture in every particular without alteration or any change whatsoever. The signature(s) must be guaranteed by a Canadian chartered bank or trust company or by a member of an acceptable Medallion Guarantee Program. Notarized or witnessed signatures are not acceptable as guaranteed signatures. The Guarantor must affix a stamp bearing the actual words: "SIGNATURE GUARANTEED".
2. The registered holder of this Debenture is responsible for the payment of any documentary, stamp or other transfer taxes that may be payable in respect of the transfer of this Debenture.

Signature of Guarantor:

Authorized Officer

Signature of transferring registered holder

Name of Institution

EXHIBIT 1

**TRILLION ENERGY INTERNATIONAL INC.
12.0% CONVERTIBLE DEBENTURES DUE APRIL 30, 2025**

Initial Principal Amount: \$[●]

CUSIP – [●]

ISIN – [●]

Authorization:

ADJUSTMENTS

Date	Amount of Increase	Amount of Decrease	New Principal Amount	Authorization

SCHEDULE "B"

**TO THE DEBENTURE INDENTURE BETWEEN
TRILLION ENERGY INTERNATIONAL INC.
AND
ODYSSEY TRUST COMPANY REDEMPTION NOTICE**

To: Holders of 12.0% Convertible Debentures due April 30, 2025 (the "**Debentures**") of Trillion Energy International Inc. (the "**Corporation**")

Note: All capitalized terms used herein have the meaning ascribed thereto in the Indenture mentioned below, unless otherwise indicated.

Notice is hereby given pursuant to Section 4.3 of the debenture indenture (the "**Indenture**") dated as of April 20, 2023 between the Corporation and Odyssey Trust Company (the "**Trustee**"), that the aggregate principal amount of \$[●] of the \$[●] of Debentures outstanding will be redeemed as of [●] (the "**Redemption Date**"), upon payment of a redemption amount of \$[●] for each \$1,000 principal amount of Debentures, being equal to the aggregate of (i) \$1,000; and (ii) all accrued and unpaid interest hereon to but excluding the Redemption Date (collectively, the "**Redemption Price**").

The Redemption Price will be payable in cash upon presentation and surrender of the Debentures called for redemption at the following corporate trust office:

Odyssey Trust Company
United Kingdom Building
350- 409 Granville Street
Vancouver, British Columbia V6C 1T2

Email: corptrust@odysseytrust.com

Attention: Corporate Trust

The interest upon the principal amount of Debentures called for redemption shall cease to be payable from and after the Redemption Date, unless payment of the Redemption Price shall not be made on presentation for surrender of such Debentures at the above-mentioned corporate trust office on or after the Redemption Date or prior to the setting aside of the Redemption Price pursuant to the Indenture.

DATED:

**TRILLION ENERGY INTERNATIONAL
INC.**

Per: _____
(Authorized Director or Officer)

SCHEDULE "C"

**TO THE DEBENTURE INDENTURE BETWEEN
TRILLION ENERGY INTERNATIONAL INC.
AND
ODYSSEY TRUST COMPANY
CONVERSION NOTICE**

TO: Odyssey Trust Company

AND TO: Trillion Energy International Inc. (the "**Corporation**")

Note: All capitalized terms used herein have the meaning ascribed thereto in the Indenture mentioned below, unless otherwise indicated.

The undersigned registered holder of 12.0% Convertible Debentures due April 30, 2025 irrevocably elects to convert such Debentures (or \$ _____ principal amount thereof*) in accordance with the terms of the Indenture referred to in such Debentures and tenders herewith the Debentures, and, if applicable, directs that the Common Shares of Trillion Energy International Inc. issuable upon a conversion be issued and delivered to the person indicated below. (If Common Shares are to be issued in the name of a person other than the holder, all requisite transfer taxes must be tendered by the undersigned).

Dated: _____
(Signature of Registered Holder)

* If less than the full principal amount of the Debentures, indicate in the space provided the principal amount (which must be \$1,000 or integral multiples thereof).

Note: If Common Shares are to be issued in the name of a person other than the holder, the signature must be guaranteed by a chartered bank, a trust company or by a member of an acceptable Medallion Guarantee Program. The Guarantor must affix a stamp bearing the actual words: "SIGNATURE GUARANTEED".

(Print name in which Common Shares are to be issued, delivered and registered)

Name: _____

(Address)

(City, Province and Postal Code)

Name of guarantor: _____

Authorized signature: _____