

PARENT COMPANY GUARANTEE

This Guarantee is made and given the 5th day of May 2022, by **STEEL REEF INFRASTRUCTURE CORP.** (the “**Guarantor**”) in favour of **HER MAJESTY THE QUEEN IN RIGHT OF CANADA AS REPRESENTED BY THE CANADIAN ENERGY REGULATOR** or any Successor Administrative Body (the “**Beneficiary**”).

WHEREAS:

- A. Steel Reef Pipelines Canada Corp. (the “**Obligor**”), an indirect subsidiary of the Guarantor, is the authorization holder for the South Saskatchewan Access Pipeline pursuant to Order XG-S848-017-2018.
- B. In order to satisfy the financial resource requirement (the “**Financial Resource Requirement**”) as provided for under the *Canadian Energy Regulator Act* (the “**Act**”) and the Canadian Energy Regulator Regulations (the “**Regulations**”), the Guarantor is required to and desires to provide a parental guarantee in favour of the Beneficiary on the terms set out herein.

NOW THEREFORE, in consideration of the premises and agreements contained in this Guarantee, and other valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the Guarantor, the Guarantor agrees as follows:

- 1. **Grant of Guarantee.** Subject to Section 2 hereof, Guarantor hereby irrevocably and unconditionally guarantees to Beneficiary the prompt payment on demand (subject to written demand requirements by Beneficiary upon Guarantor as provided for herein) of all payment obligations from Obligor to Beneficiary now existing or arising in the future prior to the termination of this Guarantee as set forth in Section 3 (the “**Guaranteed Obligations**”). The obligations of Guarantor under this Guarantee shall be automatically reinstated (subject always to the limitation set forth in Section 2 hereof) if and to the extent that for any reason any payment by or on behalf of Obligor in respect of the Guaranteed Obligations is rescinded or must be otherwise restored by Beneficiary whether as a result of any proceedings in bankruptcy or reorganization or otherwise.
- 2. **Limitation.** Notwithstanding anything else contained herein, the aggregate of Guarantor’s obligations hereunder shall be limited to and shall not exceed Fifty Million Dollars Canadian (CAD \$50,000,000.00); provided that in addition, Guarantor agrees to pay all reasonable out of pocket costs, including reasonable legal fees and other expenses incurred by Beneficiary in enforcing Guarantor’s payment obligations under this Guarantee; and provided further, that Guarantor shall not be liable for any expenses of Beneficiary if no payment under this Guarantee is due and in no event shall Guarantor be liable for any consequential, exemplary, loss of profits, punitive, or indirect damages.
- 3. **Term and Termination.** This Guarantee shall be continuing and shall not be terminated, amended, or modified without the prior written consent of Beneficiary.
- 4. **Payment Demand.** Any demand for payment made by the Beneficiary upon Guarantor under the Guaranteed Obligations shall be made by way of a written notification addressed by the Beneficiary to the Guarantor (a “**Payment Demand**”). The Payment Demand shall

specify in reasonable detail the Guaranteed Obligations that Obligor has failed to pay and the basis upon which such Guaranteed Obligations are due. A Payment Demand made in accordance with this clause shall be deemed sufficient notice to Guarantor that such Guaranteed Obligation is due and owing and Guarantor shall, within five (5) business days of any such Payment Demand, but subject to the last paragraph of Section 15 hereof, pay the Guaranteed Obligations for which any such Payment Demand has been made.

5. **Notice of Event of Default.** In the event that either of Guarantor or Obligor defaults on any obligation owed to or agreed with the Beneficiary whether arising under this Guarantee or otherwise, Guarantor shall serve the Beneficiary with notice of such default within two (2) business days.
6. **Waivers.** Guarantor hereby waives notice of (i) acceptance of this Guarantee by Beneficiary; (ii) notice of the creation or existence of any Guaranteed Obligations and the modification or amendment of the Financial Resources Requirement, including renewal or extension of time for repayment and performance of Guaranteed Obligations; (iii) except as provided for in Section 4 hereof, any requirement that suit be brought against, or any other action be taken by Beneficiary against, or any notice of default or other notice be given to, or any demand be made on Obligor; and (iv) presentment, default, dishonour, protest or notice of protest with respect to any notes, drafts or other instruments evidencing indebtedness received from Obligor pursuant to the Agreements.
7. **Payment Extensions.** Guarantor agrees that Beneficiary may, from time to time, extend the time of payment of the whole, or any part, of the indebtedness of Obligor without in any way releasing or discharging Guarantor from its obligations hereunder.
8. **Nature of Guarantee.** This Guarantee is a guarantee of payment only and not of collection. Subject to Section 4 hereof, Beneficiary shall not be required to proceed first against Obligor or any other person, firm or corporation before resorting to Guarantor for payment under this Guarantee.
9. **Notices.** Any notices required or permitted to be given to Beneficiary or Guarantor under this Guarantee shall be in writing and shall be given by delivery to the address designated below, or to such other address as may be designated by Beneficiary or Guarantor in writing from time to time. All delivered notices are conclusively deemed to have been given and received on the day of actual receipt.

Guarantor: Steel Reef Infrastructure Corp.
1200 -333-7th Avenue SW
Calgary, AB
T2P 2Z1

Attention: Scott Megaffin, Treasurer
Email: Scott.Megaffin@steelreef.ca

Beneficiary: Canada Energy Regulator
Suite 210, 517 Tenth Avenue SW
Calgary, Alberta T2R 0A8

Attention: Ramona Sladic, Secretary of the Commission

10. **Subrogation.** Upon payment by Guarantor of any Guaranteed Obligation owing to Beneficiary, Guarantor shall be subrogated, to the extent of such payment, to the rights of Beneficiary against Obligor.
11. **Amendments.** This Guarantee and each of its provisions may not be waived, varied, released, modified or surrendered, in whole or in part, without the prior written approval of the Beneficiary.
12. **Assignment.** The Guarantee shall be irrevocable, non-transferable and non-assignable, except with the prior written approval of the Beneficiary.
13. **Governing Law.** This Guarantee and all matters arising from or related to the Guarantee shall be governed by and construed in accordance with the laws of the Province of Alberta and the laws of Canada applicable therein, without regard to principles of conflicts of laws. The parties irrevocably attorn to the exclusive jurisdiction of the courts in Alberta and the courts of appeal therefrom. Guarantor and Beneficiary hereby knowingly, voluntarily, and intentionally waive any right to trial by jury in connection with this Guarantee or the transactions related hereto.
14. **Representations and Warranties.** Guarantor represents and warrants that (i) Guarantor is duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation and has full power, rights, capacity and authority to enter into, execute and deliver this Guarantee, and to perform its obligations hereunder; (ii) the execution, delivery and performance of this Guarantee have been and remain duly authorized by all necessary corporate action and do not contravene any provision of law or the Guarantor's constitutional documents or any contractual restriction binding on the Guarantor or its assets; and (iii) this Guarantee constitutes the legal, valid and binding obligation of Guarantor, enforceable against Guarantor in accordance with its terms, subject, as to enforcement, bankruptcy, insolvency, reorganization and other laws of general applicability relating to or affecting creditors' rights and to general equity principles.
15. **Unconditional Liability.** The liability of Guarantor under this Guarantee shall be continuing, absolute and unconditional irrespective of:
 - (a) any modification, extension or waiver of any of the terms of the Financial Resource Requirement;
 - (b) any sale, exchange, release or non-perfection of any property standing as security for the Guaranteed Obligations or any liabilities incurred directly or indirectly hereunder or any set-off against any of said liabilities, or any release or amendment or waiver of or consent to departure from any other guarantee, for all or any of the Guaranteed Obligations;
 - (c) any change in the existence, structure or ownership of Obligor, or any insolvency, bankruptcy, reorganization or other similar proceeding affecting Obligor or its assets; or

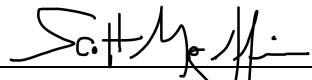
- (d) except as provided below, any fact, act, event, or occurrence which might otherwise operate as a legal or equitable defense or discharge of a guarantor with respect to the Guaranteed Obligations, other than payment in full of the Guaranteed Obligations.
16. **Entire Agreement.** This Guarantee is the entire and only agreement between Guarantor and Beneficiary with respect to the payment of the Guaranteed Obligations. All representations, warranties, covenants, agreements or undertakings heretofore or contemporaneously made, which are not set forth herein, are superseded hereby.
17. **Severability.** Any provision of this Guarantee which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.
18. **Currency Conversion.** The obligation of Guarantor hereunder to make payments in any currency of payment and account shall not be discharged or satisfied by any tender or recovery pursuant to any judgment expressed in or converted into any other currency except to the extent to which such tender or recovery shall result in the effective receipt by the Beneficiary of the full amount of such currency of payment and account so payable and accordingly the obligation of the Guarantor shall be enforceable as an alternative or additional cause of action for the purpose of recovery in the other currency of the amount (if any) by which such effective receipt shall fall short of the full amount of such currency of payment and account so payable and shall not be affected by any judgment being obtained for any other sums due hereunder.

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IN WITNESS WHEREOF, Guarantor has duly executed this Guarantee as of the date first above written.

STEEL REEF INFRASTRUCTURE CORP.

Per: 
Name: William Champion
Title: CFO

Per: 
Name: Scott Megaffin
Title: Treasurer

CERTIFICATE OF INSURANCE

No.: 33303-3

Dated: April 25, 2022

This is to certify that the policies of insurance listed herein have been issued to the insured named herein for the period of insurance indicated. Notwithstanding any requirement term or condition of any contract or other document with respect to which the certificate may be issued or may pertain, the insurance afforded by the policies listed herein is subject to all the terms, conditions and exclusions of such policies. Limits shown may have been reduced by paid claims.

This certificate is issued as a matter of information only and confers no rights upon the Certificate Holder. This Certificate does not amend, extend or alter the coverage afforded by the policies described herein.

Certificate Holder: Canada Energy Regulator 210-517 10 Ave SW Calgary AB T2R 0A8	Named Insured and Address: Steel Reef Pipelines Canada Corp. Suite 1200 333-7 Ave SW Calgary, Alberta T2P 2Z1
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Type of Insurance	Insurer(s)	Policy Numbers	Policy Period	Sums Insured or Limits of Liability
All Risk Property	Lloyd's of London, Berkley Offshore	ME2119443	December 1, 2021 to December 1, 2022	All-Risks, Direct Physical Loss or Damage, not to exceed Replacement Cost Includes: -Extra Expense and Expediting Expense \$5,000,000
Commercial General Liability Includes: - Products and/or Completed Operations Broad Form - Bodily Injury & Property Damage - Personal Injury & Advertising Liability - Employers Liability - Non-Owned Automobile Liability - Legal Liability for Damage to Hired Automobiles - Fire Fighting Expenses - Contingent Employers Liability - Contractual Liability	Chubb Insurance Company of Canada	36045261	December 1, 2021 to December 1, 2022	\$2,000,000 Third Party Bodily Injury and Property Damage, Each Occurrence and in the Aggregate Limit

Pollution Liability	Chubb Insurance Company of Canada	37333936	December 1, 2021 to December 1, 2022	\$2,000,000 Each Pollution Incident and in the Aggregate Limit
Umbrella Liability	Chubb Insurance Company of Canada	78190643	December 1, 2021 to December 1, 2022	\$3,000,000 Each Occurrence and in the Aggregate Limit Excess of Underlying: - Commercial General Liability - Pollution Liability
1 st Excess Liability	Lloyd's of London	ME2121537	December 1, 2021 to December 1, 2022	\$5,000,000 Each Occurrence and in the Aggregate Limit Excess of Underlying: - Umbrella Liability
2nd Excess Liability	Lloyd's of London	ME2121539	December 1, 2021 to December 1, 2022	\$15,000,000 Each Occurrence and in the Aggregate Limit Excess of Underlying: - 1 st Excess Liability
3rd Excess Liability	AIG	26246192	December 1, 2021 to December 1, 2022	\$15,000,000 Each Occurrence and in the Aggregate Limit Excess of Underlying: - 2 nd Excess Liability
4th Excess Liability	Lloyd's of London	ME2121540	December 1, 2021 to December 1, 2022	\$10,000,000 Each Occurrence and in the Aggregate Limit Excess of Underlying: - 3 rd Excess Liability

Additional Information:

Notice of Cancellation: Should any of the policies described herein be cancelled before the expiration date thereof, the insurer(s) affording coverage will endeavour to mail 30 days written notice to the certificate holder named herein, but failure to mail such notice shall impose no obligation or liability of any kind upon the insurer(s) affording coverage, their agents or representatives, or the issuer of this certificate.

IRIDIUM RISK SERVICES INC.
 1100 Bow Valley Square 3
 255 – 5th Avenue SW
 Calgary Alberta T2P 3G6
 Telephone: (403) 263-9654
 Fax: (403) 263-9656

IRIDIUM RISK SERVICES INC.

By:

