UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 OR 15(d) of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): August 2, 2017

International Western Petroleum, Inc.
(Exact name of registrant as specified in its charter)

Nevada	**333-196492**	**46-503476**
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

5525 N. MacArthur Boulevard, Suite 280 Irving, Texas	**75038**
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: **(855) 809-6900**

N/A
(Former name or former address if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

[ ] Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

[ ] Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

[ ] Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

[ ] Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2). Emerging Growth Company [ ]

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. [ ]

Item 1.01 Entry into a Material Definitive Agreement.

On July 28, 2017, International Western Petroleum, Inc. ("Company") entered into a series of agreements, including the sale to several investors in a private placement of an aggregate of 34,500,000 shares of common stock for $345,000 and modification of an outstanding loan agreement for additional funding of $550,000 pursuant to the outstanding April 2017 secured promissory note. On August 3, 2017, the Company also entered into new consulting agreements with two of its prior employees. In connection with the sale of shares by the Company, on August 2, 2017, one of the investors, Mr. Patrick Norris, became a director of the Company and was appointed the Chief Executive Officer, President, Secretary and Chief Financial Officer. Messrs. Benjamin Tran and Ross Ramsey resigned as officers, but continued as directors of the Company and became consultants to the Company for their respective expertise. In the future, it is the intention of Mr. Norris to modify the certificate of incorporation for a change in the capitalization, for the addition of blank check preferred stock and a new series of preferred stock as required by above mentioned note, and for a name change.

The Company expects to use the new funding for production improvement projects. The Company's goal is to execute its acquisition model with EOR (Enhanced Oil Recovery) methods applied to oil and gas properties in order to accelerate production revenues and increase assets. The Company plans to expand the E&P business outside of the Central West Texas and East Texas region by looking for income-producing assets with substantial reserves and upside potential along with oil field services businesses located in Texas and surrounding states.

Company Sale of Common Stock

On August 2, 2017, the Company consummated the sale to Mr. Patrick Norris and six other investors (collectively the "Investors") of an aggregate of 34,500,000 shares of common stock for $345,000, at a per share purchase price of $0.01 pursuant to a securities purchase agreement dated July 28, 2017. The securities purchase agreement for this transaction included various typical business representations and warranties of the Company. The shares are restricted securities and have no registration rights. The shares were sold pursuant to Section 4(a)(2) of the Securities Act of 1933, as amended, to sophisticated, accredited investors.

Modification of April 2017 Note – Preferred Stock

The Company also entered into a modification of the secured, promissory note with JBB Partners, Inc., originally entered into on April 11, 2017 ("Note") on August 2, 2017. The principal amount was increased by $550,000, to a total of $750,000, and the maturity date for all the sums advanced was extended to July 28, 2018. The security for the Note continues to be all the assets of the Company; however, the shares pledged as additional security by certain principal shareholders of the Company, Messrs. Tran and Ramsey, in April 2017 were released from the pledged security.

The Note, as amended and extended, was modified to be convertible into a class of preferred stock, to be designated the Class A Preferred Stock, which itself after issuance will be convertible into common stock of the Company. The Note is automatically convertible into the Class A Preferred Stock once the certificate of incorporation is amended to create a class of "blank check" preferred stock and the capitalization of the Company is increased to permit the conversion into common stock, and the certificate of designations for the Class A Preferred Stock is filed with the Secretary of State of the State of Nevada. The amendment to the certificate of incorporation will need to be approved by the shareholders of the Company, and for this purpose the Company plans to call an annual meeting of shareholders promptly after the date of this report. The Class A Preferred Stock, once created, is initially convertible into 66,666,666 shares of common stock, at any time, at the discretion of the holder of the Class A Preferred Stock; there is no mandatory conversion or redemption right by the Company. The conversion rate is subject to adjustment for splits and reverse splits of the common stock and other events effecting the capitalization of the Company. The Class A Preferred Stock has a ratchet protection for issuances of common stock. The Class A Preferred Stock has a liquidation preference equal to three times the purchase price, which is the full principal amount of the Note of $750,000. The Class A Preferred Stock has certain investor protection rights, will vote as a single class on those issues solely related to the class, and will vote with the common stock on all other matters presented to the common shareholders, including the vote of directors to the board of directors. With blank check preferred stock, the board of directors is empowered, without stockholder approval, to issue additional shares of preferred stock with dividend, liquidation, conversion, voting, or other rights that could adversely affect the voting power or other rights of the holders of our common stock. The issuance of preferred stock, generally, could have the effect of restricting dividends on our common stock, diluting the voting power of our common stock, impairing the liquidation rights of our common stock, or delaying or preventing a change in control of our company, all without further action by our stockholders. The existence the large number of shares of common stock into which the Class A Preferred Stock be convertible may have the effect of discouraging takeover advances or prevent consummation of a takeover. Also, the effect of the Class A Preferred Stock voting with the common stock, gives its holders the ability to potentially determine the members of the board of directors and to direct the affairs of the Company.

Conversion of Outstanding Debt

On August 2, 2017, 5,900,000 shares of common stock were issued upon conversion of outstanding debt of the Company, held by a third party investor in the amount of $379,428 pursuant to an agreement of August 1, 2017. The shares issued on conversion are restricted securities and have no registration rights. The shares were issued pursuant to Section 4(a)(2) of the Securities Act of 1933, as amended, to a sophisticated investor.

Sales of Shares by Shareholders

Separately from the capital stock transactions of the Company with the Investors and others, Mr. Patrick Norris and a related party, JBB Partners, Inc., consummated a purchase on August 2, 2017, of an aggregate of 30,420,000 shares from two of the current management persons of the Company and a related party for a purchase price of $0.01 per share. These shares will be characterized as "restricted stock," as they will be held by an affiliate of the Company. The holders do not have registration rights with respect to the purchased shares.

Consulting Arrangement Modifications

The Company had a consulting arrangement with Odyssey Enterprises LLC ("Odyssey). This agreement was terminated as of August 2, 2017 the consummation date of the above referenced stock purchase agreements, and the Company obtained a general release in return for the payment of 200,000 shares of common stock, issued as restricted stock.

On August 3, 2017, the Company entered into a new consulting agreement with Dr. Benjamin Tan, under which he will perform services related to general corporate matters. Dr. Tran will be paid a monthly cash retainer of $9,000 and will be issued an option for 720,000 shares of common stock which will vest 30,000 per month during the engagement period. The consulting term is for 24 months, but the Company or Dr. Tran may cancel it after 3 months.

The Company also entered into new consulting agreement with Mr. Ross Ramsey, under which he will provide consulting services for the exploration and production of the oil and gas properties of the Company. Mr. Ramsey will be paid a monthly cash retainer of $6,600 and will be issued an option for 720,000 shares of common stock which will vest 30,000 per month during the engagement period. The consulting term is for 24 months, but the Company or Mr. Ramsey may cancel it after 3 months.

The two options to be issued to the consultants, described above, will be exercisable commencing one year after the date of the consulting agreements for a period of two years thereafter. The exercise price per share will be $0.01, and the agreements will provide for cashless exercise. The share numbers will adjust for any stock splits, stock dividends and similar capital changes. The options will be issued under the 2017 Incentive Stock and Awards Plan, which was adopted by the board of directors on July 28, 2017. Each of the consultants may be awarded additional options or other stock based awards in the discretion of the board of directors for their services as consultants.

Each of the options and the shares underlying the options and the shares issued for the release, as described above, are or will be restricted securities and have no registration rights. The options and underlying shares and release shares were issued pursuant to Section 4(a)(2) of the Securities Act of 1933, as amended.

Lock-up of Shares

Holders of 4,638,228 shares of the issued and outstanding common stock have entered into lock up agreements for a period of six months commencing July 28, 2017; provided however, each person may sell up to 16,000 shares each month, on a non-cumulative basis, prior to the termination of the lock up period.

Equity Award Program

The Company's board of directors, on July 28, 2017, adopted the 2017 Incentive Stock and Awards Plan to provide stock options and other restricted stock-based awards for employees and consultants. The plan will permit the directors or a committee of the directors to issue up to 5,000,000 shares of common stock for the awards that may be issued.

Item 3.02 Unregistered Sales of Equity Securities

The information regarding the sale of securities by the Company detailed in Item 1.01 is incorporated herein by reference.

Item 3.03 Material Modification to Rights of Securities Holders

To carry out certain of the obligations of the Company under the Note, the Company will amend its certificate of incorporation to eliminate the current class of preferred stock and in substitution thereof create a new class of "blank check" preferred stock. Then, once the new class of "blank check" preferred stock is created, the Company will designate a series thereunder, the Class A Preferred Stock to satisfy its obligations under the Note. The details of the Class A Preferred Stock set forth in Item 1.01 above are incorporated herein by reference.

Item 5.02 Departure of Directors or Certain Offices: Election of Directors: Appointment of Certain Officers; Compensatory Arrangement of Certain Officers

Mr. Patrick Norris was appointed to the board of directors of the Company as of August 2, 2017, as a result of his purchase of the shares of common stock detailed in Item 1.01 above. Mr. Norris was also appointed to be the Chief Executive Officer, President, Secretary and Chief Financial Officer of the Company.

Mr. Norris, 59, is the founder and has been the chief executive officer since 2004 of Norris International Services, LLC, located in New Iberia, Louisiana. Norris International Services manufactures and provides premium threaded pipe and other components for the oil and gas industry and the horizontal directional drilling trenchless industry.

Mr. Norris initially will not have a specific compensation arrangement with the Company during a transition period. During the transition period, the operations will continue to be overseen by Messrs. Tran and Ramsey, with whom the Company will have the consulting agreements detailed in Item 1.01 of this Current Report.

Mr. Benjamin Tran, a current director, has indicated as of August 2, 2017, that he will resign as a director of the Company on September 15, 2017, to pursue other activities. He will continue as a consultant to the Company, as described in Item 1.01 of this Current Report.

Dr. Benjamin Tran, Secretary of the Company, and Mr. Ross Ramsey, Chief Executive Officer, President and Chief Financial Officer of the Company, resigned their officer positions with the Company.

Currently directors will not receive separate compensation for their director activities. In the future, the board of directors may institute a compensation program for directors.

Item 5.03 Amendments to Articles of Incorporation or Bylaws; Change to Fiscal Year

Item 3.03 of this Current Report and the description of the Class A Preferred Stock detailed in Item 1.01 are incorporated herein by reference for actions that will be taken by the board of directors and submitted to the stockholders as an amendment to the certificate of incorporation. Also see Item 8.01 of this Current Report.

The bylaws were amended by action of the board of directors to expand the number of director positions to three, and the empty position was filled by appointment of Mr. Patrick Norris to the board of directors.

Management of the Company plans to seek shareholder approval for additional changes to the certificate of incorporation to be able to implement a reverse split of the common stock and other changes in the amount of authorized but unissued shares of common stock.

Item 8.01 Other Information

The Company plans on holding an annual meeting of the shareholders in the near future. Currently, the items to be decided upon at the meeting the shareholders will include the following matters: (1) the election of directors, (2) an amendment to the certificate of incorporation to eliminate the current single class of preferred stock and in substitution approve a class of "blank check" preferred stock that would allow the board of directors, without further action of the shareholders to designate one or more classes of preferred stock with terms as they determine from time to time, (3) change the corporate name, (4) approve a reverse split of the common stock up to a maximum of eight shares into one share and preservation of round lots and increase the authorized common stock of the Company to provide sufficient shares of Common Stock after the reverse split, and (5) approve an equity award plan for up to 5,000,000 (adjusted and increased for the reverse split) shares and such other matters as may be necessary or advisable to be approved by the shareholders in connection with the transactions described in this Current Report or other matters as determined by the board of directors.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit Number	Exhibit Description
10.1	Stock Purchase Agreement for the sale of 34,500,000 shares of common stock, dated July 27, 2017*
10.2	Debt Conversion Agreement for the conversion of note and sale of 5,900,000 shares of common stock*
10.3	2017 Incentive Stock and Awards Plan*
10.4	Consulting Agreement with Benjamin Tran*
10.5	Consulting Agreement with Ross Ramsey*
10.6	Settlement Agreement with Odyssey Enterprises, LLC*
10.7	Secured Promissory Note as Amended and Restated – principal amount $750,000*

* Filed herewith.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

INTERNATIONAL WESTERN PETROLEUM, INC.

Dated: August 7, 2017

By: */S/ PATRICK NORRIS*

Name: Patrick Norris

Title: Chief Executive Officer and President

EXHIBIT 10.1

INTERNATIONAL WESTERN PETROLEUM, INC.

STOCK PURCHASE AGREEMENT

This Stock and Note Purchase Agreement (this " ***Agreement*** ") is made as of July 28, 2017 by and among International Western Petroleum, Inc., a Nevada corporation (the " ***Company*** "), and the purchasers listed on Exhibit A attached to this Agreement (each a " ***Purchaser*** " and together the " ***Purchasers*** ").

RECITALS

WHEREAS , the Company desires to sell to Purchasers and Purchasers desire to acquire from the Company thirty-four million five hundred thousand (34,500,000) shares (the " ***Shares*** ") of common stock of the Company, par value $0.001 (the " ***Common Stock*** ") for an aggregate purchase price of three hundred forty five thousand dollars ($345,000);

WHEREAS , concurrently with the execution of this Agreement and in consideration of a loan that has been made by JBB Partners, Inc., an Affiliate to the Purchasers, in the principal amount of two hundred thousand dollars ($200,000) and a loan to be made by the Purchasers to the Company in a principal amount of five hundred fifty thousand dollars ($550,000) (the " ***Principal Amount*** "), the Company is issuing a convertible note, in substantially the form set forth on Exhibit B hereof (the " ***Convertible Note*** "), to the Purchasers pursuant to which the note principle shall convert into 1,000,000 preferred shares of the Company, par value $0.001 (the " ***Preferred Stock*** ") at a conversion price of seventy-five cents ($0.75) per share of Preferred Stock;

WHEREAS , concurrently with the execution of this Agreement, the Company, the Purchasers and certain shareholders of the Company (the " ***Selling Shareholders*** ") are entering into a Stock Transfer Agreement (the " ***Stock Transfer Agreement*** ") whereby the Purchasers are purchasing an aggregate of thirty million four hundred twenty thousand (30,420,000) shares of the Common Stock from the Selling Shareholders as set forth on Exhibit C thereto (the " ***Secondary Transaction*** ");

WHEREAS, on May 30, 2017, certain related parties of the Company sold existing debt of the Company in an aggregate amount of three hundred seventy nine thousand four hundred twenty eight dollars ($379,428) to Mr. Patrick Riggs, and concurrently with the execution of this Agreement, the debt shall be converted into five million nine hundred thousand (5,900,000) shares Common Stock at the Closing (the " ***Riggs Transaction*** "); and

WHEREAS , in connection with the Purchaser's purchase of the Shares, the Purchasers and the Company desire to establish certain rights and obligations between themselves.

NOW, THEREFORE , the parties hereby agree as follows:

1. PURCHASE AND SALE OF PREFERRED STOCK .

1.1 Sale and Issuance of Shares; Closing .

1.1.1 Subject to the terms and conditions of this Agreement, the Purchasers agree to purchase at the Closing (as defined below), and the Company agrees to sell and issue to the Purchasers at the Closing, the Shares, for an aggregate purchase price of three hundred forty five thousand dollars ($345,000).

1.1.2 The purchase and sale of the Shares shall take place remotely via the exchange of documents and signatures on the date of this Agreement or at such other time and place as the Company and the Purchasers, mutually agreed upon, orally or in writing (which time and place are designated as the " ***Closing*** " and the date of the Closing being the " ***Closing Date*** ").

1.1.3 Promptly following the Closing, the Company shall deliver to each Purchaser a certificate representing the Shares being purchased by such Purchaser at the Closing against payment of the purchase price therefor by wire transfer to a bank account designated by the Company.

1.1.4 Following the Closing, the Company and the appropriate Purchasers will submit a change of control notice, application materials, and application fee to OTC Markets Group Inc..

1.2 Defined Terms Used in this Agreement . In addition to the terms defined above, the following terms used in this Agreement shall be construed to have the meanings set forth or referenced below.

" ***Action*** " means any action, suit, proceeding, arbitration, mediation, complaint, claim, charge or, to the Company's knowledge, investigation, in each case, before any court, arbitrator, mediator or governmental body.

" ***Affiliate*** " means, with respect to any specified Person, such Person's principal or any other Person who or which, directly or indirectly, controls, is controlled by, or is under common control with such Person or such Person's principal, including, without limitation, any general partner, managing member or partner, officer or director of such Person or such Person's principal or any venture capital fund now or hereafter existing that is controlled by one or more general partners or managing members of, or shares the same management company with, such Person or such Person's principal. For purposes of this definition, the terms " ***controlling*** ," " ***controlled by*** ," or " ***under common control with*** " shall mean the possession, directly or indirectly, of (a) the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract, or otherwise, or (b) the power to elect or appoint at least 50% of the directors, managers, general partners, or persons exercising similar authority with respect to such Person.

" ***Board*** " means the Board of Directors of the Company.

" ***Business Day*** " means a weekday on which banks are open for general banking business in New York, New York.

" ***Bylaws*** " means the Bylaws of the Company.

" ***Charter*** " means the Articles of Incorporation of the Company, as amended.

" ***Code*** " means the United States Internal Revenue Code of 1986, as amended.

" ***Company Intellectual Property*** " means Intellectual Property that is necessary or material to the conduct of the Company's business as now conducted and as presently proposed to be conducted.

" ***Contract*** " means any contract, agreement, permission, consent, lease, license, release, covenant not to sue, commitment, plan, arrangement, instrument, undertaking or understanding, written or oral.

" ***Convertible Note*** " means the Convertible Note issued by the Company to the Purchaser, substantially in the form attached hereto as Exhibit B .

" ***Disclosure Schedule*** " means the Disclosure Schedule attached as Exhibit D to this Agreement.

" ***Environmental Laws"*** means any applicable Law, and any Order or binding agreement with any Governmental Entity: (a) relating to pollution (or the cleanup thereof) or the protection of natural resources, endangered or threatened species, human health or safety, or the environment (including ambient air, soil, surface water or groundwater, or subsurface strata); or (b) concerning the presence of, exposure to, or the management, manufacture, use, containment, storage, recycling, reclamation, reuse, treatment, generation, discharge, transportation, processing, production, disposal or remediation of any Hazardous Materials. The term "Environmental Law" includes, without limitation, the following (including their implementing regulations and any state analogs): the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended by the Superfund Amendments and Reauthorization Act of 1986, 42 U.S.C. §§ 9601 et. seq.; the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act of 1976, as amended by the Hazardous and Solid Waste Amendments of 1984, 42 U.S.C. §§ 6901 et. seq.; the Federal Water Pollution Control Act of 1972, as amended by the Clean Water Act of 1977, 33 U.S.C. §§ 1251 et. seq.; the Toxic Substances Control Act of 1976, as amended, 15 U.S.C. §§ 2601 et seq.; the Emergency Planning and Community Right-to-Know Act of 1986, 42 U.S.C. §§ 11001 et. seq.; the Clean Air Act of 1966, as amended by the Clean Air Act Amendments of 1990, 42 U.S.C. §§ 7401 et. seq.; and the Occupational Safety and Health Act of 1970, as amended, 29 U.S.C. §§ 651 et. seq.

" ***ERISA*** " means the United States Employee Retirement Income Security Act of 1974, as amended, and the rules and regulations promulgated thereunder.

" ***Exchange Act"*** means the Securities Exchange Act of 1934, as amended.

" ***GAAP*** " means United States generally accepted accounting principles in effect from time to time.

" ***Governmental Entity*** " means any (a) federal, state, local, municipal, or other government, (b) governmental or quasi-governmental entity of any nature (including any governmental agency, branch, department, official, or entity and any court or other tribunal) or (c) body exercising, or entitled to exercise any administrative, executive, judicial, legislative, police, regulatory, or taxing authority or power of any nature, including any arbitral tribunal.

" ***Hazardous Substance*** " shall mean: (a) any material, substance, chemical, waste, product, derivative, compound, mixture, solid, liquid, mineral, or gas, in each case, whether naturally occurring or man-made, that is hazardous, acutely hazardous, toxic, or words of similar import or regulatory effect under Environmental Laws; and (b) any petroleum or petroleum-derived products, radon, radioactive materials or wastes, asbestos in any form, lead or lead-containing materials, urea formaldehyde foam insulation, and polychlorinated biphenyls.

" ***Indebtedness*** " means, as to any Person, (a) all obligations for the payment of principal, interest, penalties, fees (including loan management fees) or other liabilities for borrowed money (including guarantees) and collection costs thereof, incurred or assumed, (b) any liability relating to any capitalized lease obligation, (c) any obligations to reimburse the issuer of any letter of credit, surety bond, debentures, promissory notes, performance bond or other guarantee of contractual performance, in each case to the extent drawn or otherwise not contingent, (d) any obligation of the Company that, in accordance with GAAP, would be required to be reflected as indebtedness on the consolidated balance sheet of the Company, (e) all obligations for the deferred purchase price of assets, property or services, including, without limitation, any royalty or earn-out payments, and (f) all unfunded, present or contingent obligations relating to change of control or transaction related payments (including any such obligations that are accelerated and due on or prior to the Closing whether or not such obligations are actually accelerated and due on or prior to the Closing), and (g) any payments, fines, fees, penalties, expenses or other amounts applicable to or otherwise incurred in connection with or as a result of any prepayment or early satisfaction of any obligation described above.

" ***Intellectual Property*** " means all patents, patent applications, trademarks, trademark applications, service marks, trade names, copyrights, software including source code and object code, trade secrets, licenses, domain names, mask works, information and proprietary rights and processes, whether registered or unregistered and in any jurisdiction.

" ***knowledge*** ," including the phrase " ***to the Company's knowledge*** ," shall mean the actual knowledge, after reasonable inquiry of their direct reports, of Ross Ramsey and/or Benjamin Tran.

" ***Law*** " means any federal, state, local municipal, foreign, multi-national or other laws, common law, statutes, constitutions, ordinances, rules, regulations, codes, orders, or legally enforceable requirements enacted, issued, adopted, promulgated, enforced, ordered, or applied by any Governmental Entity.

" ***Liability*** " shall mean any liability, indebtedness, or obligation of any kind (whether accrued, absolute, contingent, matured, unmatured, determined, determinable, or otherwise, and whether or not required to be recorded or reflected on a balance sheet under GAAP).

" ***Lien*** " means any security interest, pledge, bailment (in the nature of a pledge or for purposes of security), mortgage, deed of trust, the grant of a power to confess judgment, conditional sale or title retention agreement (including any lease in the nature thereof), charge, encumbrance, easement, reservation, restriction, right of first refusal or first offer, option, or other similar arrangement or interest in real or personal property.

" ***Material Adverse Effect*** " means a material adverse effect on the business, assets (including intangible assets), liabilities, condition (financial or otherwise) or results of operations of the Company.

" ***Person*** " means any individual, corporation, partnership, trust, limited liability company, association or other entity.

" ***Related Person*** " means, with respect to any Person, any director, officer or trustee of such Person or other person or entity that controls or otherwise holds a direct interest in such Person; provided, that as to any Person that is publicly held, the term shall only include such controlling Persons whose holdings are required to be, and are, publicly reported.

" ***Securities Act*** " means the United States Securities Act of 1933, as amended, and the rules and regulations promulgated by the Securities and Exchange Commission thereunder.

" ***SEC*** " means the Securities and Exchange Commission.

" ***Taxes*** " means (i) any and all federal, state, local, foreign and other taxes, levies, fees, imposts, duties and charges in the nature of or in lieu of a tax (including any interest, penalties or additions to the tax imposed in connection therewith or with respect thereto), whether or not imposed on the Company, including, without limitation, taxes imposed on, or measured by, income, franchise, profits or gross receipts, and also ad valorem, value added, sales, use, service, real or personal property, capital stock, license, payroll, withholding, employment, social security, workers' compensation, unemployment compensation, utility, severance, production, excise, stamp, occupation, premium, windfall profits, transfer and gains taxes and customs duties, (ii) any liability for the payment of any amounts of the type described in (a) as a result of being (or ceasing to be) a member of an affiliated, consolidated, combined or unitary group, and (c) all liabilities for the payment of any amounts described in (a) or (b) as a result of being a transferee of or successor to any Person, by contract or otherwise.

" ***Transaction Agreements*** " means this Agreement, the Convertible Note, the Share Transfer Agreements, the Contracts entered into in connection with the Riggs Agreement and the Lock-up Agreement referred to in Section 4.12.

2. REPRESENTATIONS AND WARRANTIES OF THE COMPANY . The Company hereby represents and warrants to the Purchasers that, except as set forth on the Disclosure Schedule, the following representations are true and complete as of the date of the Closing, except as otherwise indicated.

2.1 Organization, Good Standing, Corporate Power and Qualification . The Company is a corporation duly organized, validly existing and in good standing under the laws of the State of Nevada and has all corporate power and corporate authority required (a) to carry on its business as presently conducted and as presently proposed to be conducted, and (b) to execute, deliver and perform its obligations under the Transaction Agreements. The Company is duly qualified to transact business as a foreign corporation and is in good standing under the laws of each jurisdiction in which the failure to so qualify would have a Material Adverse Effect.

2.2 Capitalization . The authorized equity capital of the Company consists, immediately prior to Closing, and the closing of the Secondary Transaction and Riggs Transaction (the " ***Combined Closing*** ") (unless otherwise noted), of the following.

2.3 90,000,000 shares of Common Stock, 48,811,013 shares of which are issued and outstanding immediately prior to the Combined Closing. All of the outstanding shares of Common Stock are duly authorized, validly issued, fully paid and nonassessable and were issued in material compliance with all applicable federal and state securities laws.

2.3.1 There are no outstanding preemptive rights, options, warrants, conversion privileges or rights (including but not limited to rights of first refusal or similar rights), orally or in writing, to purchase or acquire any securities from the Company including, without limitation, any shares of Common Stock, or Preferred Stock, or any securities convertible into or exchangeable or exercisable for shares of Common Stock or Preferred Stock, except for the Convertible Note and the conversion privileges of the Preferred Stock to be issued pursuant to the terms of the Convertible Note. No Person (a) has been granted full ratchet, formula adjustment, or any other type of, protection against dilution of their ownership interest in the Company, (b) has been granted rights to require the Company to repurchase any of the Company's securities, (c) has been granted rights to receive the same or better rights in connection with any ownership interest in the Company as any other person or entity may receive either pursuant to this Agreement or at any time hereafter or (d) have been granted rights of redemption by the Company. No full ratchet, formula adjustment, or any other type of, protection against dilution of any ownership interest in the Company has been triggered, nor will be triggered by the transactions provided for in this Agreement.

2.4 Subsidiaries . The Company does not currently own or control, directly or indirectly, any interest in any other corporation, partnership, trust, joint venture, limited liability company, association, or other business entity. The Company is a participant in the following joint ventures: Bend Arch Lion 1A, Bend Arch Lion 1B, and Marshal Walden.

2.5 Authorization . All corporate action has been taken, or will be taken prior to the Closing, on the part of the Board and shareholders of the Company that is necessary for (a) the authorization, execution and delivery of the Transaction Agreements by the Company, and (b) the performance by the Company of the obligations to be performed by the Company as of the date hereof under the Transaction Agreements. All action on the part of the officers of the Company necessary for the execution and delivery of the Transaction Agreements, and the performance of all obligations of the Company under the Transaction Agreements to be performed as of the Closing, has been taken or will be taken prior to the Closing. The Transaction Agreements, when executed and delivered by the Company, shall constitute valid and legally binding obligations of the Company, enforceable against the Company in accordance with their respective terms.

2.6 Valid Issuance of Shares . The Shares, when issued, sold and delivered in accordance with the terms and for the consideration set forth in this Agreement, will be duly authorized, validly issued, fully paid and nonassessable and free of restrictions on transfer other than restrictions on transfer under the Transaction Agreements, applicable state and federal securities laws. The offer, sale and issuance of the Shares to be issued pursuant to and in conformity with the terms of this Agreement and the issuance of the shares of Preferred Stock issuable under the Convertible Note, if any, to be issued upon conversion thereof for no additional consideration, will be issued in compliance with all applicable federal and state securities laws.

2.7 Consents and Filings .

2.7.1 The execution and delivery by the Company of this Agreement do not, and the consummation of the transactions and compliance with the terms hereof will not, conflict with, or result in any violation of or default (with or without notice or lapse of time, or both) under, or give rise to a right of termination, cancellation or acceleration of any obligation or to loss of a material benefit under, or result in the creation of any Lien upon any of the properties or assets of the Company or any of its subsidiaries under, any provision of (i) the Charter and Bylaws or the comparable charter or organizational documents of any of its subsidiaries, if any, (ii) any Contract to which the Company or any of its subsidiaries, if any, is a party or to which any of their respective properties or assets is subject or (iii) subject to the filings and other matters referred to in Section 2.7.2, any material judgment, order or decree or material Law applicable to the Company or any of its subsidiaries, if any, or their respective properties or assets.

2.7.2 Except for required filings with the SEC and applicable "Blue Sky" or state securities commissions, no Consent of, or registration, declaration or filing with, or permit from, any Governmental Entity is required to be obtained or made by or with respect to the Company or any of its subsidiaries, if any, in connection with the execution, delivery and performance of this Agreement or the consummation of the transactions contemplated by the Transaction Agreements.

2.8 Litigation . There is no Action pending or currently threatened (a) against the Company or (b) against any officer, director of the Company. The foregoing includes, without limitation, Actions pending or threatened involving the prior employment or consultancy of any of the Company's consultants, employees, officers or directors, their services provided in connection with the Company's business. Neither the Company nor any of its officers or directors is a party or is named as subject to the provisions of any order, writ, injunction, judgment or decree of any Governmental Entity. There is no Action by the Company pending or that the Company intends to initiate. To the knowledge of the Company, there are no SEC inquiries or investigations, other governmental inquiries or investigations, or internal investigations pending or threatened, in each case regarding any accounting practices of the Company or any of its subsidiaries or any malfeasance by any officer or director of the Company.

2.9 SEC Documents; Undisclosed Liabilities .

2.9.1 The Company has filed all Current Reports on Form 8-K, Quarterly Reports on Form 10-Q and Annual Reports on Form 10-K in compliance with the rules and regulations of the SEC required to be filed by it with the SEC since December 24, 2014, pursuant to Sections 13(a), 14(a) and 15(d) of the Exchange Act (the " ***SEC Reports*** ").

2.9.2 As of its respective filing date, each SEC Report complied in all material respects with the requirements of the Exchange Act and the rules and regulations of the SEC promulgated thereunder applicable to such SEC Report. Except to the extent that information contained in any SEC Report has been revised or superseded by a later SEC Report, none of the SEC Reports contains any untrue statement of a material fact or omits to state any material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading. The consolidated financial statements of the Company included in the SEC Reports comply as to form in all material respects with applicable accounting requirements and the published rules and regulations of the SEC with respect thereto, have been prepared in accordance with the GAAP (except, in the case of unaudited statements, as permitted by the rules and regulations of the SEC) applied on a consistent basis during the periods involved (except as may be indicated in the notes thereto) and fairly presented in all material respects the consolidated financial position and the results of operations, changes in shareholders' equity, and cash flows of the Company and its consolidated subsidiaries as of the respective dates of and for the periods referred to in such financial statements, subject, in the case of unaudited interim financial statements, to normal and year-end audit adjustments as permitted by GAAP and the applicable rules and regulations of the SEC (but only if the effect of such adjustments would not, individually or in the aggregate, be material).

2.9.3 The balance sheet of the Company dated as of February 28, 2017, contained in the SEC Reports filed prior to the date hereof is hereinafter referred to as the " ***Company Balance Sheet*** ." Neither the Company nor any of its subsidiaries has any Liabilities other than Liabilities that: (i) are reflected or reserved against in the Company Balance Sheet (including in the notes thereto); (ii) were incurred since the date of the Company Balance Sheet in the ordinary course of business consistent with past practice; or (iii) are incurred in connection with the transactions contemplated by this Agreement.

2.9.4 Except as described in the Company SEC Reports filed prior to the date of this Agreement, neither the Company nor any of its subsidiaries is a party to, or has any commitment to become a party to: (i) any joint venture, off balance sheet partnership, or any similar Contract or arrangement (including any Contract or arrangement relating to any transaction or relationship between or among the Company or any of its Subsidiaries, on the one hand, and any other Person, including any structured finance, special purpose, or limited purpose Person, on the other hand); or (ii) any "off balance sheet arrangements" (as defined in Item 303(a) of Regulation S-K under the Exchange Act).

2.9.5 Each of the principal executive officer and the principal financial officer of the Company (or each former principal executive officer and each former principal financial officer of the Company, as applicable) has made all certifications required by Rule 13a-14 or 15d-14 under the Exchange Act and Sections 302 and 906 of the Sarbanes-Oxley Act with respect to the SEC Reports, and the statements contained in such certifications are true and accurate in all material respects. For purposes of this Agreement, "principal executive officer" and "principal financial officer" shall have the meanings given to such terms in the Sarbanes-Oxley Act. The Company is also in compliance with all of the other applicable provisions of the Sarbanes-Oxley Act, except for any non-compliance that would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect.

2.10 Intellectual Property . Section 10 of the Disclosure Schedule sets forth all registrations or pending applications for Intellectual Property as well as all material unregistered Intellectual Property owned, used or purported to be owned by the Company (" ***Listed Intellectual Property*** "). The Company owns all right, title and interest in and to the Listed Intellectual Property free and clear of all Liens. The Company owns or possesses sufficient legal rights to all Company Intellectual Property without any violation or infringement (or in the case of third-party patents, patent applications, trademarks, trademark applications, service marks, or service mark applications, without any violation or infringement known to the Company) of the rights of others. The conduct of the business by the Company does not violate any license or infringes any rights to Intellectual Property of any other party, except that with respect to third-party Intellectual Property. The Company has not received any written, including electronic, communications alleging that the Company has violated, infringed, misappropriated or, in conducting its business as currently conducted or presently proposed to be conducted, would violate, infringe or misappropriate any of the Intellectual Property of any other Person. The Company has obtained and possesses valid licenses to use all of the software programs present on the computers and other software-enabled electronic devices that it owns or leases or that it has otherwise provided to its employees for their use in connection with the Company's business. To the Company's knowledge, (i) it will not be necessary to use any inventions of any of its employees or consultants (or Persons it currently intends to hire) made prior to their employment by or consulting relationship with the Company, and (ii) no employee, contractor or consultant of the Company has misappropriated any trade secrets or other confidential information of any Person that constitutes Company Intellectual Property. Each current and former employee, contractor and consultant has fully and validly assigned and transferred to the Company all Intellectual Property he or she owned or developed or reduced to practice while employed by or engaged with the Company that is Company Intellectual Property or otherwise related to the Company's business as now conducted and as presently proposed to be conducted.

2.11 Compliance with Other Instruments .

2.11.1 The Company is not in violation or default (a) of any provisions of the Charter or Bylaws, (b) of any judgment, order, writ or decree of any court or governmental entity, (c) under any agreement, instrument, contract, lease, note, indenture, mortgage or purchase order to which it is a party or by which it is bound that is required to be listed on the Disclosure Schedule, or, (d) of any provision of federal or state statute, rule or regulation materially applicable to the Company. The execution, delivery and performance of the Transaction Agreements and the consummation of the transactions contemplated by the Transaction Agreements will not result in any such violation or default, or constitute, with or without the passage of time and giving of notice, either (i) a default under any such judgment, order, writ, decree, agreement, instrument, contract, lease, note, indenture, mortgage or purchase order or (ii) an event which results in the creation of any Lien, charge or encumbrance upon any assets of the Company or the suspension, revocation, forfeiture, or nonrenewal of any material permit or license applicable to the Company. The execution, delivery and performance of the Transaction Agreements and the consummation of the transactions contemplated by the Transaction Agreements will not result in any acceleration of benefits or obligations, with or without the passage of time and giving of notice, under any such judgment, order, writ, decree, agreement, instrument, contract, lease, note, indenture, mortgage or purchase order.

2.11.2 The Company holds, to the extent necessary to operate its businesses as such businesses are being operated as of the date hereof, all permits, licenses, registrations, variances, clearances, consents, commissions, franchises, exemptions, orders, authorizations, and approvals from Governmental Entities (collectively, " ***Permits*** "), except for any Permits for which the failure to obtain or hold would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect. No suspension, cancellation, non-renewal, or adverse modifications of any Permits of the Company is pending or, to the knowledge of the Company, threatened. The Company is and has been in compliance with the terms of all Permits, except where the failure to be in such compliance would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

2.12 Agreements; Actions .

2.12.1 Except for the Transaction Agreements, there are no Contracts or proposed transactions to which the Company is a party or by which it is bound that involve or relate to: (a) obligations (contingent or otherwise) of, or payments to, the Company in excess of $25,000 in any twelve (12)-month period, (b) currently outstanding Indebtedness, (c) the sale of the accounts receivable of the Company to any other Person at a discount, (d) the guarantee of any obligation for borrowed money or otherwise, (e) the lending of funds, (f) the lease, sublease, license or holding by the Company of any real or material personal property, buildings, structures or improvements owned by any other Person, (g) the lease, sublease, license or permit of any third Person to hold, occupy or operate any real or material personal property owned, leased, subleased, licensed or controlled by the Company, (h) the assignment or license of any Intellectual Property to or from the Company, (i) the grant of rights to produce, assemble, license, market, or sell the Company's products to any other Person, or that limit the Company's exclusive right to develop, produce, assemble, distribute, market or sell its products, (j) any prohibition on the Company from engaging in its business anywhere in the world, including, without limitation, pursuant to any non-competition provision, any non-solicitation provision or any most favored customer provision, (k) indemnification by the Company, (l) except for the Transaction Agreements, any shareholders' agreement or agreement relating to the issuance, voting, repurchase or transfer of any securities of the Company or the granting of any registration rights with respect thereto to which the Company is a party or (m) any Contract with any Affiliate (each, a " ***Material Agreement*** "). The Company is not in material breach of or default under any Material Agreement and, to the Company's knowledge, there is no current claim or threat that the Company is or has been in material breach of or default under any Material Agreement. Each Material Agreement is in full force and effect and is enforceable by the Company in accordance with its respective terms, except as may be limited by (i) applicable bankruptcy, insolvency, reorganization or others laws of general application relating to or affecting the enforcement of creditors' rights generally, or (ii) the effect of rules of law governing the availability of equitable remedies. To the Company's knowledge, no other party to a Material Agreement is in material default thereunder or in actual or anticipated material breach thereof.

2.12.2 Except as disclosed in the SEC Reports or under the Convertible Note, the Company has not (a) incurred any indebtedness for money borrowed or incurred any other liabilities individually in excess of $10,000 or in excess of $25,000 in the aggregate (other than indebtedness or liabilities that have already been fully satisfied), (b) made any loans or advances to any Person, other than ordinary advances for travel expenses, or (c) sold, exchanged or otherwise disposed of any of its assets or rights, other than the sale of its inventory in the ordinary course of business. For the purposes of Section 2.12.1 and this Section 2.12.2 , all indebtedness, liabilities, agreements, understandings, instruments, contracts and proposed transactions involving the same Person (including Persons the Company has reason to believe are affiliated with each other) shall be aggregated for the purpose of meeting the individual minimum dollar amounts of such Section.

2.12.3 The Company is not a guarantor or indemnitor of any Indebtedness of any other Person.

2.12.4 All the Material Contracts are valid and binding on the Company or its applicable subsidiary, enforceable against it in accordance with its terms, and is in full force and effect; (ii) neither the Company nor any of its subsidiaries nor, to the knowledge of the Company, any third party has violated any provision of, or failed to perform any obligation required under the provisions of, any Company Material Contract; and (iii) neither the Company nor any of its subsidiaries nor, to the knowledge of the Company, any third party is in breach, or has received written notice of breach, of any Company Material Contract.

2.13 Certain Transactions . Except as disclosed in the SEC Reports filed since June 27, 2016, (a) the Company is not indebted, directly or indirectly, to any of its directors, officers or employees or to their respective spouses or children or to any Affiliate of any of the foregoing, (b) none of the Company's directors, officers or employees, or any members of their immediate families, or any Affiliate of the foregoing are, directly or indirectly, indebted to the Company or have any (x) material commercial, industrial, banking, consulting, legal, accounting, charitable or familial relationship with any of the Company's customers, suppliers, service providers, joint venture partners, licensees and competitors or (y) direct or indirect ownership interest in any Person with which the Company is affiliated or with which the Company has a business relationship, or any Person that competes with the Company except that directors, officers or employees or shareholders of the Company may own stock in (but not exceeding two percent (2%) of the outstanding capital stock of) publicly traded companies that may compete with the Company.

2.14 [RESERVED]

2.15 Environmental Matters .

2.15.1 The Company and its subsidiaries are, and have been, in compliance with all Environmental Laws, which compliance includes the possession, maintenance of, compliance with, or application for, all Permits required under applicable Environmental Laws for the operation of the business of the Company and its subsidiaries as currently conducted.

2.15.2 Neither the Company nor any of its subsidiaries has disposed of, released, or discharged any Hazardous Substances on, at, under, in, or from any real property currently or, to the knowledge of the Company, formerly owned, leased, or operated by it or any of its subsidiaries or at any other location that is: (i) currently subject to any investigation, remediation, or monitoring; or (ii) reasonably likely to result in liability to the Company or any of its subsidiaries, in either case of (i) or (ii) under any applicable Environmental Laws.

2.15.3 Neither the Company nor any of its subsidiaries has: (i) produced, processed, manufactured, generated, transported, treated, handled, used, or stored any Hazardous Substances, except in compliance with Environmental Laws, at any Real Estate; or (ii) exposed any employee or any third party to any Hazardous Substances under circumstances reasonably expected to give rise to any material Liability or obligation under any Environmental Law.

2.15.4 Neither the Company nor any of its subsidiaries has received written notice of and there is no Action pending, or to the knowledge of the Company, threatened against the Company or any of its subsidiaries, alleging any Liability or responsibility under or non-compliance with any Environmental Law or seeking to impose any financial responsibility for any investigation, cleanup, removal, containment, or any other remediation or compliance under any Environmental Law. Neither the Company nor any of its subsidiaries is subject to any Order, settlement agreement, or other written agreement by or with any Governmental Entity or third party imposing any material Liability or obligation with respect to any of the foregoing.

2.15.5 Neither the Company nor any of its subsidiaries has expressly assumed or retained any Liabilities under any applicable Environmental Laws of any other Person, including in any acquisition or divestiture of any property or business.

2.16 Absence of Liens . The property and assets that the Company owns are owned free and clear of all mortgages, deeds of trust and Liens. With respect to the property and assets it leases, the Company is in compliance with such leases and, to the Company's knowledge, holds a valid leasehold interest free of any Liens other than those of the lessors of such property or assets.

2.17 Employee Matters .

2.17.1 None of its employees, consultants, or independent contractors is obligated under any Contract (including (i) with respect to non-competition, non-solicitation of employees or customers, nondisclosure of confidential or invention assignment (a " ***Restrictive Covenant Agreement*** ") and (ii) licenses, covenants or commitments of any nature) or other agreement, or subject to any judgment, decree or order of any court or administrative agency, that would materially interfere with such Person's ability to promote the interest of the Company or that would conflict with the Company's business. During the term of any Restrictive Covenant Agreement between any employee (on the one hand) and the Company or any former employer (on the other hand), no employee has been in material breach of such Restrictive Covenant Agreement. Neither the execution or delivery of the Transaction Agreements, nor the carrying on of the Company's business by the employees, consultants, or independent contractors of the Company, nor the conduct of the Company's business as now conducted and as presently proposed to be conducted, will, to the Company's knowledge, conflict with or result in a breach of the terms, conditions, or provisions of, or constitute a default under, any Contract, covenant or instrument under which any such employee, consultant, or independent contractor is now obligated, including without limitation any Restrictive Covenant Agreement.

2.17.2 There is no collective bargaining or other labor union agreements to which the Company is a party or by which it is bound. No material labor dispute exists is imminent with respect to any of the employees of the Company.

2.17.3 Each employee of the Company, if any, has been engaged under written employment agreements that include invention and intellectual property agreements which provide commercially reasonable protections for the Company and provide that, subject to applicable Law, any of their discoveries or intellectual property that they create belongs to the Company. The Company has "work for hire" agreements with each of its independent service providers, which in part provide that all the intellectual property that the service provider may create for the Company will belong to the Company.

2.18 Taxes .

2.18.1 All Taxes due and payable by the Company have been timely paid. There are no accrued and unpaid Taxes of the Company which are due, whether or not assessed or disputed.

2.18.2 There have been no examinations or audits of any Tax Returns or reports by any applicable federal, state, local or foreign governmental agency.

2.18.3 There is no action, suit, proceeding, investigation, audit or claim now pending against, or with respect to, the Company in respect of any Tax or Tax assessment, nor is there any claim for additional Tax or Tax assessment asserted in writing by any Tax authority.

2.18.4 The Company has (a) duly and timely filed Tax Returns required to have been filed by it, and (b) all such Tax Returns were true, correct and complete in all material respects as of the time of such filing.

2.18.5 (a) There is no outstanding request for any extension of time within which to pay any Taxes or file any Tax Returns (other than routine extensions that are automatically available by statute); (b) there has been no waiver or extension of any applicable statute of limitations for the assessment or collection of any Taxes of the Company; (c) the Company is not a party to any agreement, whether written or unwritten, providing for the payment of Taxes, payment for Tax losses, entitlements to refunds or similar Tax matters; and (d) no ruling with respect to Taxes (other than a request for determination of the status of a qualified pension plan) has been requested by or on behalf of the Company.

2.18.6 The Company has not elected pursuant to the Code, to be treated as an "S" corporation or a collapsible corporation pursuant to Section 1362(a).

2.18.7 No written claim has been made by any Tax authority in a jurisdiction where the Company has not filed a Tax Return that it is or may be subject to Tax by such jurisdiction, nor to Selling Shareholders' knowledge is any such assertion threatened.

2.18.8 The Company has not made any other elections pursuant to the Code (other than elections which relate solely to matters of accounting, depreciation or amortization) that would have a material effect on the Company, its financial condition, its business as presently conducted or presently proposed to be conducted or any of its properties or material assets.

2.18.9 The Company has withheld and paid all Taxes required to be withheld in connection with any amounts paid or owing to any employee, creditor, independent contractor or other third party.

2.18.10 There are no Liens for Taxes upon any assets of the Company except with respect to Taxes being contested in good faith through appropriate proceedings.

2.18.11 The Company (a) has not been a member of an affiliated group filing a consolidated federal income Tax Return or (b) has any liability for the Taxes of any person under Treasury Regulations § 1.1502-6 (or any similar provision of state, local, or foreign law), as a transferee or successor, by contract, or otherwise.

2.18.12 The Company has not participated in a "reportable transaction" required to be disclosed pursuant to Treasury Regulations § 1.6011-4(b) or any predecessor thereof.

2.18.13 The Company will not be required to include any material item of income in, or exclude any item of deduction from, taxable income for any taxable period (or portion thereof) ending after the day of the Closing as a result of any: (a) change in method of accounting made on or prior to the day of the Closing; (b) "closing agreement" as described in Section 7121 of the Code (or any corresponding or similar provision of state, local or foreign income Tax law) executed on or prior to the day of the Closing; (c) intercompany transaction or excess loss account described in Treasury Regulations under Section 1502 of the Code (or any corresponding or similar provision of state, local or foreign income Tax law); (d) installment sale or open transaction disposition made on or prior to the day of the Closing; or (e) prepaid amount received outside the ordinary course of business on or prior to the day of the Closing.

2.18.14 The Company has disclosed on its federal income Tax Returns all positions taken therein that could give rise to a substantial understatement of federal income Tax within the meaning of Section 6662 of the Code.

2.19 Real Property .

2.19.1 The Company does not own any real property. The address of each parcel of real property leased, subleased, licensed or occupied by the Company (the " ***Leased Real Property*** "), and a true and complete list of all lease agreements, subleases, licenses and any other occupancy agreements, together with any amendments or modifications and guarantees relating to such Leased Real Property (the " ***Real Property Leases*** ") are set forth in Section 2.19 of the Disclosure Schedule. The Company has peaceful, undisturbed and exclusive possession of the Leased Real Property. Each Real Property Lease constitutes a valid and binding obligation of the Company and is in full force and effect and in compliance with applicable laws and regulations. The Company is not in material default under any of the Real Property Leases, and, to the Company's knowledge, there has not occurred any event that with the lapse of time or the giving of notice or both would constitute such a default under any of the Real Property Leases. The Company has not transferred, assigned, mortgaged, pledged or otherwise encumbered its leasehold interest in any of the Real Property Leases, nor agreed to do any of the foregoing.

2.19.2 With respect to each Real Property Lease, except as set forth on Section 2.19 of the Disclosure Schedule: (i) the issuance and sale of the Shares and the conversion or purchase of the shares in the Secondary Transaction and Riggs Transaction as contemplated herein do not require the consent of any other party to such Real Property Lease, will not result in a breach of, or default under, such Real Property Lease, or otherwise cause such Real Property Lease to cease to be legal, valid, binding, enforceable and in full force and effect on identical terms following the Closing Date; (ii) no security deposit or portion thereof deposited with respect such Real Property Lease has been applied in respect of a breach or default by the Company or its subsidiary who is the tenant thereunder which has not been redeposited in full; (iii) all required deposits and additional rents due to date pursuant to each Real Property Lease have been paid in full; (iv) the Company has not prepaid rent or any other amounts due under a Real Property Lease more than thirty (30) days in advance; and (v) to the Company's knowledge, the Company or subsidiary who is the tenant under such Real Property Lease does not owe, and will not in the future owe, any brokerage commissions or finder's fees with respect to such Real Property Lease.

2.20 Insurance . Except as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, all insurance policies of the Company and its subsidiaries are in full force and effect and provide insurance in such amounts and against such risks as the Company reasonably has determined to be prudent, taking into account the industries in which the Company and its subsidiaries operate, and as is sufficient to comply with applicable Law. Neither the Company nor any of its subsidiaries is in breach or default, and neither the Company nor any of its subsidiaries has taken any action or failed to take any action which, with notice or the lapse of time, would constitute such a breach or default, or permit termination or modification of, any of such insurance policies. Except as would not, individually or in the aggregate, reasonably be expected to have a Company Material Adverse Effect and to the knowledge of the Company: (i) no insurer of any such policy has been declared insolvent or placed in receivership, conservatorship, or liquidation; and (ii) no notice of cancellation or termination, other than pursuant to the expiration of a term in accordance with the terms thereof, has been received with respect to any such policy.

2.21 Corporate Documents . The Charter is the currently effective certificate of incorporation of the Company. The Bylaws of the Company are in the form provided to the Purchasers and their counsel. The copy of the minute books of the Company provided to the Purchasers and their counsel contains minutes of all meetings of directors and shareholders and all actions by written consent without a meeting by the directors and shareholders since the date of incorporation and accurately reflects in all material respects all actions by the directors (and any committee of directors) and shareholders with respect to all transactions referred to in such minutes.

2.22 Internal Accounting Controls . The Company maintains a system of internal accounting controls sufficient to provide reasonable assurance that (a) transactions are executed in accordance with management's general or specific authorizations, (b) transactions are recorded as necessary to permit preparation of financial statements in conformity with GAAP and to maintain asset accountability, (c) access to assets is permitted only in accordance with management's general or specific authorization, and (d) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences. The Company has established disclosure controls and procedures for the Company and designed such disclosure controls and procedures to ensure that material information relating to the Company is made known to the officers by others within the Company. The officers of the Company have evaluated the effectiveness of the Company controls and procedures and have disclosed in the SEC Reports certain material weaknesses. Since the date of the most recent financial statements contained in the SEC Reports, there have been no significant changes in the Company internal controls or, to the knowledge of the Company, in other factors that could significantly affect the Company's internal controls.

2.23 Solvency . Except as disclosed in the SEC Reports, based on the financial condition of the Company as of the Closing Date (and assuming that the Closing shall have occurred), (a) the fair saleable value of the Company assets exceeds the amount that will be required to be paid on or in respect of the existing debts and other liabilities (including known contingent liabilities) of the Company as they mature, (b) the assets of the Company do not constitute unreasonably small capital to carry on its business for the current fiscal year as now conducted and as proposed to be conducted, including its capital needs, taking into account the particular capital requirements of the business conducted by the Company, and projected capital requirements and capital availability thereof, and (c) the current cash flow of the Company, together with the proceeds the Company would receive, were it to liquidate all of its assets, after taking into account all anticipated uses of the cash, would be sufficient to pay all amounts on or in respect of its debt when such amounts are required to be paid. The Company does not intend to incur debts beyond its ability to pay such debts as they mature (taking into account the timing and amounts of cash to be payable on or in respect of its debt).

2.24 Investment Company. The Company is not, and is not an affiliate of, and at the time of immediately following the Closing will not have become, an "investment company" within the meaning of the Investment Company Act of 1940, as amended.

2.25 Foreign Corrupt Practices. Neither the Company, nor to the knowledge of the Company, any director, officer, agent, employee or other person acting on behalf of the Company has, in the course of its actions for, or on behalf of, the Company (a) used any corporate funds for any unlawful contribution, gift, entertainment or other unlawful expenses relating to political activity; (b) made any direct or indirect unlawful payment to any foreign or domestic government official or employee from corporate funds; (c) violated or is in violation of any provision of the U.S. Foreign Corrupt Practices Act of 1977, as amended; or (d) made any unlawful bribe, rebate, payoff, influence payment, kickback or other unlawful payment to any foreign or domestic government official or employee.

2.26 Money Laundering Laws. The Company has not, and, to its knowledge, none of the officers, directors, employees or agents purporting to act on behalf of the Company has made any payment of funds of the Company, if any or received or retained any funds in violation of any law, rule or regulation relating to the "know your customer" and anti-money laundering laws of any jurisdiction (collectively, the " ***Money Laundering Laws*** ") and no action, suit or proceeding by or before any governmental authority involving the Company with respect to the Money Laundering Laws is pending or, to its knowledge, threatened.

2.27 OFAC. The Company have not, and, to its knowledge, none of the respective directors, officers, agents or employees purporting to act on their behalf is currently the target of or reasonably likely to become the target of any U.S. sanctions administered by Office of Foreign Assets Control of the U.S. Department of the Treasury (" ***OFAC*** "); and the Company will not directly or indirectly use the funds of the Company to lend, contribute or otherwise make available such funds to any subsidiary, joint venture partner or other person or entity, for the purpose of financing the activities of any person currently the target of any U.S. sanctions administered by OFAC.

2.28 Absence of Certain Changes or Events. Except as disclosed in the applicable SEC Reports and the Disclosure Schedules, from the date of the most recent financial statements contained in the SEC Reports to the date of this Agreement, the Company has conducted its business only in the ordinary course, and during such period there has not been: (a) any change in the assets, liabilities, financial condition or operating results of the Company from that reflected in the financial statements contained in the SEC Reports, except changes in the ordinary course of business that have not caused, in the aggregate, a Material Adverse Effect; (b) any damage, destruction or loss, whether or not covered by insurance, that would have a Material Adverse Effect; (c) any waiver or compromise by the Company of a valuable right or of a material debt owed to it; (d) any satisfaction or discharge of any lien, claim, or encumbrance or payment of any obligation by the Company, except in the ordinary course of business and the satisfaction or discharge of which would not have a Material Adverse Effect; (e) any material change to a Material Contract by which the Company or any of its assets is bound or subject; (f) any material change in any compensation arrangement or agreement with any employee, officer, director or shareholder; (g) any resignation or termination of employment of any officer of the Company; (h) any mortgage, pledge, transfer of a security interest in or lien created by the Company with respect to any of its material properties or assets, except liens for taxes not yet due or payable and liens that arise in the ordinary course of business and that do not materially impair the Company's ownership or use of such property or assets; (i) any loans or guarantees made by the Company to or for the benefit of its employees, officers or directors, or any members of their immediate families, other than travel advances and other advances made in the ordinary course of its business; (j) any declaration, setting aside or payment or other distribution in respect of any of the capital stock of the Company, or any direct or indirect redemption, purchase, or other acquisition of any of such stock by the Company; (k) any alteration of the method of accounting or the identity of its auditors of the Company; (l) any issuance of equity securities to any officer, director or affiliate; or (m) any arrangement or commitment by the Company to do any of the things described in this Section 2.28.

2.29 Certain Registration Matters. The Company has not granted or agreed to grant to any person any rights (including "piggy-back" registration rights) to have any securities of the Company registered with the SEC or any other governmental authority that have not been satisfied.

2.30 Listing and Maintenance Requirements. The Company is, and has no reason to believe that it will not in the foreseeable future continue to be, in compliance with the listing and maintenance requirements for continued listing of the Common Stock on the trading market on which the Common Stock is currently listed or quoted. The issuance and sale of the Shares under this Agreement does not contravene the rules and regulations of the trading market on which the Common Stock are currently listed or quoted, and no approval of the shareholders of the Company is required for the Company to issue and deliver to the Shareholder the Shares contemplated by this Agreement to comply with any listing or maintenance requirements for continued listing on the trading market on which the Company Stock is currently listed or quoted.

2.31 No Undisclosed Events, Liabilities, Developments or Circumstances. No event, liability, development or circumstance has occurred or exists, or is contemplated to occur with respect to the Company, or its businesses, properties, prospects, operations or financial condition, that would be required to be disclosed by the Company under applicable securities laws on a registration statement on Form S-1 filed with the SEC relating to an issuance and sale by the Company of the Common Stock and which has not been publicly announced.

3. REPRESENTATIONS AND WARRANTIES OF THE PURCHASERS. Each Purchaser hereby represents and warrants to the Company, severally and not jointly, as follows.

3.1 Authorization. The Purchaser has full power and authority to enter into this Agreement. This Agreement, when executed and delivered by the Purchaser, will constitute valid and legally binding obligations of the Purchaser, enforceable in accordance with their terms, except as limited by applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance, and any other laws of general application affecting enforcement of creditors' rights generally, and as limited by laws relating to the availability of specific performance, injunctive relief, or other equitable remedies.

3.2 Purchase Entirely for Own Account. This Agreement is made with the Purchaser in reliance upon the Purchaser's representation to the Company, which by the Purchaser's execution of this Agreement, the Purchaser hereby confirms, that the Shares to be acquired by the Purchaser will be acquired for investment for the Purchaser's own account, not as a nominee or agent, and not with a view to the resale or distribution of any part thereof, and that the Purchaser has no present intention of selling, granting any participation in, or otherwise distributing the same. By executing this Agreement, the Purchaser further represents that the Purchaser does not presently have any Contract with any Person to sell, transfer or grant participations to such Person or to any third Person, with respect to any of the Shares. The Purchaser has not been formed for the specific purpose of acquiring the Shares.

3.3 Disclosure of Information. The Purchaser has had an opportunity to discuss the Company's business, management, financial affairs and the terms and conditions of the offering of the Shares with the Company's management. Nothing in this Section 3, including the foregoing sentence, limits or modifies the representations and warranties of the Company in Section 2 of this Agreement or the right of the Purchasers to rely thereon.

3.4 Restricted Securities . The Purchaser understands that the Shares have not been, and will not be, registered under the Securities Act by reason of a specific exemption from the registration provisions of the Securities Act which depends upon, among other things, the bona fide nature of the investment intent and the accuracy of the Purchaser's representations as expressed herein. The Purchaser understands that the Shares are "restricted securities" under applicable United States federal and state securities laws and that, pursuant to these laws, the Purchaser must hold the Shares indefinitely unless they are registered with the SEC and qualified by state authorities, or an exemption from such registration and qualification requirements is available. The Purchaser further acknowledges that if an exemption from registration or qualification is available, it may be conditioned on various requirements including, but not limited to, the time and manner of sale, the holding period for the Shares, and on requirements relating to the Company which are outside of the Purchaser's control, and which the Company is under no obligation and may not be able to satisfy.

3.5 Legends . The Purchaser understands that the Shares and any securities issued in respect of or exchange for the Shares, will bear legend required by the securities laws of any state to the extent such laws are applicable to the Shares represented by the certificate so legended and agrees that the legend may be inserted thereon.

3.6 Reserved . .

3.7 No General Solicitation . At no time (a) has the Purchaser or any of its officers, directors, employees or other agents, been presented with or solicited by any publicly issued or circulated newspaper, mail, radio, television or other form of general advertising or solicitation in connection with the offer, sale or purchase of the Shares, whether or not such advertising or solicitation was received directly from the Company or indirectly from a broker, finder or other person or entity, nor (b) has the Purchaser or any of its officers, directors, employees or other agents attended any public meeting or seminar concerning an investment in the Shares.

4. CONDITIONS TO THE PURCHASER'S OBLIGATIONS AT CLOSING . The obligations of the Purchaser to purchase Shares at the Closing are subject to the fulfillment, on or before the Closing, of each of the following conditions, unless otherwise waived, *provided* that upon the consummation of the Closing, all such conditions shall be deemed waived in writing.

4.1 Representations and Warranties . The representations and warranties of the Company contained in Section 2 shall be true and complete in all respects as of the Closing.

4.2 Performance . The Company shall have performed and complied with all covenants, agreements, obligations and conditions contained in this Agreement that are required to be performed or complied with by the Company on or before the Closing.

4.3 Approval of OTC Markets Group Inc . If required, approval of OTC Market Group Inc. of the transactions contemplated herein as a change of control transaction.

4.4 Compliance Certificate . The President or Chief Executive Officer of the Company shall have delivered to the Purchasers at the Closing a certificate certifying that the conditions specified in Sections 4.1, 4.2 and 4.3 have been fulfilled.

4.5 Qualifications . All authorizations, approvals or permits, if any, of any governmental authority or regulatory body of the United States or of any state that are required in connection with the lawful issuance and sale of the Shares pursuant to this Agreement shall have been obtained and effective as of the Closing.

4.6 Board of Directors . The authorized size of the Board shall be three (3). As of the Closing, the Board shall be comprised of Ross Ramsey, Benjamin Tran, and Patrick Norris.

4.7 Employee Agreement . The Company and each of Ross Ramsey and Benjamin Tran shall have executed and delivered a consulting agreement, in the form attached hereto as Exhibit E .

4.8 [Reserved]

4.9 [Reserved]

4.10 Termination of Odyssey Consulting Agreement . The Consulting Agreement by and between the Company and Odyssey, shall have been terminated and the Company shall be released from all the obligations under the consulting agreement.

4.11 [Reserved]

4.12 Lock Up Agreements . The Company shall have entered a fully executed six-month lock-up agreement, substantially in a form attached hereto as Exhibit F , with (i) each of Ross Ramsey, Benjamin Tran and International Western Oil with respect to all their shares of Common Stock which they hold or have the right to obtain through the exercise of any options or warrants, all held or to be issued as of the date of the Closing; (ii) eight additional shareholders of the Company with respect to an aggregate of four million six hundred thirty eight thousand two hundred twenty eight (4,638,228) shares of Common Stock; and (iii) Patrick Riggs.

4.13 Secretary's Certificate . The Secretary of the Company shall have delivered to the Purchasers at the Closing, a certificate, dated as of the Closing Date, executed by the Secretary of the Company, certifying: (A) that true and complete copies of the Company's Charter and Bylaws, as in effect on the Closing Date, are attached to such certificate; (B) that a true and complete copy of the Company's good faith estimated Closing Date balance sheet is attached to such certificate; (C) as to the incumbency and genuineness of the signatures of each officer of the Company executing any of the documents to be executed and delivered at or before the Closing; (D) the genuineness of the resolutions of the Company's Board of Directors authorizing the execution, delivery and performance of the documents to which the Company is a party and the consummation of the transactions contemplated thereby (a copy of which resolutions shall be attached to such certificate); and (E) that all consents, approvals and other actions of, and notices and filings with, all Persons as may be necessary or required with respect to the execution and delivery by the Company of the Transaction Agreements, and the consummation by the parties of the transactions contemplated thereby, have been obtained or made.

4.14 Proceedings and Documents . All corporate and other proceedings in connection with the transactions contemplated at the Closing and all documents incident thereto shall be reasonably satisfactory in form and substance to each Purchaser, and each Purchaser (or its counsel) shall have received all such counterpart original and certified or other copies of such documents as reasonably requested. Such documents may include good standing certificates.

4.15 Convertible Note . The Company shall have executed and delivered the $750,000 principal amount Convertible Note to the Purchasers against the second tranche funding to the Company of $550,000.

4.16 Stock Transfer Agreement . The Company and the Selling Shareholders shall have executed and delivered the Stock Transfer Agreement to the Purchasers.

4.17 Riggs Transaction . The Company and Patrick Riggs shall have executed and delivered the Contracts to effect the Riggs Transaction.

5. CONDITIONS OF THE COMPANY'S OBLIGATIONS AT CLOSING . The obligations of the Company to sell Shares to each Purchaser at the Closing are subject to the fulfillment, on or before the Closing, of each of the following conditions of such Purchaser, unless otherwise waived:

5.1 Representations and Warranties . The representations and warranties of such Purchaser contained in Section 3 shall be true and complete in all respects as of the Closing.

5.2 Approval of The OTC Markets, Inc . If required, approval of The OTC Markets, Inc. of the transactions contemplated herein as a change of control transaction.

5.3 Performance . Such Purchaser shall have performed and complied with all covenants, agreements, obligations and conditions contained in this Agreement that are required to be performed or complied with by it on or before the Closing.

5.4 Qualifications . All authorizations, approvals or permits, if any, of any governmental authority or regulatory body of the United States or of any state that are required in connection with the lawful issuance and sale of the Shares pursuant to this Agreement shall be obtained and effective as of the Closing.

5.5 Convertible Note. The Purchasers shall have made the Loan in the Principal Amount to the Company, in exchange of the Convertible Note.

5.6 Stock Transfer Agreement . The Purchasers shall have executed and delivered the Stock Transfer Agreement to the Company and the Selling Shareholders.

6. Additional Covenants and Agreements

6.1 Use of Proceeds . The proceeds from the Combined Closing shall be used as the working capital for the Company, and can be used for the settlement of all the Company's outstanding Liabilities and payment for auditing and review the Company's financial statements for the year ended February 28, 2017 and interim financial statements for the three month period ended May 31, 2017 (to the extent not already paid). The proceeds can also be used as an initial rework budget to enhance production of the Company's existing oil wells and the Purchasers shall have an option to increase the rework budget on an as needed basis.

6.2 Shareholders' Approval . Promptly after the Closing, at the expenses of the Company with the working capital from the sale of the Shares contemplated by this Agreement, the Company shall use commercially best efforts to obtain at the earliest practicable date, to seek the approval of the shareholders of the Company regarding (a) the filing of an amended and restated Articles of Incorporation of the Company to incorporate those rights and privileges of the Series A Preferred Stock of the Company as set forth in Exhibit G hereto, (b) a reverse stock split of the shares of Common Stock of the Company in a rate of up to 8 into 1 shares, preserving round lots up to 1,000 per shareholder.

6.3 Preparation of the 14f-1 Notice; Blue Sky Laws. As soon as possible following the Closing, if necessary, the Company shall prepare and file with the SEC the 14f-1 Notice in connection with the consummation of this Agreement. If necessary, the Company shall cause the 14f-1 Notice to be mailed to its shareholders as promptly as practicable thereafter. The Company shall take any action (other than qualifying to do business in any jurisdiction in which it is not now so qualified) required to be taken under any applicable state securities laws in connection with the issuance of the Common Stock in connection with this Agreement.

7. Indemnification.

7.1 Indemnity Agreement of the Company. Subject to the provisions and limitations of this Section 7, the Company agrees to indemnify and save harmless Purchasers and its officers, directors, representatives, and agents from and against any Event of Loss (as defined below) or Loss (as defined below) arising (i) as a result of the Company's failure to perform or discharge any of its duties or obligations to be performed by the Company (including the obligations set forth in Section 6 hereof), and (ii) from any breach of a representation, warranty or covenant of the Company set forth in this Agreement.

7.2 Definition of "Loss". Any party to this Agreement against which indemnification may be sought pursuant to this Section 7 is an "***Indemnifying Party*,**" and any person entitled to indemnification pursuant to this Section 7 is an "***Indemnified Party***." The occurrence of an event that may result in a loss, cost, expense or liability of an Indemnified Party and as to which the Indemnifying Party shall have received notice from the Indemnified Party shall be herein called an "***Event of Loss***," and the amount of any loss, cost, expense or liability of any kind (including legal fees and disbursements incurred) of an Indemnified Party is a "***Loss***;" provided, however, that for purposes of computing the amount of Loss incurred by any Indemnified Party, there shall be deducted an amount equal to the amount of any insurance proceeds (other than self-insurance) directly or indirectly received by the Indemnified Party in connection with the Loss. In addition, the Indemnifying Party shall indemnify the Indemnified Party against an amount that, on an after-tax basis reflects the hypothetical tax consequences, if any, to the Indemnified Party of the payment of the Loss.

7.3 Deductible Amount and Time Period. An Indemnifying Party shall not be required to make any indemnification payments for which it would otherwise be liable until (and then only to the extent that) the total of all amounts to which the Indemnified Party may be entitled with respect to all Losses exceeds $10,000. The Indemnifying Party shall have no liability for any Loss arising out of claims under this Agreement as to which the Indemnifying Party shall not have received notice within twenty-four (24) months from the Closing Date.

7.4 Defense of Claims. In case any legal action shall be commenced or threatened (provided that in the case of a threatened legal action the Indemnified Party believes in good faith that an indemnifiable Loss is likely to occur) against an Indemnified Party that could result in a Loss, the Indemnified Party shall promptly notify the Indemnifying Party in writing. The Indemnifying Party shall have the right, exercisable by written notice promptly after receipt of the notice, (A) to participate in and (B) assume (and control) the defense of the action, at its own expense and with its own counsel, provided counsel is reasonably satisfactory to the Indemnified Party. If the Indemnifying Party elects to assume the defense of the action, the Indemnifying Party shall keep the Indemnified Party informed of all material developments and events and the Indemnified Party shall have the right to participate in (but not control) the defense of the action. However, the Indemnified Party shall bear its own expenses of participation except as set forth in the following sentence. The Indemnifying Party shall bear the reasonable fees and expenses of counsel retained by the Indemnified Party if (i) the Indemnified Party shall have retained counsel due to actual or potential conflicting interests between the Indemnified Party and the Indemnifying Party, (ii) the Indemnifying Party shall not elect to assume the defense of the action, (iii) the Indemnifying Party shall not have employed counsel reasonably satisfactory to the Indemnified Party, or (iv) the Indemnifying Party has authorized the employment of counsel for the Indemnified Party to handle the defense of the action at the expense of the Indemnifying Party.

In no event will the Indemnifying Party be liable for any settlement or admission of liability with respect to any action without its prior written consent, which shall not be unreasonably withheld, but if settled with this consent, the Indemnifying Party shall be liable for payment of the settlement or judgment amount, subject to the limitations set forth in this Section 7 . The Indemnifying Party may not settle any liability or claim subject to indemnification pursuant to this Section 7 without the consent of the Indemnified Party and on any basis that does not provide for a full release of the Indemnified Party. Any participation in, or assumption of the defense of, any action by an Indemnifying Party shall be without prejudice to the right of the Indemnifying Party, and shall not be construed as a waiver of its right to deny the obligation to indemnify the Indemnified Party. The giving of notice of a loss, damage, cost or expense claimed to be indemnifiable shall be a prerequisite to any obligation to indemnify. However, the Indemnified Party's rights pursuant to this Section 7 shall not be forfeited by reason of a failure to give the required notice or to cooperate in the defense to the extent the failure does not have a material and adverse effect on the defense of the matter.

7.5 Payment of Loss; Subrogation . Any Loss for which an Indemnified Party is entitled to payment shall be paid by the Indemnifying Party upon written demand by the Indemnified Party. The Indemnified Party shall be subrogated to any claims or rights of the Indemnifying Party as against any other persons with respect to any Loss paid by the Indemnifying Party under this Section 7 . The Indemnified Party shall cooperate with the Indemnifying Party to a reasonable extent, at the Indemnifying Party's expense, in the assertion by the Indemnifying Party of any claims against third persons.

7.6 Notice of Event of Loss . Each party agrees that it will give notice to the other party promptly, but in no event later than 45 days, after the receipt by one of its responsible officers of knowledge of facts which, if not corrected, would be an Event of Loss hereunder. Each party shall make available to the other party and its counsel and accountants, at reasonable times and for reasonable periods, during normal business hours, all books and records of the party relating to any possible Event of Loss, and each party will render to the other assistance as it may reasonably require of the other in order to insure prompt and adequate prosecution of the defense of any suit, claim or proceeding.

8. GENERAL PROVISIONS .

8.1 Further Assurances . Each party hereto shall use its best efforts to comply with all requirements imposed hereby on such party and to cause the transactions contemplated herein (including, without limitation, the issuance and sale of the Shares and the Conversion Notes) to be consummated as contemplated herein and shall, from time to time and without further consideration, either before or after the Closing, execute such further instruments and take such other actions as any other party hereto shall reasonably request in order to fulfill its obligations under this Agreement and to effectuate the purposes of this Agreement.

8.2 Successors and Assigns . The terms and conditions of this Agreement shall inure to the benefit of and be binding upon the respective successors and assigns of the parties. Nothing in this Agreement, express or implied, is intended to confer upon any party other than the parties hereto or their respective successors and assigns any rights, remedies, obligations, or liabilities under or by reason of this Agreement, except as expressly provided in this Agreement.

8.3 Governing Law . This Agreement shall be governed by, and construed in accordance with, the laws of the State of Texas, regardless of the laws that might otherwise govern under applicable principles of conflicts of law.

8.4 Counterparts; Facsimile . This Agreement may be executed and delivered by facsimile signature and in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Counterparts may be delivered via facsimile, electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, *e.g.* , www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

8.5 Titles and Subtitles . The titles and subtitles used in this Agreement are used for convenience only and are not to be considered in construing or interpreting this Agreement.

8.6 Notices . All notices and other communications given or made pursuant to this Agreement shall be in writing and shall be deemed effectively given upon the earlier of actual receipt or: (a) personal delivery to the party to be notified, (b) when sent, if sent by email or facsimile during normal business hours of the recipient, and if not sent during normal business hours, then on the recipient's next Business Day, (c) five (5) days after having been sent by registered or certified mail, return receipt requested, postage prepaid, or (d) one (1) Business Day after deposit with a nationally recognized overnight courier, freight prepaid, specifying next Business Day delivery, with written verification of receipt. All communications shall be sent to the respective parties at their address as set forth on the signature page, or to such address, email address, or facsimile number as subsequently modified by written notice given in accordance with this Section 8.6 . If notice is given to the Company, it shall be sent to 5525 N. MacArthur Boulevard, Suite 280, Irving, Texas 75038, marked "Attention: Chief Executive Officer."

8.7 [RESERVED]

8.8 Remedies . In addition to being entitled to exercise all rights provided herein or granted by law, including recovery of damages, each of the Purchasers and the Company will be entitled to specific performance under this Agreement. The parties agree that monetary damages may not be adequate compensation for any loss incurred by reason of any breach of obligations described in the foregoing sentence and hereby agrees to waive in any action for specific performance of any such obligation the defense that a remedy at law would be adequate.

8.9 Severability . If any term or other provision of this Agreement is invalid, illegal or incapable of being enforced by any rule or Law, or public policy, all other conditions and provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the Transactions is not affected in any manner materially adverse to any Party. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the Parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in an acceptable manner to the end that the Transactions are fulfilled to the extent possible.

8.10 Entire Agreement; Third Party Beneficiaries . This Agreement, taken together with the Disclosure Schedules and the referenced documents herein which comprise the Transaction Agreements, (a) constitute the entire agreement and supersede all prior agreements and understandings, both written and oral, among the Parties with respect to the transactions contemplated hereunder and (b) are not intended to confer upon any person other than the Parties any rights or remedies.

8.11 Amendments and Waivers . Any term of this Agreement may be amended, terminated or waived only with the written consent of each of the parties hereto. Any amendment or waiver effected in accordance with this Section 8.11 shall be binding upon the Purchasers and each transferee of the Shares (or the Common Stock issuable upon conversion thereof), each future holder of all such securities, and the Company.

8.12 Severability . The invalidity or unenforceability of any provision hereof shall in no way affect the validity or enforceability of any other provision.

8.13 Delays or Omissions . No delay or omission to exercise any right, power or remedy accruing to any party under this Agreement, upon any breach or default of any other party under this Agreement, shall impair any such right, power or remedy of such non-breaching or non-defaulting party nor shall it be construed to be a waiver of any such breach or default, or an acquiescence therein, or of or in any similar breach or default thereafter occurring; nor shall any waiver of any single breach or default be deemed a waiver of any other breach or default theretofore or thereafter occurring. Any waiver, permit, consent or approval of any kind or character on the part of any party of any breach or default under this Agreement, or any waiver on the part of any party of any provisions or conditions of this Agreement, must be in writing and shall be effective only to the extent specifically set forth in such writing. All remedies, either under this Agreement or by law or otherwise afforded to any party, shall be cumulative and not alternative.

8.14 Dispute Resolution . The parties (a) hereby irrevocably and unconditionally submit to the exclusive jurisdiction of the state courts of Texas, and to the jurisdiction of the United States District Court in the state of Texas for the purpose of any suit, action or other proceeding arising out of or based upon this Agreement, (b) agree not to commence any suit, action or other proceeding arising out of or based upon this Agreement except in the state courts of Texas, or the United States District Court in the state of Texas, and (c) hereby waive, and agree not to assert, by way of motion, as a defense, or otherwise, in any such suit, action or proceeding, any claim that a party is not subject to the jurisdiction of the above-named courts, that its property is exempt or immune from attachment or execution based upon judgment or order of such court(s), that any suit, action or proceeding arising out of or based upon this Agreement commenced in the state courts of Texas, or the United States District Court in the state of Texas is brought in an inconvenient forum, that the venue of such suit, action or proceeding is improper or that this Agreement or the subject matter hereof may not be enforced in or by such court. Should any party commence a suit, action or other proceeding arising out of or based upon this Agreement in a forum other than the state courts of Texas, or the United States District Court in the state of Texas, or should any party otherwise seek to transfer or dismiss such suit, action or proceeding from such court(s), that party shall indemnify and reimburse the other party for all legal costs and expenses incurred in enforcing this provision.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the parties have executed this Stock Purchase Agreement as of the date first written above.

COMPANY :

INTERNATIONAL WESTERN PETROLEUM, INC.

By: _____
Name: _____
Title: _____

[SIGNATURE PAGE TO INTERNATIONAL WESTERN PETROLEUM, INC. STOCK PURCHASE AGREEMENT]

IN WITNESS WHEREOF, the parties have executed this Stock Purchase Agreement as of the date first written above.

PURCHASERS :

PATRICK NORRIS

Address:

c/o Norris International Services
3011 West Admiral Doyle Dr.
New Iberia, La. 70560

IN WITNESS WHEREOF, the parties have executed this Stock Purchase Agreement as of the date first written above.

PURCHASERS :

BRAD M. NORRIS

Address:

IN WITNESS WHEREOF, the parties have executed this Stock Purchase Agreement as of the date first written above.

PURCHASERS :

BRIAN P. NORRIS

Address:

IN WITNESS WHEREOF, the parties have executed this Stock Purchase Agreement as of the date first written above.

PURCHASERS :

JONATHAN C. NORRIS

Address:

[SIGNATURE PAGE TO INTERNATIONAL WESTERN PETROLEUM, INC. STOCK PURCHASE AGREEMENT]

IN WITNESS WHEREOF, the parties have executed this Stock Purchase Agreement as of the date first written above.

PURCHASERS :

LISA G. BOUDOIN

Address:

IN WITNESS WHEREOF, the parties have executed this Stock Purchase Agreement as of the date first written above.

PURCHASERS :

SCOTT M. SEGURA

Address:

IN WITNESS WHEREOF, the parties have executed this Stock Purchase Agreement as of the date first written above.

PURCHASERS :

RYAN J. BERNARD

Address:

Exhibit 10.2

DEBT CONVERSION AGREEMENT

This Debt Conversion Agreement (this "Agreement") is made as of August 1, 2017, by and between International Western Petroleum, Inc., a Nevada corporation having an address at 5525 N. MacArthur Blvd, Suite 280, Irving, TX 75038 (the "Company") and Riggs Capital, Inc., an entity having an address at 10530 Normont Drive, Houston, TX 77070 (the "Lender").

W I T N E S S E T H:

WHEREAS , pursuant to that certain assignment of account attached as Exhibit A hereto (the "Assignment of Account"), the Company has outstanding indebtedness to the Lender in the aggregate amount of $379,428.00, comprised of both principal and interest (the "Indebtedness"); and

WHEREAS , the Lender desires to, and the Company has agreed to, convert the Indebtedness into an aggregate of 5,900,000 shares of the Company's restricted common stock, par value $0.001 per share, at an effective conversion price of $0.064 per share, on the terms and conditions as set forth herein (the "Conversion"), it being agreed and acknowledged that subsequent to the Conversion, the Indebtedness shall be cancelled.

NOW, THEREFORE , the parties agree as follows:

1. *Conversion and Cancellation of the Indebtedness* . Effective automatically upon the execution and delivery of this Agreement by all the parties (the "Closing"), the Indebtedness shall be cancelled and converted into an aggregate of 5,900,000 newly issued and outstanding restricted shares of the Company's common stock (the "Shares").

2. *The Closing* . The Closing shall take place on August 2, 2017. At the Closing, the following actions shall take place simultaneously;

(i) The Lender shall deliver the original Assignment of Account to the Company for cancellation; and

(ii) The Company shall instruct its transfer agent to deliver to the Lender and an affiliated person (Patrick L. Riggs) certificates representing, in the aggregate, the Shares.

3. *Representations and Warranties of the Company.* The Company represents and warrants to the Lender that:

3.1 Authority. The Company has all requisite corporate power and authority to execute and deliver this Agreement and consummate the transactions contemplated hereby. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby have been duly authorized by all necessary action on the part of the Company. The Company has duly executed and delivered this Agreement and, assuming due authorization, execution and delivery of this Agreement by the Lender, this Agreement constitutes a legal, valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, except to the extent that enforceability may be limited by bankruptcy laws or other laws affecting creditors' rights generally and by general principles of equity. Neither the execution, delivery and performance of this Agreement, nor the performance of the transactions contemplated hereby, including without limitation the issuance of the Shares will: (i) constitute a breach or violation of the Company's constituent documents; (ii) conflict with or constitute (with or without the passage of time or the giving of notice) a breach of, or default under any material agreement, instrument or obligation to which the Company is a party or by which its assets are bound; or (iii) violate any court order, judgment, administrative or judicial order, writ, decree, stipulation, arbitration award or injunction or statute, law, ordinance, rule and regulation applicable to the Company.

3.2 *Issuance* . The issuance of the Shares pursuant to this Agreement will not violate any (i) preemptive right, right of first refusal or other rights of any person to acquire securities of the Company or (ii) applicable federal or state securities laws, and the rules and regulations promulgated thereunder.

4. *Representations and Warranties of the Lender* . The Lender represents and warrants to the Company that:

4.1 *Authority* . The Lender has all the power and requisite authority to execute and deliver this Agreement and consummate the transactions contemplated hereby. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby have been duly authorized by all necessary action on the part of the Lender. The Lender has duly executed and delivered this Agreement and, assuming due authorization, execution and delivery of this Agreement by the Company, this Agreement constitutes a legal, valid and binding obligation of the Lender, enforceable against the Lender in accordance with its terms, except to the extent that enforceability may be limited by bankruptcy laws or other laws affecting creditor's rights generally and by general principles of equity.

4.2 *No Prior Transfer.* The Lender has not previously transferred any interest in the Notes or incurred any obligation to do so.

4.3 *Investment* . The Lender is acquiring the Shares pursuant to this Agreement solely for investment purposes, for the Lender's own account and not with a view to resale or distribution. The Lender understands that (i) the Shares are not registered under the Securities Act of 1933, as amended (the "Securities Act"), or any state securities laws, (ii) the Company is under no obligation to register the Shares, and (iii) the Shares cannot be transferred, resold or otherwise disposed of by the Lender without such registration unless the Company receives an opinion of counsel, reasonably acceptable to the Company, stating that such transfer, resale or other disposition is exempt from such registration requirements, or other evidence satisfactory to the Company that demonstrates the applicability of such exemption.

4.4 *Investment Qualifications* . The Lender has such knowledge and experience in financial and business matters and familiarity with the Company as to be capable of evaluating the merits and risks of converting the Indebtedness into the Shares. The Lender is an "accredited investor," as defined in Regulation D promulgated by the U.S. Securities and Exchange Commission under the Securities Act.

5. *Survival* . The representations and warranties in Sections 3 and 4 shall survive the Closing and continue in full force and effect thereafter.

6. *Post-Closing Cooperation.* From and after the Closing, the parties shall cooperate with each other and take such actions as may be reasonably requested and are consistent with the provisions of this Agreement to obtain for the requesting party the benefits of the transactions contemplated hereby.

7. *Miscellaneous.*

7.1 *Entire Agreement* . This Agreement supersedes and cancels any prior or contemporaneous agreements among the parties relating to the subject matter of this Agreement. There are no representations, agreements, arrangements or understandings between the Lender and the Company relating to the subject matter of this Agreement that are not fully expressed herein.

7.2 *Amendment* . This Agreement may not be amended except by an instrument in writing signed on behalf of each of the Parties.

7.3 *Successors and Assigns* . This Agreement may not be assigned or transferred by any party without the prior written consent of the other parties. Subject to the foregoing restriction on transfer or assignment, this Agreement shall be binding upon and inure to the benefit of the parties and their successors and permitted assigns.

7.4 *Governing Law; Jurisdiction* . This Agreement shall be governed by and construed in accordance with the internal laws of the State of Nevada, without regard to conflict of law principles. Any litigation arising out of or related to this Agreement shall be instituted and prosecuted only in the appropriate state or federal court situated in Clark County, Nevada.

7.5 *Interpretation* . The captions of the sections of this Agreement are for convenience and reference only, and shall not be held to explain, modify, amplify or aid in the interpretation, construction or meaning of this Agreement.

7.6 *Expenses* . Each party will bear its own costs and expenses incurred in connection with this Agreement and the transactions contemplated hereby.

7.7 *Counterparts; Facsimile Signatures* . This Agreement may be executed in counterparts, each of which shall be considered an original instrument, but all of which together shall be considered one and the same agreement. Facsimile copies of the signature page hereof shall be deemed originals and shall be binding for all purposes.

[-Signature Page Follows-]

IN WITNESS WHEREOF , the Parties hereto have executed this Agreement as of the date first stated above.

THE COMPANY :

INTERNATIONAL WESTERN PETROLEUM, INC.

By: _____
Name: Ross H. Ramsey
Title: Chief Executive Officer

THE LENDER :

RIGGS CAPITAL, INC.

By: _____
Name: Patrick L. Riggs
Title: Chief Executive Officer

EXHIBIT 10.3

ADOPTED BY BOARD – JULY 28, 2017

INTERNATIONAL WESTERN PETROLEUM, INC.

2017 INCENTIVE STOCK AND AWARD PLAN

1. Purpose of the Plan.

The purpose of this 2017 Incentive Stock and Award Plan (the " Plan ") of International Western Petroleum, Inc. (the " Company ") is to enable the Company to offer to its employees, officers, directors, advisors and consultants whose past, present and/or potential contributions to the Company and/or any Subsidiary of the Company, within the meaning of Section 424(f) of the United States Internal Revenue Code of 1986, as amended (the " Code "), have been, are or will be important to the success of the Company, an opportunity to acquire an equity interest in the Company. It is further intended that certain options granted pursuant to the Plan shall constitute incentive stock options within the meaning of Section 422 of the Code (the " Incentive Options ") while certain other options granted pursuant to the Plan shall be nonqualified stock options (the " Nonqualified Options "). Incentive Options and Nonqualified Options are hereinafter referred to collectively as " Options. "

The Company intends that the Plan meet the requirements of Rule 16b-3 (" Rule 16b-3 ") promulgated under the Securities Exchange Act of 1934, as amended (the " Exchange Act "), and that transactions of the type specified in subparagraphs (c) to (f) inclusive of Rule 16b-3 by officers and directors of the Company pursuant to the Plan will be exempt from the operation of Section 16(b) of the Exchange Act. Further, the Plan is intended to satisfy the performance-based compensation exception to the limitation on the Company's tax deductions imposed by Section 162(m) of the Code with respect to those Options, awards of Restricted Stock (as defined below), and awards of Restricted Stock Units (as defined below) for which qualification for such exception is intended. In all cases, the terms, provisions, conditions and limitations of the Plan shall be construed and interpreted consistent with the Company's intent as stated in this Section 1.

2. Administration of the Plan.

The Board of Directors of the Company (the " Board ") shall appoint and maintain as administrator of the Plan a Committee (the " Committee ") consisting of two or more directors who are (i) "Independent Directors" (as such term is defined under the rules of the NASDAQ Stock Market), (ii) "Non-Employee Directors" (as such term is defined in Rule 16b¬3) and (iii) "Outside Directors" (as such term is defined in Section 162(m) of the Code), which shall serve at the pleasure of the Board. The Committee, subject to Sections 3, 5, 6 and 7 hereof, shall have full power and authority to designate recipients of Options, restricted stock (" Restricted Stock ") and restricted stock units (" Restricted Stock Units ") and to determine the terms and conditions of the respective Option, Restricted Stock and Restricted Stock Unit agreements (which need not be identical) and to interpret the provisions and supervise the administration of the Plan. The Committee shall have the authority, without limitation, to designate which Options granted under the Plan shall be Incentive Options and which shall be Nonqualified Options. To the extent any Option does not qualify as an Incentive Option, it shall constitute a separate Nonqualified Option.

Subject to the provisions of the Plan, the Committee shall interpret the Plan and all Options, Restricted Stock and Restricted Stock Units granted under the Plan, shall make such rules as it deems necessary for the proper administration of the Plan, shall make all other determinations necessary or advisable for the administration of the Plan and shall correct any defects or supply any omission or reconcile any inconsistency in the Plan or in any Options, Restricted Stock or Restricted Stock Units granted under the Plan in the manner and to the extent that the Committee deems desirable to carry into effect the Plan or any Options, Restricted Stock or Restricted Stock Units. The act or determination of a majority of the Committee shall be the act or determination of the Committee and any decision reduced to writing and signed by all of the members of the Committee shall be fully effective as if it had been made by a majority of the Committee at a meeting duly held for such purpose. Subject to the provisions of the Plan, any action taken or determination made by the Committee pursuant to this and the other Sections of the Plan shall be conclusive on all parties.

In the event that for any reason the Committee is unable to act or if the Committee at the time of any grant, award or other acquisition under the Plan does not consist of two or more Non-Employee Directors, or if there shall be no such Committee, or if the Board otherwise determines to administer the Plan, then the Plan shall be administered by the Board, and references herein to the Committee (except in the proviso to this sentence) shall be deemed to be references to the Board, and any such grant, award or other acquisition may be approved or ratified in any other manner contemplated by subparagraph (d) of Rule 16b-3; provided , however , that grants to the Company's Chief Executive Officer or to any of the Company's other four most highly compensated officers that are intended to qualify as performance-based compensation under Section 162(m) of the Code may only be granted by the Committee.

3. Designation of Optionees and Grantees.

The persons eligible for participation in the Plan as recipients of Options (the " Optionees ") or Restricted Stock or Restricted Stock Units (the " Grantees " and together with Optionees, the " Participants ") shall include directors, officers and employees of, and consultants and advisors to, the Company or any Subsidiary; provided that Incentive Options may only be granted to employees of the Company and any Subsidiary. In selecting Participants, and in determining the number of shares to be covered by each Option or award of Restricted Stock or Restricted Stock Units granted to Participants, the Committee may consider any factors it deems relevant, including, without limitation, the office or position held by the Participant or the Participant's relationship to the Company, the Participant's degree of responsibility for and contribution to the growth and success of the Company or any Subsidiary, the Participant's length of service, promotions and potential. A Participant who has been granted an Option, Restricted Stock or Restricted Stock Units hereunder may be granted an additional Option or Options, Restricted Stock or Restricted Stock Units if the Committee shall so determine.

4. Stock Reserved for the Plan.

(a) Subject to adjustment as provided in Section 9 hereof, a total of 5,000,000 shares of the Company's common stock, par value $0.001 per share (the "Stock"), shall be subject to the Plan. The shares of Stock subject to the Plan shall consist of unissued shares, treasury shares or previously issued shares held by any Subsidiary of the Company, and such number of shares of Stock shall be and is hereby reserved for such purpose. Any of such shares of Stock that may remain unissued and that are not subject to outstanding Options or Restricted Stock Units at the termination of the Plan shall cease to be reserved for the purposes of the Plan, but until termination of the Plan the Company shall at all times reserve a sufficient number of shares of Stock to meet the requirements of the Plan. Should any Option or award of Restricted Stock or Restricted Stock Units expire or be canceled prior to its exercise or vesting in full or should the number of shares of Stock to be delivered upon the exercise or vesting in full of an Option or award of Restricted Stock or Restricted Stock Units be reduced for any reason, the shares of Stock theretofore subject to such Option, Restricted Stock or Restricted Stock Units may be subject to future Options, Restricted Stock or Restricted Stock Units under the Plan.

(b) The maximum number of shares of Stock with respect to which Options may be granted to any Optionee in any calendar year shall be one million two hundred thousand (1,200,000) shares. In connection with an Optionee's commencement of employment or service with the Company or any Subsidiary, an Optionee may be granted Options for up to an additional two hundred thousand (250,000) shares which shall not count against the limit set forth in the previous sentence. The foregoing limitations shall be adjusted proportionately in connection with any change in the Company's capitalization pursuant to Section 9, below. To the extent required by Section 162(m) of the Code or the regulations thereunder, in applying the foregoing limitations with respect to an Optionee, if any Option is canceled, the canceled Option shall continue to count against the maximum number of Shares with respect to which Options may be granted to the Optionee. For this purpose, the repricing of an Option shall be treated as the cancellation of the existing Option and the grant of a new Option.

(c) For awards of Restricted Stock or Restricted Stock Units that are intended to qualify as "performance-based compensation" under Section 162(m) of the Code, the maximum number of shares of Stock with respect to which such awards may be granted to any Grantee in any calendar year shall be one million two hundred thousand (1,200,000) shares. The foregoing limitation shall be adjusted proportionately in connection with any change in the Company's capitalization pursuant to Section 9, below. Subject to the terms of the Plan, awards of Restricted Stock or Restricted Stock Units that are intended to qualify as performance-based compensation under Section 162(m) of the Code shall be subject to satisfaction of performance criteria. The performance criteria established by the Committee may be based on any one of, or combination of, the following: (i) increase in share price, (ii) earnings per share, (iii) total stockholder return, (iv) operating margin, (v) gross margin, (vi) return on equity, (vii) return on assets, (viii) return on investment (ix) operating income, (x) net operating income, (xi) pre-tax profit (xii) cash flow, (xiii) revenue, (xiv) expenses, (xv) earnings before interest, taxes and depreciation, (xvi) economic value added, and (xvii) market share, or other factors considered appropriate. The performance criteria may be applicable to the Company, Subsidiaries and/or any individual business units of the Company or any Subsidiary. Partial achievement of the specified criteria may result in a payment or vesting corresponding to the degree of achievement as specified in the Restricted Stock or Restricted Stock Unit agreement. In addition, the performance criteria shall be calculated in accordance with generally accepted accounting principles, but excluding the effect (whether positive or negative) of any change in accounting standards and any extraordinary, unusual or nonrecurring item, as determined by the Committee, occurring after the establishment of the performance criteria applicable to the award intended to be performance-based compensation. Each such adjustment, if any, shall be made solely for the purpose of providing a consistent basis from period to period for the calculation of performance criteria in order to prevent the dilution or enlargement of the Grantee's rights with respect to an award intended to be performance-based compensation.

5. Terms and Conditions of Options.

Options granted under the Plan shall be subject to the following conditions and shall contain such additional terms and conditions, not inconsistent with the terms of the Plan, as the Committee shall deem desirable:

(a) Option Price . The purchase price of each share of Stock purchasable, under an Incentive Option shall be determined by the Committee at the time of grant, but shall not be less than 100% of the Fair Market Value (as defined below) of such share of Stock on the date the Option is granted; provided, however, that with respect to an Optionee who, at the time such Incentive Option is granted, owns (within the meaning of Section 424(d) of the Code) more than 10% of the total combined voting power of all classes of stock of the Company or of any Subsidiary, the purchase price per share of Stock shall be at least 110% of the Fair Market Value per share of Stock on the date of grant. The purchase price of each share of Stock purchasable under a Nonqualified Option shall not be less than 100% of the Fair Market Value, of such share of Stock on the date the Option is granted. The exercise price for each Option shall be subject to adjustment as provided in Section 9 below. "Fair Market Value" means: (i) if the Stock is listed on one or more established stock exchanges or national market systems, including without limitation The NASDAQ Global Select Market, The NASDAQ Global Market or The NASDAQ Capital Market of The NASDAQ Stock Market LLC, the closing sales price for such Stock (or the closing bid, if no sales were reported) as quoted on the principal exchange or system on which the Stock is listed (as determined by the Committee) on the date of grant of the Option or Stock (or, if no closing sales price or closing bid was reported on that date, as applicable, on the last trading date such closing sales price or closing bid was reported), as reported in The Wall Street Journal or such other source as the Committee deems reliable; (ii) if the Stock is regularly quoted on an automated quotation system (including but not limited to the OTC Bulletin Board) or by a recognized securities dealer, the closing sales price for such Stock as quoted on such system or by such securities dealer on the date of grant of the Option or Stock, but if selling prices are not reported, the Fair Market Value of a share of Stock shall be the mean between the high bid and low asked prices for the Stock on the date of grant of the Option or Stock (or, if no such prices were reported on that date, on the last date such prices were reported), as reported in The Wall Street Journal or, such other source as the Committee deems reliable; or (iii) in the absence of an established market for the Stock of the type described in (i) and (ii), above, the Fair Market Value thereof shall be determined by the Committee in good faith. Anything in this Section 5(a) to the contrary notwithstanding, in no event shall the purchase price of a share of Stock be less than the minimum price permitted under the rules and policies of any national securities exchange on which the shares of Stock are listed.

(b) Option Term . The term of each Option shall be fixed by the Committee, but no Option shall be exercisable more than ten years after the date such Option is granted and in the case of an Incentive Option granted to an Optionee who, at the time such Incentive Option is granted, owns (within the meaning of Section 424(d) of the Code) more than 10% of the total combined voting power of all classes of stock of the Company or of any Subsidiary, no such Incentive Option shall be exercisable more than five years after the date such Incentive Option is granted.

(c) Exercisability . Subject to Section 5(j) hereof, Options shall be exercisable at such time or times and subject to such terms and conditions as shall be determined by the Committee at the time of grant; provided , however , that in the absence of any Option vesting periods designated by the Committee at the time of grant, Options shall vest and become exercisable as to one-third of the total number of shares subject to the Option on each of the first, second and third anniversaries of the date of grant; and provided further that no Options shall be exercisable until such time as any vesting limitation required by Section 16 of the Exchange Act, and related rules, shall be satisfied if such limitation shall be required for continued validity of the exemption provided under Rule 16b-3(d)(3).

Upon the occurrence of a "Change in Control" (as hereinafter defined), the Committee may accelerate the vesting and exercisability of outstanding Options, in whole or in part, as determined by the Committee in its sole discretion. In its sole discretion, the Committee may also determine that, upon the occurrence of a Change in Control, each outstanding Option shall terminate within a specified number of days after notice to the Optionee thereunder, and each such Optionee shall receive, with respect to each share of Company Stock subject to such Option, an amount equal to the excess of the Fair Market Value of such shares immediately prior to such Change in Control over the exercise price per share of such Option; such amount shall be payable in cash, in one or more kinds of property (including the property, if any, payable in the transaction) or a combination thereof, as the Committee shall determine in its sole discretion.

For purposes of the Plan, unless otherwise defined in an employment agreement between the Company and the relevant Optionee, a Change in Control shall be deemed to have occurred if:

(i) a tender offer (or series of related offers) shall be made and consummated for the ownership of 50% or more of the outstanding voting securities of the Company, unless as a result of such tender offer more than 50% of the outstanding voting securities of the surviving or resulting corporation shall be owned in the aggregate by the stockholders of the Company (as of the time immediately prior to the commencement of such offer), any employee benefit plan of the Company or its Subsidiaries, and their affiliates;

(ii) the Company shall be merged or consolidated with another corporation, unless as a result of such merger or consolidation more than 50% of the outstanding voting securities of the surviving or resulting corporation shall be owned in the aggregate by the stockholders of the Company (as of the time immediately prior to such transaction), any employee benefit plan of the Company or its Subsidiaries, and their affiliates;

(iii) the Company shall sell substantially all of its assets to another corporation that is not wholly owned by the Company, unless as a result of such sale more than 50% of such assets shall be owned in the aggregate by the stockholders of the Company (as of the time immediately prior to such transaction), any employee benefit plan of the Company or its Subsidiaries and their affiliates; or

(iv) a Person (as defined below) shall acquire 50% or more of the outstanding voting securities of the Company (whether directly, indirectly, beneficially or of record), unless as a result of such acquisition more than 50% of the outstanding voting securities of the surviving or resulting corporation shall be owned in the aggregate by the stockholders of the Company (as of the time immediately prior to the first acquisition of such securities by such Person), any employee benefit plan of the Company or its Subsidiaries, and their affiliates.

Notwithstanding the foregoing, if Change of Control is defined in an employment agreement between the Company and the relevant Optionee, then, with respect to such Optionee, Change of Control shall have the meaning ascribed to it in such employment agreement.

For purposes of this Section 5(c), ownership of voting securities shall take into account and shall include ownership as determined by applying the provisions of Rule 13d-3(d)(I)(i) (as in effect on the date hereof) under the Exchange Act. In addition, for such purposes, "Person" shall have the meaning given in Section 3(a)(9) of the Exchange Act, as modified and used in Sections 13(d) and 14(d) thereof; provided , however , that a Person shall not include (A) the Company or any of its Subsidiaries; (B) a trustee or other fiduciary holding securities under an employee benefit plan of the Company or any of its Subsidiaries; (C) an underwriter temporarily holding securities pursuant to an offering of such securities; or (D) a corporation owned, directly or indirectly, by the stockholders of the Company in substantially the same proportion as their ownership of stock of the Company.

(d) Method of Exercise . Options to the extent then exercisable may be exercised in whole or in part at any time during the option period, by giving written notice to the Company specifying the number of shares of Stock to be purchased, accompanied by payment in full of the purchase price, in cash, or by check or such other instrument as may be acceptable to the Committee. As determined by the Committee, in its sole discretion, at or after grant, payment in full or in part may be made at the election of the Optionee (i) in the form of Stock owned by the Optionee (based on the Fair Market Value of the Stock which is not the subject of any pledge or security interest, (ii) in the form of shares of Stock withheld by the Company from the shares of Stock otherwise to be received with such withheld shares of Stock having a Fair Market Value equal to the exercise price of the Option, or (iii) by a combination of the foregoing, such Fair Market Value determined by applying the principles set forth in Section 5(a), provided that the combined value of all cash and cash equivalents and the Fair Market Value of any shares surrendered to the Company is at least equal to such exercise price and except with respect to (ii) above, such method of payment will not cause a disqualifying disposition of all or a portion of the Stock received upon exercise of an Incentive Option. An Optionee shall have the right to dividends and other rights of a stockholder with respect to shares of Stock purchased upon exercise of an Option at such time as the Optionee (i) has given written notice of exercise and has paid in full for such shares, and (ii) has satisfied such conditions that may be imposed by the Company with respect to the withholding of taxes.

(e) Non-transferability of Options . Options are not transferable and may be exercised solely by the Optionee during his lifetime or after his death by the person or persons entitled thereto under his will or the laws of descent and distribution. The Committee, in its sole discretion, may permit a transfer of a Nonqualified Option to (i) a trust for the benefit of the Optionee, (ii) a member of the Optionee's immediate family (or a trust for his or her benefit) or (iii) pursuant to a domestic relations order. Any attempt to transfer, assign, pledge or otherwise dispose of, or to subject to execution, attachment or similar process, any Option contrary to the provisions hereof shall be void and ineffective and shall give no right to the purported transferee.

(f) Termination by Death . Unless otherwise determined by the Committee, if any Optionee's employment with or service to the Company or any Subsidiary terminates by reason of death, the Option may thereafter be exercised, to the extent then exercisable (or on such accelerated basis as the Committee shall determine at or after grant), by the legal representative of the estate or by the legatee of the Optionee under the will of the Optionee, for a period of one (1) year after the date of such death (or, if later, such time as the Option may be exercised pursuant to Section 15(d) hereof) or until the expiration of the stated term of such Option as provided under the Plan, whichever period is shorter.

(g) Termination by Reason of Disability . Unless otherwise determined by the Committee, if any Optionee's employment with or service to the Company or any Subsidiary terminates by reason of Disability (as defined below), then any Option held by such Optionee may thereafter be exercised, to the extent it was exercisable at the time of termination due to Disability (or on such accelerated basis as the Committee shall determine at or after grant), but may not be exercised after ninety (90) days after the date of such termination of employment or service (or, if later, such time as the Option may be exercised pursuant to Section 15(d) hereof) or the expiration of the stated term of such Option, whichever period is shorter; provided , however , that, if the Optionee dies within such ninety (90) day period, any unexercised Option held by such Optionee shall thereafter be exercisable to the extent to which it was exercisable at the time of death for a period of one (1) year after the date of such death (or, if later, such time as the Option may be exercised pursuant to Section 15(d) hereof) or for the stated term of such Option, whichever period is shorter. "Disability" shall mean an Optionee's total and permanent disability; *provided* , that if Disability is defined in an employment agreement between the Company and the relevant Optionee, then, with respect to such Optionee, Disability shall have the meaning ascribed to it in such employment agreement.

(h) Termination by Reason of Retirement . Unless otherwise determined by the Committee, if any Optionee's employment with or service to the Company or any Subsidiary terminates by reason of Normal or Early Retirement (as such terms are defined below), any Option held by such Optionee may thereafter be exercised to the extent it was exercisable at the time of such Retirement (or on such accelerated basis as the Committee shall determine at or after grant), but may not be exercised after ninety (90) days after the date of such termination of employment or service (or, if later, such time as the Option may be exercised pursuant to Section 15(d) hereof) or the expiration of the stated term of such Option, whichever date is earlier; provided , however , that, if the Optionee dies within such ninety (90) day period, any unexercised Option held by such Optionee shall thereafter be exercisable, to the extent to which it was exercisable at the time of death, for a period of one (1) year after the date of such death (or, if later, such time as the Option may be exercised pursuant to Section 15(d) hereof) or for the stated term of such Option, whichever period is shorter.

For purposes of this paragraph (h), " Normal Retirement " shall mean retirement from active employment with the Company or any Subsidiary on or after the normal retirement date specified in the applicable Company or Subsidiary pension plan or if no such pension plan, age 65, and " Early Retirement " shall mean retirement from active employment with the Company or any Subsidiary pursuant to the early retirement provisions of the applicable Company or Subsidiary pension plan or if no such pension plan, age 55.

(i) Other Terminations . Unless otherwise determined by the Committee upon grant, if any Optionee's employment with or service to the Company or any Subsidiary is terminated by such Optionee for any reason other than death, Disability, Normal or Early Retirement or Good Reason (as defined below), the Option shall thereupon terminate, except that the portion of any Option that was exercisable on the date of such termination of employment or service may be exercised for the lesser of ninety (90) days after the date of termination (or, if later, such time as the Option may be exercised pursuant to Section 15(d) hereof) or the balance of such Option's term, which ever period is shorter. The transfer of an Optionee from the employ of or service to the Company to the employ of or service to a Subsidiary, or vice versa, or from one Subsidiary to another, shall not be deemed to constitute a termination of employment or service for purposes of the Plan.

(i) In the event that the Optionee's employment or service with the Company or any Subsidiary is terminated by the Company or such Subsidiary for "cause" any unexercised portion of any Option shall immediately terminate in its entirety. For purposes hereof, unless otherwise defined in an employment agreement between the Company and the relevant Optionee, "Cause" shall exist upon a good-faith determination by the Board, following a hearing before the Board at which an Optionee was represented by counsel and given an opportunity to be heard, that such Optionee has been accused of fraud, dishonesty or act detrimental to the interests of the Company or any Subsidiary of Company or that such Optionee has been accused of or convicted of an act of willful and material embezzlement or fraud against the Company or of a felony under any state or federal statute; provided , however , that it is specifically understood that "Cause" shall not include any act of commission or omission in the good-faith exercise of such Optionee's business judgment as a director, officer or employee of the Company, as the case may be, or upon the advice of counsel to the Company. Notwithstanding the foregoing, if Cause is defined in an employment agreement between the Company and the relevant Optionee, then, with respect to such Optionee, Cause shall have the meaning ascribed to it in such employment agreement.

(ii) In the event that an Optionee is removed as a director, officer or employee by the Company at any time other than for "Cause" or resigns as a director, officer or employee for "Good Reason" the Option granted to such Optionee may be exercised by the Optionee, to the extent the Option was exercisable on the date such Optionee ceases to be a director, officer or employee. Such Option may be exercised at any time within one (1) year after the date the Optionee ceases to be a director, officer or employee (or, if later, such time as the Option may be exercised pursuant to Section 15(d) hereof), or the date on which the Option otherwise expires by its terms; whichever period is shorter, at which time the Option shall terminate; provided , however , if the Optionee dies before the Options terminate and are no longer exercisable, the terms and provisions of Section 5(1) shall control. For purposes of this Section 5(i), and unless otherwise defined in an employment agreement between the Company and the relevant Optionee, Good Reason shall exist upon the occurrence of the following:

(A) the assignment to Optionee of any duties inconsistent with the position in the Company that Optionee held immediately prior to the assignment;

(B) a Change of Control resulting in a significant adverse alteration in the status or conditions of Optionee's participation with the Company or other nature of Optionee's responsibilities from those in effect prior to such Change of Control, including any significant alteration in Optionee's responsibilities immediately prior to such Change in Control; and

(C) the failure by the Company to continue to provide Optionee with benefits substantially similar to those enjoyed by Optionee prior to such failure.

Notwithstanding the foregoing, if Good Reason is defined in an employment agreement between the Company and the relevant Optionee, then, with respect to such Optionee, Good Reason shall have the meaning ascribed to it in such employment agreement.

(j) Limit on Value of Incentive Option . The aggregate Fair Market Value, determined as of the date the Incentive Option is granted, of Stock for which Incentive Options are exercisable for the first time by any Optionee during any calendar year under the Plan (and/or any other stock option plans of the Company or any Subsidiary) shall not exceed $100,000.

6. Terms and Conditions of Restricted Stock.

Restricted Stock may be granted under this Plan aside from, or in association with, any other award and shall be subject to the following conditions and shall contain such additional terms and conditions (including provisions relating to the acceleration of vesting of Restricted Stock upon a Change of Control), not inconsistent with the terms of the Plan, as the Committee shall deem desirable:

(a) Grantee rights . A Grantee shall have no rights to an award of Restricted Stock unless and until Grantee accepts the award within the period prescribed by the Committee and, if the Committee shall deem desirable, makes payment to the Company in cash, or by check or such other instrument as may be acceptable to the Committee. After acceptance and issuance of a certificate or certificates, as provided for below, the Grantee shall have the rights of a stockholder with respect to Restricted Stock subject to the non-transferability and forfeiture restrictions described in Section 6(d) below.

(b) Issuance of Certificates . The Company shall issue in the Grantee's name a certificate or certificates for the shares of Common Stock associated with the award promptly after the Grantee accepts such award.

(c) Delivery of Certificates . Unless otherwise provided, any certificate or certificates issued evidencing shares of Restricted Stock shall not be delivered to the Grantee until such shares are free of any restrictions specified by the Committee at the time of grant.

(d) Forfeitability, Non-transferability of Restricted Stock . Shares of Restricted Stock are forfeitable until the terms of the Restricted Stock grant have been satisfied. Shares of Restricted Stock are not transferable until the date on which the Committee has specified such restrictions have lapsed. Unless otherwise provided by the Committee at or after grant, distributions in the form of dividends or otherwise of additional shares or property in respect of shares of Restricted Stock shall be subject to the same restrictions as such shares of Restricted Stock.

(e) Change of Control . Upon the occurrence of a Change in Control as defined in Section 5(c), the Committee may accelerate the vesting of outstanding Restricted Stock, in whole or in part, as determined by the Committee, in its sole discretion.

(f) Termination of Employment . Unless otherwise determined by the Committee at or after grant, in the event the Grantee ceases to be an employee or otherwise associated with the Company for any other reason, all shares of Restricted Stock theretofore awarded to him which are still subject to restrictions shall be forfeited and the Company shall have the right to complete the blank stock power. The Committee may provide (on or after grant) that restrictions or forfeiture conditions relating to shares of Restricted Stock will be waived in whole or in part in the event of termination resulting from specified causes, and the Committee may in other cases waive in whole or in part restrictions or forfeiture conditions relating to Restricted Stock.

7. Terms and Conditions of Restricted Stock Units.

Restricted Stock Units may be granted under this Plan aside from, or in association with, any other award and shall be subject to the following conditions and shall contain such additional terms and conditions (including provisions relating to the acceleration of vesting of Restricted Stock Units upon a Change of Control), not inconsistent with the terms of the Plan, as the Committee shall deem desirable:

(a) Grantee rights . A Grantee shall have no rights to an award of Restricted Stock Units unless and until Grantee accepts the award within the period prescribed by the Committee.

(b) Form and Timing of Payment . Payment of earned Restricted Stock Units will be made as soon as practicable after the date(s) determined by the Committee and set forth in the Restricted Stock Unit agreement. The Committee, in its sole discretion, may only settle earned Restricted Stock Units in cash, shares of Common Stock, or a combination of both.

(c) Forfeitability, Non-transferability of Restricted Stock Units . Restricted Stock Units are forfeitable until the terms of the Restricted Stock Unit grant have been satisfied. Restricted Stock Units are not transferable until the date on which the Committee has specified such restrictions have lapsed.

(d) Change of Control . Upon the occurrence of a Change in Control as defined in Section 5(c), the Committee may accelerate the vesting of outstanding Restricted Stock Units, in whole or in part, as determined by the Committee, in its sole discretion.

(e) Termination of Employment . Unless otherwise determined by the Committee at or after grant, in the event the Grantee ceases to be an employee or otherwise associated with the Company for any other reason, all unvested Restricted Stock Units theretofore awarded to him shall be forfeited. The Committee may provide (on or after grant) that forfeiture conditions relating to Restricted Stock Units will be waived in whole or in part in the event of termination resulting from specified causes, and the Committee may in other cases waive in whole or in part forfeiture conditions relating to Restricted Stock Units.

8. Term of Plan.

No Option or award of Restricted Stock or Restricted Stock Units shall be granted pursuant to the Plan on or after the date which is ten years from the effective date of the Plan, but Options and awards of Restricted Stock and Restricted Stock Units theretofore granted may extend beyond that date.

9. Capital Change of the Company.

In the event of any merger, reorganization, consolidation, recapitalization, stock dividend, or other change in corporate structure affecting the Stock, the Committee shall make an appropriate and equitable adjustment in the number and kind of shares reserved for issuance under the Plan and in the number and option price of shares subject to outstanding Options granted under the Plan, to the end that after such event each Optionee's proportionate interest shall be maintained (to the extent possible) as immediately before the occurrence of such event. The Committee shall, to the extent feasible, make such other adjustments as may be required under the tax laws so that any Incentive Options previously granted shall not be deemed modified within the meaning of Section 424(h) of the Code. Appropriate adjustments shall also be made in the case of outstanding Restricted Stock and Restricted Stock Units granted under the Plan.

The adjustments described above will be made only to the extent consistent with continued qualification of the Option under Section 422 of the Code (in the case of an Incentive Option) and Section 409A of the Code.

10. Purchase for Investment/Conditions.

Unless the Options and shares covered by the Plan have been registered under the Securities Act of 1933, as amended (the " Securities Act "), or the Company has determined that such registration is unnecessary, each person exercising or receiving Options, Restricted Stock or Restricted Stock Units under the Plan may be required by the Company to give a representation in writing that he is acquiring the securities for his own account for investment and not with a view to, or for sale in connection with, the distribution of any part thereof. The Committee may impose any additional or further restrictions on awards of Options, Restricted Stock or Restricted Stock Units as shall be determined by the Committee at the time of award.

11. Taxes.

(a) The Company may make such provisions as it may deem appropriate, consistent with applicable law, in connection with any Options, Restricted Stock or Restricted Stock Units granted under the Plan with respect to the withholding of any taxes (including income or employment taxes) or any other tax matters. Unless provision is made, all tax obligations are the responsibility of the recipient of an Option, Restricted Stock or Restricted Stock Unit award hereunder.

(b) If any Grantee, in connection with the acquisition of Restricted Stock, makes the election permitted under Section 83(b) of the Code (that is, an election to include in gross income in the year of transfer the amounts specified in Section 83(b)), such Grantee shall notify the Company of the election with the Internal Revenue Service pursuant to regulations issued under the authority of Code Section 83(b).

(c) If any Grantee shall make any disposition of shares of Stock issued pursuant to the exercise of an Incentive Option under the circumstances described in Section 421(b) of the Code (relating to certain disqualifying dispositions), such Grantee shall notify the Company of such disposition within ten (10) days hereof.

12. Effective Date of Plan.

The Plan shall be effective upon the earlier to occur of its adoption by the Board or its approval by the stockholders of the Company; provided, however, that if, and only if, certain options are intended to qualify as Incentive Stock Options, the Plan is to be approved by the Company's stockholders no later than one-year after approval by the Board, and further, that in the event certain Option, Restricted Stock or Restricted Stock Unit grants hereunder are intended to qualify as performance-based compensation within the meaning of Section 162(m) of the Code, the requirements as to stockholder approval set forth in Section 162(m) of the Code are satisfied. If the Plan is not adopted by the stockholders, then any grant of an Option that may continue by its terms, will be considered a non-qualified stock option rather than a qualified option.

13. Amendment and Termination.

The Board may amend, suspend, or terminate the Plan, except that no amendment shall be made that would impair the rights of any Participant under any Option, Restricted Stock or Restricted Stock Units theretofore granted without the Participant's consent, and except that no amendment shall be made which, without the approval of the stockholders of the Company would:

(a) materially increase the number of shares that may be issued under the Plan, except as is provided in Section 8;

(b) materially increase the benefits accruing to the Participants under the Plan;

(c) materially modify the requirements as to eligibility for participation in the Plan;

(d) decrease the exercise price of an Incentive Option to less than 100% of the Fair Market Value per share of Stock on the date of grant thereof or the exercise price of a Nonqualified Option to less than 100% of the Fair Market Value per share of Stock on the date of grant thereof; or

(e) extend the term of any Option beyond that provided for in Section 5(b).

(f) except as otherwise provided in Sections 5(d) and 8 hereof, reduce the exercise price of outstanding Options or effect repricing through cancellations and re-grants of new Options.

Subject to the forgoing, the Committee may amend the terms of any Option, Restricted Stock or Restricted Stock Units theretofore granted, prospectively or retrospectively, but no such amendment shall impair the rights of any Participant without the Participant's consent.

It is the intention of the Board that the Plan comply strictly with the provisions of Section 409A of the Code and Treasury Regulations and other Internal Revenue Service guidance promulgated thereunder (the " Section 409A Rules ") and the Committee shall exercise its discretion in granting awards hereunder (and the terms of such awards), accordingly. The Plan and any grant of an award hereunder may be amended from time to time (without, in the case of an award, the consent of the Participant) as may be necessary or appropriate to comply with the Section 409A Rules.

14. Government Regulations.

The Plan, and the grant and exercise of Options, Restricted Stock or Restricted Stock Units hereunder, and the obligation of the Company to sell and deliver shares under such Options, Restricted Stock and Restricted Stock Units shall be subject to all applicable laws, rules and regulations, and to such approvals by any governmental agencies, national securities exchanges and interdealer quotation systems as may be required.

15. General Provisions.

(a) Certificates . All certificates for shares of Stock delivered under the Plan shall be subject to such stop transfer orders and other restrictions as the Committee may deem advisable under the rules, regulations and other requirements of the Securities and Exchange Commission, or other securities commission having jurisdiction, any applicable Federal or state securities law, any stock exchange or interdealer quotation system upon which the Stock is then listed or traded and the Committee may cause a legend or legends to be placed on any such certificates to make appropriate reference to such restrictions.

(b) Employment Matters . Neither the adoption of the Plan nor any grant or award under the Plan shall confer upon any Participant who is an employee of the Company or any Subsidiary any right to continued employment or, in the case of a Participant who is a director, continued service as a director, with the Company or a Subsidiary, as the case may be, nor shall it interfere in any way with the right of the Company or any Subsidiary to terminate the employment of any of its employees, the service of any of its directors or the retention of any of its consultants or advisors at any time.

(c) Limitation of Liability . No member of the Committee, or any officer or employee of the Company acting on behalf of the Committee, shall be personally liable for any action, determination or interpretation taken or made in good faith with respect to the Plan, and all members of the Committee and each and any officer or employee of the Company acting on their behalf shall, to the extent permitted by law, be fully indemnified and protected by the Company in respect of any such action, determination or interpretation.

(d) Registration of Stock . Notwithstanding any other provision in the Plan, no Option may be exercised unless and until the Stock to be issued upon the exercise thereof has been registered under the Securities Act and applicable state securities laws, or are, in the opinion of counsel to the Company, exempt from such registration in the United States. The Company shall not be under any obligation to register under applicable federal or state securities laws any Stock to be issued upon the exercise of an Option or vesting of Restricted Stock Units granted hereunder in order to permit the exercise of an Option or vesting of Restricted Stock Units and the issuance and sale of the Stock subject to such Option or Restricted Stock Units, although the Company may in its sole discretion register such Stock at such time as the Company shall determine. If the Company chooses to comply with such an exemption from registration, the Stock issued under the Plan may, at the direction of the Committee, bear an appropriate restrictive legend restricting the transfer or pledge of the Stock represented thereby, and the Committee may also give appropriate stop transfer instructions with respect to such Stock to the Company's transfer agent.

16. Non-Uniform Determinations.

The Committee's determinations under the Plan, including, without limitation, (i) the determination of the Participants to receive awards, (ii) the form, amount and timing of such awards, (iii) the terms and provisions of such awards and (iii) the agreements evidencing the same, need not be uniform and may be made by it selectively among Participants who receive, or who are eligible to receive, awards under the Plan, whether or not such Participants are similarly situated.

17. Governing Law.

The validity, construction, and effect of the Plan and any rules and regulations relating to the Plan shall be determined in accordance with the internal laws of the State of Nevada, without giving effect to principles of conflicts of laws, and applicable federal law.

Exhibit 10.4

CONSULTING AGREEMENT

THIS AGREEMENT (the "Agreement"), is made and entered into as of this 3rd day of August, 2017, by and between **Benjamin Binh Tran** , an individual, with address at 49 Monterey Pine Drive, Newport Coast, CA 92657 (the "Consultant"), and International Western Petroleum, Inc. , a Nevada corporation, with offices at 5525 N. MacArthur Boulevard, Suite 280, Irving TX 75038 (the "Company") (together the "Parties").

WHEREAS , Consultant is in the business of providing corporate growth services related to capital markets, funding assistance, M&A, globalization strategies, shareholder information and public relations;

WHEREAS , the Company deems it to be in its best interest to retain Consultant to render to the Company such services as may be needed; and

WHEREAS, the Parties desire to set forth the terms and conditions under which Consultant shall provide services to the Company.

NOW, THEREFORE , in consideration of the mutual promises and covenants herein contained, and other valid consideration, receipt of which is hereby acknowledged, the Parties agree as follows:

Term of Agreement

The Agreement shall remain in effect from the date hereof through the expiration of a period of twenty-four (24) months from the date hereof (the "Term"), and thereafter may be renewed upon the mutual written consent of the Parties.

Nature of Services to be rendered.

During the Term and any renewal thereof, Consultant shall use its experience and knowledge and connections to:

(a) provide the Company with corporate consulting services in connection with introductions to funding sources including but not limited to private equity funds, hedge funds, family offices, institutional investors, investment banks; and
(b) frequently communicate with existing shareholders, responding in a professional manner to their questions and following up as appropriate; and
(c) support the Company to execute its M&A strategies to accelerate growth in capital markets via introduction of and negotiation with M&A candidates; and
(d) develop international markets for the Company whenever appropriate via facilitation of new relationships and partnerships with international customers and/or partners; and
(e) assist the Company in listing its common stock on a national securities exchange; and
(f) serve as a catalyst to introduce the Company to various securities dealers, investment advisors, analysts, media channels, funding sources and other members of the financial community with whom Consultant has established relationships, and generally assist the Company in its efforts to enhance its visibility in the financial community via selected Investor Relations (IR) and Public Relations (PR) firms which deem to be effective and suitable to the Company's corporate growth toward capital markets (collectively, the "Services").

It is acknowledged and agreed by the Company that Consultant carries no professional licenses, and is not rendering legal advice or performing accounting services, nor acting as an investment advisor or broker/dealer within the meaning of the applicable state and federal securities laws. The Services of Consultant shall not be exclusive nor shall Consultant be required to render any specific number of hours or assign specific personnel to the Company or its projects, however it is anticipated and agreed upon by both parties that considerable time and resources will be required to fulfill the obligations to the Company under this agreement. The Consultant shall specifically not provide any of the following services to the Company: (i) negotiation for the sale of any the Company's securities; (ii) discuss details of the nature of the securities sold or whether recommendations were made concerning the sale of the securities; (iii) engage in due diligence activities; (iv) provide advice relating to the valuation of or the financial advisability of any investments in the Company; or (v) handle any funds or securities on behalf of the Company.

Disclosure of Information

The Consultant shall NOT disclose to any third party any material non-public information or data received from the Company without the prior written consent and approval of the Company other than: (i) to its agents or representatives that have a need to know in connection with the Services hereunder; provided such agents and representatives have a similar obligation to maintain the confidentiality of such information; (ii) as may be required by applicable law; provided, Consultant shall provide prompt prior written notice thereof to the Company to enable the Company to seek a protective order or otherwise prevent such disclosure; and (iii) such information as becomes publicly known through no action of the Consultant, or its agents or representatives.

Compensation.

As soon as practicable after the date of this Agreement, the Company will issue to the Consultant an option pursuant to the terms of the 2017 Stock Award Plan for the right to acquire up to an aggregate of 720,000 shares of the Company's common stock, as compensation for the services rendered hereunder, the number of shares subject to the option to be subject to changes due to a reverse split of shares of the Company from the date hereof. The vesting of the shares subject to the option will be a time based, vesting monthly at the rate of 30,000 shares, commencing with first calendar day after the date of this Agreement. The exercise price will be $0.01 per share, and exercisable commencing one year from the date hereof ending on the date that is three years from the date hereof, and include a cashless exercise provision. Consultant will be responsible for all taxes and other costs related to the acquisition and transfer of the option and the underlying shares. Separately, in the discretion of the Board of Directors of the Company (the "Board') or committee designated by the Board to make determinations pursuant to the 2017 Stock Award Plan, the Company will consider and award either one or more options or restricted stock awards of up to an aggregate of 560,000 shares of the Company's common stock to the Consultant from time to time, based on the performance of the Consultant during the term of this Agreement with respect to the services hereunder, the option or award to be issued under the 2017 Stock Award Plan, if at all, on the terms as determined by the Board or committee designated by the Board to make determinations pursuant to the 2017 Stock Award Plan. The foregoing awards or potential equity award amounts will be proportionately and equitably adjusted for any corporate actions, such as a stock dividends and reverse stock splits.

The Company will pay to Consultant a monthly cash consulting fee of $9,000.00.

The Board will review the cash compensation amount on a quarterly basis to see if it should be adjusted upwards. The review does not constitute any obligation to change the cash compensation amount, and any change is entirely in the discretion of the Board.

Representations and Warranties of the Consultant.

In order to induce the Company to enter into this Agreement, the Consultant hereby makes the following unconditional representations and warranties:

In connection with its execution of and performance under this Agreement, the Consultant will not take any action that will cause the Company to become required to make any filings with or to register in any capacity with the Securities and Exchange Commission (the "SEC"), the FINRA, the securities commissioner or department of any state, or any other regulatory or governmental body or agency. Neither the Consultant nor any of its designees is subject to any sanction or restriction imposed by the SEC, the FINRA, any state securities commission or department, or any other regulatory or governmental body or agency, which would prohibit, limit or curtail the Consultant's execution of this Agreement or the performance of its obligation hereunder. The Consultant is permitted to provide consulting services to any corporation or entity engaged in a business identical or similar to the Company's. The Consultant has full power to execute and deliver this Agreement.

Duties of the Company.

The Company will supply Consultant, on a regular basis with all approved data and information about the Company, its management, its products, and its operations as reasonably requested by Consultant and which the Company determines and can be reasonably obtained. The Company shall be responsible for advising Consultant of any facts which would affect the accuracy of any prior data and information previously supplied to Consultant so that the Consultant may take corrective action.

Representations and Warranties of the Company.

The Company hereby makes the following unconditional representations and warranties:

The Company is not subject to any restriction imposed by the SEC or by operation of the Securities Act of 1933, as amended (the "1933 Act"), the Exchange Act of 1934, as amended (the "1934 Act") or any of the rules and regulations promulgated under the 1933 Act or the 1934 Act which prohibit its execution of this Agreement or the performance of its obligations to the Consultant set forth herein. During the preceding year, the Company has not been sanctioned by the SEC, FINRA or any state securities commissioner or department in connection with any issuance of its securities. All payments required to be made on time and in accordance with the payment terms and conditions set forth herein.

Compliance with Securities Laws

The Parties acknowledge and agree that the Company is subject to the requirements of the 1933 Act, the 1934 Act, the rules and regulations promulgated thereunder and the various state securities laws (collectively, "Securities Laws"). The Securities Laws impose significant burdens and limitations on the dissemination of certain information about the Company by the Company and by persons acting for or on behalf of the Company. Each of the Parties agrees to comply with all applicable Securities Laws in carrying out its obligations under the Agreement; and without limiting the generality of the foregoing, the Company hereby agrees (i) all information about the Company provided to the Consultant by the Company, which the Company expressly agrees may be disseminated to the public by the Consultant in providing Services pursuant to the Agreement, shall not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements made, in light of the circumstances in which they were made, not misleading, (ii) the Company shall promptly notify the Consultant if it becomes aware that it has publicly made any untrue statement of a material fact regarding the Company or has omitted to state any material fact necessary to make the public statements made by the Company, in light of the circumstances in which they were made, not misleading, and (iii) the Company shall promptly notify the Consultant of any "quiet period" or "blackout period" or other similar period during which public statements by or on behalf of the Company are restricted by any Securities Law. Each Party (an "indemnifying party") hereby agrees, to the full extent permitted by applicable law, to indemnify and hold harmless the other Party (the "indemnified party") for any damages caused to the indemnified party by the indemnifying party's breach or violation of any Securities Law, except to the extent that the indemnifying party's breach or violation of a Securities Law is caused by the indemnified party's breach or violation of the Agreement, or any Securities Law.

Issuance of Option Agreement to Consultant

The required option agreement under this Agreement shall be issued from a 2017 Stock Award Plan as duly authorized, fully-paid and non-assessable securities. The Company shall take all corporate action necessary for the issuance of the restricted stock, including obtaining the prior approval of the Board.

Indemnification of Consultant by the Company.

The Company acknowledges that the Consultant relies on information provided by the Company in connection with the provisions of Services hereunder and represents that said information does not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements made, in light of the circumstances in which they were made, not misleading, and agrees to hold harmless and indemnify the Consultant for claims against the Consultant as a result of any breach of such representation and for any claims relating to the purchase and/or sale of the Company's securities occurring out of or in connection with the Consultant's relationship with the Company including, without limitation, reasonable attorney's fees and other costs arising out of any such claims; provided, however, that the Company will not be liable in any such case for losses, claims, damages, liabilities or expenses that arise from the gross negligence or willful misconduct of the Consultant.

Indemnification of the Company by the Consultant.

The Consultant shall identify and hold harmless the Company and its principals from and against any and all liabilities and damages arising out of any the Consultant's gross negligence or intentional breach of its representations, warranties or agreements made hereunder.

Applicable Law.

It is the intention of the parties hereto that this Agreement and the performance hereunder and all suits and special proceedings hereunder be construed in accordance with and under and pursuant to the laws of the State of Nevada and that in any action, special proceeding or other proceedings that may be brought arising out of, in connection with or by reason of this Agreement, the law of the State of Nevada shall be applicable and shall govern to the exclusion of the law of any other forum, without regard to the jurisdiction on which any action or special proceeding may be instituted.

Disputes .

Any conflicts, disputes and disagreements arising out of or in connection with the Agreement, shall be subject to state court in Nevada.

Entire Understanding/Incorporation of other Documents.

The Agreement attached hereto contains the entire understanding of the Parties with regard to the subject matter hereof, superseding any and all prior agreements or understandings whether oral or written, and no further or additional agreements, promises, representations or covenants may be inferred or construed to exist between the Parties.

No Assignment or Delegation Without Prior Approval.

No portion of the Agreement or any of its provisions may be assigned, nor obligations delegated, to any other person or party without the prior written consent of the Parties except by operation of law or as otherwise set forth herein.

Survival of Agreement.

The Agreement and all of its terms shall inure to the benefit of any permitted assignees of or lawful successors to either Party.

Independent Contractor.

Consultant agrees to perform its consulting duties hereto as an independent contractor. Nothing contained herein shall be considered as creating an employer-employee relationship between the parties to this Agreement.

No Amendment Except in Writing.

Neither the Agreement nor any of its provisions may be altered or amended except in a dated writing signed by the Parties.

Waiver of Breach.

No waiver of any breach of any provision hereof shall be deemed to constitute a continuing waiver or a waiver of any other portion of the Agreement.

Severability of the Agreement.

Except as otherwise provided herein, if any provision hereof is deemed by a court of competent jurisdiction to be legally unenforceable or void, such provision shall be stricken from the Agreement and the remainder hereof shall remain in full force and effect.

Termination of the Agreement.

The Company may terminate the Agreement on the three (3) month anniversary of the date of this Agreement or thereafter at any time, with or without cause, in the discretion of the Company, by providing written notification to the Consultant. The notice may be sent in advance so as to provide for termination on the three (3) month anniversary of the date of this Agreement or such other date as indicated in the notice of termination after the three (3) month anniversary. The Agreement will terminate five days following the date of receipt of the written notification by the Consultant ("Date of Termination"). In the event of termination of the Agreement by the Company, the Consultant shall be entitled to keep any and all fees through the Date of Termination and Company stock that is issued and outstanding held by the Consultant or vested from the Company under this Agreement prior to the Date of Termination.

Counterparts and Facsimile Signature.

This Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument. Execution and delivery of this Agreement by exchange of electronic copies bearing the signature of a party hereto shall constitute a valid and binding execution and delivery of this Agreement by such party. Such electronic copies shall constitute enforceable original documents.

No Construction Against Drafter.

The Agreement shall be construed without regard to any presumption or other requiring construction against the Party causing the drafting hereof.

IN WITNESS WHEREOF , the parties hereto have duly executed and delivered this Agreement, effective as of the date set forth above.

International Western Petroleum, Inc.	**Consultant**
By: _____	**By:** _____
Patrick Norris , authorized corporate signatory	Benjamin Binh Tran

Exhibit 10.5

CONSULTING AGREEMENT

THIS AGREEMENT (the "Agreement"), is made and entered into as of this 3nd day of August, 2017, by and between **Ross Henry Ramsey** , an individual, with address at 154 Oakwood Creek Lane, Weatherford, TX 76088 (the "Consultant"), and International Western Petroleum, Inc. , a Nevada corporation, with offices at 5525 N. MacArthur Boulevard, Suite 280, Irving TX 75038 (the "Company") (together the "Parties").

WHEREAS , Consultant is in the business of oil and gas exploration and production;

WHEREAS , the Company deems it to be in its best interest to retain Consultant to render to the Company such services as may be needed; and

WHEREAS, the Parties desire to set forth the terms and conditions under which Consultant shall provide services to the Company.

NOW, THEREFORE , in consideration of the mutual promises and covenants herein contained, and other valid consideration, receipt of which is hereby acknowledged, the Parties agree as follows:

Term of Agreement

The Agreement shall remain in effect from the date hereof through the expiration of a period of twenty-four (24) months from the date hereof (the "Term"), and thereafter may be renewed upon the mutual written consent of the Parties.

Nature of Services to be rendered.

During the Term and any renewal thereof, Consultant shall use its experience and knowledge and connections to:

(a) provide the Company with management of exploration and production projects including but not limited to existing productions of International Western Petroleum, Inc.; and
(b) support the Company to execute its M&A strategies to accelerate growth in oil and gas production and development (collectively, the "Services").

It is acknowledged and agreed by the Company that Consultant carries no professional licenses, and is not rendering legal advice or performing accounting services, nor acting as an investment advisor or broker/dealer within the meaning of the applicable state and federal securities laws. The Services of Consultant shall not be exclusive nor shall Consultant be required to render any specific number of hours or assign specific personnel to the Company or its projects, however it is anticipated and agreed upon by both parties that considerable time and resources will be required to fulfill the obligations to the Company under this agreement. The Consultant shall specifically not provide any of the following services to the Company: (i) negotiation for the sale of any the Company's securities; (ii) discuss details of the nature of the securities sold or whether recommendations were made concerning the sale of the securities; (iii) engage in due diligence activities; (iv) provide advice relating to the valuation of or the financial advisability of any investments in the Company; or (v) handle any funds or securities on behalf of the Company.

Disclosure of Information

The Consultant shall NOT disclose to any third party any material non-public information or data received from the Company without the prior written consent and approval of the Company other than: (i) to its agents or representatives that have a need to know in connection with the Services hereunder; provided such agents and representatives have a similar obligation to maintain the confidentiality of such information; (ii) as may be required by applicable law; provided, Consultant shall provide prompt prior written notice thereof to the Company to enable the Company to seek a protective order or otherwise prevent such disclosure; and (iii) such information as becomes publicly known through no action of the Consultant, or its agents or representatives.

Compensation.

As soon as practicable after the date of this Agreement, the Company will issue to the Consultant an option pursuant to the terms of the 2017 Stock Award Plan for the right to acquire up to an aggregate of 720,000 shares of the Company's common stock, as compensation for the services rendered hereunder, the number of shares subject to the option to be subject to changes due to a reverse split of shares of the Company from the date hereof. The vesting of the shares subject to the option will be a time based, vesting monthly at the rate of 30,000 shares, commencing with first calendar day after the date of this Agreement. The exercise price will be $0.01 per share, and exercisable commencing one year from the date hereof ending on the date that is three years from the date hereof, and include a cashless exercise provision. Consultant will be responsible for all taxes and other costs related to the acquisition and transfer of the option and the underlying shares. Separately, in the discretion of the Board of Directors of the Company (the "Board') or committee designated by the Board to make determinations pursuant to the 2017 Stock Award Plan, the Company will consider and award either one or more options or restricted stock awards of up to an aggregate of 960,000 shares of the Company's common stock to the Consultant from time to time, based on the performance of the Consultant during the term of this Agreement with respect to the services hereunder, the option or award to be issued under the 2017 Stock Award Plan, if at all, on the terms as determined by the Board or committee designated by the Board to make determinations pursuant to the 2017 Stock Award Plan. The foregoing awards or potential equity award amounts will be proportionately and equitably adjusted for any corporate actions, such as a stock dividends and reverse stock splits.

The Company will pay to Consultant a monthly cash consulting fee of $6,600.00.

The Board will review the cash compensation amount on a quarterly basis to see if it should be adjusted upwards. The review does not constitute any obligation to change the cash compensation amount, and any change is entirely in the discretion of the Board.

Working Title.

Consultant will serve the Company as President of Exploration and Production to render the Services. This position will not be considered an "executive officer" position for purposes of SEC reporting.

Representations and Warranties of the Consultant.

In order to induce the Company to enter into this Agreement, the Consultant hereby makes the following unconditional representations and warranties:

In connection with its execution of and performance under this Agreement, the Consultant will not take any action that will cause the Company to become required to make any filings with or to register in any capacity with the Securities and Exchange Commission (the "SEC"), the FINRA, the securities commissioner or department of any state, or any other regulatory or governmental body or agency. Neither the Consultant nor any of its designees is subject to any sanction or restriction imposed by the SEC, the FINRA, any state securities commission or department, or any other regulatory or governmental body or agency, which would prohibit, limit or curtail the Consultant's execution of this Agreement or the performance of its obligation hereunder. The Consultant is permitted to provide consulting services to any corporation or entity engaged in a business identical or similar to the Company's. The Consultant has full power to execute and deliver this Agreement.

Duties of the Company.

The Company will supply Consultant, on a regular basis with all approved data and information about the Company, its management, its products, and its operations as reasonably requested by Consultant and which the Company determines and can be reasonably obtained. The Company shall be responsible for advising Consultant of any facts which would affect the accuracy of any prior data and information previously supplied to Consultant so that the Consultant may take corrective action.

Representations and Warranties of the Company.

The Company hereby makes the following unconditional representations and warranties:

The Company is not subject to any restriction imposed by the SEC or by operation of the Securities Act of 1933, as amended (the "1933 Act"), the Exchange Act of 1934, as amended (the "1934 Act") or any of the rules and regulations promulgated under the 1933 Act or the 1934 Act which prohibit its execution of this Agreement or the performance of its obligations to the Consultant set forth herein. During the preceding year, the Company has not been sanctioned by the SEC, FINRA or any state securities commissioner or department in connection with any issuance of its securities. All payments required to be made on time and in accordance with the payment terms and conditions set forth herein.

Compliance with Securities Laws

The Parties acknowledge and agree that the Company is subject to the requirements of the 1933 Act, the 1934 Act, the rules and regulations promulgated thereunder and the various state securities laws (collectively, "Securities Laws"). The Securities Laws impose significant burdens and limitations on the dissemination of certain information about the Company by the Company and by persons acting for or on behalf of the Company. Each of the Parties agrees to comply with all applicable Securities Laws in carrying out its obligations under the Agreement; and without limiting the generality of the foregoing, the Company hereby agrees (i) all information about the Company provided to the Consultant by the Company, which the Company expressly agrees may be disseminated to the public by the Consultant in providing Services pursuant to the Agreement, shall not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements made, in light of the circumstances in which they were made, not misleading, (ii) the Company shall promptly notify the Consultant if it becomes aware that it has publicly made any untrue statement of a material fact regarding the Company or has omitted to state any material fact necessary to make the public statements made by the Company, in light of the circumstances in which they were made, not misleading, and (iii) the Company shall promptly notify the Consultant of any "quiet period" or "blackout period" or other similar period during which public statements by or on behalf of the Company are restricted by any Securities Law. Each Party (an "indemnifying party") hereby agrees, to the full extent permitted by applicable law, to indemnify and hold harmless the other Party (the "indemnified party") for any damages caused to the indemnified party by the indemnifying party's breach or violation of any Securities Law, except to the extent that the indemnifying party's breach or violation of a Securities Law is caused by the indemnified party's breach or violation of the Agreement, or any Securities Law.

Issuance of Option Agreement to Consultant

The required option agreement under this Agreement shall be issued from a 2017 Stock Award Plan as duly authorized, fully-paid and non-assessable securities. The Company shall take all corporate action necessary for the issuance of the restricted stock, including obtaining the prior approval of the Board.

Indemnification of Consultant by the Company.

The Company acknowledges that the Consultant relies on information provided by the Company in connection with the provisions of Services hereunder and represents that said information does not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements made, in light of the circumstances in which they were made, not misleading, and agrees to hold harmless and indemnify the Consultant for claims against the Consultant as a result of any breach of such representation and for any claims relating to the purchase and/or sale of the Company's securities occurring out of or in connection with the Consultant's relationship with the Company including, without limitation, reasonable attorney's fees and other costs arising out of any such claims; provided, however, that the Company will not be liable in any such case for losses, claims, damages, liabilities or expenses that arise from the gross negligence or willful misconduct of the Consultant.

Indemnification of the Company by the Consultant.

The Consultant shall identify and hold harmless the Company and its principals from and against any and all liabilities and damages arising out of any the Consultant's gross negligence or intentional breach of its representations, warranties or agreements made hereunder.

Applicable Law.

It is the intention of the parties hereto that this Agreement and the performance hereunder and all suits and special proceedings hereunder be construed in accordance with and under and pursuant to the laws of the State of Nevada and that in any action, special proceeding or other proceedings that may be brought arising out of, in connection with or by reason of this Agreement, the law of the State of Nevada shall be applicable and shall govern to the exclusion of the law of any other forum, without regard to the jurisdiction on which any action or special proceeding may be instituted.

Disputes .

Any conflicts, disputes and disagreements arising out of or in connection with the Agreement, shall be subject to state court in Nevada.

Entire Understanding/Incorporation of other Documents.

The Agreement attached hereto contains the entire understanding of the Parties with regard to the subject matter hereof, superseding any and all prior agreements or understandings whether oral or written, and no further or additional agreements, promises, representations or covenants may be inferred or construed to exist between the Parties.

No Assignment or Delegation Without Prior Approval.

No portion of the Agreement or any of its provisions may be assigned, nor obligations delegated, to any other person or party without the prior written consent of the Parties except by operation of law or as otherwise set forth herein.

Survival of Agreement.

The Agreement and all of its terms shall inure to the benefit of any permitted assignees of or lawful successors to either Party.

Independent Contractor.

Consultant agrees to perform its consulting duties hereto as an independent contractor. Nothing contained herein shall be considered as creating an employer-employee relationship between the parties to this Agreement.

No Amendment Except in Writing.

Neither the Agreement nor any of its provisions may be altered or amended except in a dated writing signed by the Parties.

Waiver of Breach.

No waiver of any breach of any provision hereof shall be deemed to constitute a continuing waiver or a waiver of any other portion of the Agreement.

Severability of the Agreement.

Except as otherwise provided herein, if any provision hereof is deemed by a court of competent jurisdiction to be legally unenforceable or void, such provision shall be stricken from the Agreement and the remainder hereof shall remain in full force and effect.

Termination of the Agreement.

The Company may terminate the Agreement on the three (3) month anniversary of the date of this Agreement or thereafter at any time, with or without cause, in the discretion of the Company, by providing written notification to the Consultant. The notice may be sent in advance so as to provide for termination on the three (3) month anniversary of the date of this Agreement or such other date as indicated in the notice of termination after the three (3) month anniversary. The Agreement will terminate five days following the date of receipt of the written notification by the Consultant ("Date of Termination"). In the event of termination of the Agreement by the Company, the Consultant shall be entitled to keep any and all fees through the Date of Termination and Company stock that is issued and outstanding held by the Consultant or vested from the Company under this Agreement prior to the Date of Termination.

Counterparts and Facsimile Signature.

This Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument. Execution and delivery of this Agreement by exchange of electronic copies bearing the signature of a party hereto shall constitute a valid and binding execution and delivery of this Agreement by such party. Such electronic copies shall constitute enforceable original documents.

No Construction Against Drafter.

The Agreement shall be construed without regard to any presumption or other requiring construction against the Party causing the drafting hereof.

IN WITNESS WHEREOF , the parties hereto have duly executed and delivered this Agreement, effective as of the date set forth above.

International Western Petroleum, Inc.	**Consultant**
By: _____	**By:** _____
Patrick Norris , authorized corporate signatory	Ross Henry Ramsey

Exhibit 10.6

TERMINATION OF CONSULTING AGREEMENT

(Odyssey Enterprises, LLC vs. International Western Petroleum)

THIS TERMINATION AGREEMENT (the " Agreement ") is made and entered into as of the 28th day of July 2017, by and between **Odyssey Enterprises, LLC** (hereinafter referred to as " Consultant ") who had executed the consulting agreement with **International Western Petroleum, Inc** ., a Nevada corporation (the " Company ") on July 21, 2016.

W I T N E S S E T H:

WHEREAS, the Consultant owns **2,300,000** shares of common stock (the " Common Stock ") of the Company; and

WHEREAS, the Consultant and the Company desire to terminate their agreement to remove its non-dilutable clause in Section 5 (the Compensation section), and the Consultant remains its ownership of **2,300,000** shares of Common Stock (the " Shares ");

WHEREFORE, the parties hereto hereby agree as follows:

1. Consulting Services . The Consultant has fulfilled its consulting service obligation with the Company and will consider assisting the Company in its corporate development effort in the future without any obligation. The parties hereto agree that the consulting agreement under which the services had been provided is hereby terminated.

2. Release . The Consultant hereby releases the Company from any and all claims, whether known or unknown, that the Consultant has or may have against the Company (except for all Terms and Conditions outlined in the separate Marshall Walden Joint Venture Agreement executed between the Company and Consultant) as of the date hereof. Additionally, for clarity, the anti-dilution (non-dilutable clause in Section 5 of the consulting agreement) and additional share provisions of any agreements between the Company and the Consultant are hereby terminated.

3. Consideration . As consideration for the release herein set forth, the Company will issue to the Consultant or its designees 200,000 shares of common stock, which shares shall be restricted stock and bear an appropriate legend to that effect.

IN WITNESS WHEREOF , the parties hereto have caused this Agreement to be duly executed as of the date first above written.

INTERNATIONAL WESTERN PETROLEUM, INC.

By: _____
Name: Benjamin Tran, Chairman

ODYSSEY ENTERPRISES, LLC

By: _____
Printed Name: JOSEPH ROGERS, President
Address: 235 Apollo Beach, #248
Apollo Beach, FL 33572

Exhibit 10.7

SECURED PROMISSORY NOTE AS AMENDED AND RESTATED

Loan Amount: $750,000

Date: August 3, 2017 (Second Funding Date)

1. **Loan Modification** . On April 11, 2017, JBB Partners, Inc. (the **Holder** , as defined below), funded from funds held in escrow for Norris International Services LLC the sum of $200,000 under a Secured Promissory Note executed by International Western Petroleum, Inc. (the **Borrower** , as defined below) executed and delivered to the Holder on or about April 10, 2017. The Holder and Borrower wish to modify the Original Note (as defined below) and Agreement (as defined below), and amend and restated the same to increase the loan principle to an aggregate of $750,000, including the advance made on April 11, 2017, and modify and add certain other provisions as stated herein, including elimination of collateral that secures the Loan. As to the pledged shares which provide certain security for the repayment of the Loan, by execution of this Secured Promissory Note As Amended and Restated, the shares are hereby released and the Stock Pledge Agreements of Messrs. Tran and Ramsey are hereby terminated in all respects.

2. **Promise to Pay** . For value received, **INTERNATIONAL WESTERN PETROLEUM, INC.** , a Nevada corporation (the " **Borrower** ") promises to pay to **JBB Partners, Inc.** (the " **Holder** "), at c/o 409 Terrell Court, New Iberia, La. 70563, or at such other place as the Holder may designate in writing (the " **Payment Office** "), in lawful money of the United States of America, the principal sum of **SEVEN HUNDRED FIFTY THOUSAND DOLLARS ($750,000)** , or if different, the amount then due and owing to the Holder pursuant to the terms hereof, along with interest from the Effective Date (defined below) until maturity or repayment at the rates per annum as set forth below and such other unpaid Obligations (defined below) owing from time to time.

3. (a) **Certain Defined Terms** . The following terms as used in this promissory note (this " **Note** ") shall have the respective meanings set forth opposite such terms below, such meanings to be applicable equally to both the singular and plural forms of such terms:

" **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.

" **Applicable Rate** " means a rate per annum equal to 3.00%.

" **Change of Control** " means after the Second Funding Date the consummation of a transaction whereby either (i) the board of directors of the Borrower shall cease to consist of a majority of Continuing Directors, (ii) any "person" or "group" (as such terms are used for purposes of Sections 13(d) and 14(d) of the Securities and Exchange Act of 1934, as amended) is or becomes the "beneficial owner" (as such term is used in Rule 13d−3 under the Securities and Exchange Act of 1934, as amended, except that a person will be deemed to have "beneficial ownership" of all shares that any such person has the right to acquire, whether such right is exercisable immediately or only after the passage of time), directly or indirectly, of more than 35% of the voting and/or economic interest in the capital stock of the Borrower, or (iii) the Borrower shall enter into an agreement or consummate an agreement for the sale of all or substantially all its assets. Specifically, excluded is any change of control event where affiliates of the Holder acquire securities of the Borrower.

" **Collateral** " means the rights, title and interest in the real and personal property and fixtures of the Borrower.

" **Continuing Directors** " means the directors of the Borrower on the Second Funding Date of this Note, other than directors after the Second Funding Date that are Affiliates of the Holder or appointed or proposed by the Holder or its Affiliates.

" **Effective Date** " means April 11, 2017 as to $200,000 of principle and means the Second Funding Date as to $550,000 of principle.

" **Lien** " means any security interest, mortgage, pledge, hypothecation, assignment, deposit arrangement, encumbrance, lien (statutory or otherwise), charge against or interest in property of the Company to secure payment of a debt or performance of an obligation or other priority or preferential arrangement of any kind or nature whatsoever.

" **Loan Parties** " means collectively, the Borrower and the Holder.

" **Maturity Date** " means the date this matures pursuant to Section 3 .

" **Permitted Liens** " means (i) the Liens in existence on the Second Funding Date of this Note and set forth on Schedule II, Part A hereto and any Liens granted or arising in substitution or replacement thereof, (ii) Liens of the Holder securing the Obligations, (iii) Liens for taxes, assessments and governmental charges the payment of which is not required under Section 6(f) , (iv) Liens imposed by law, such as carriers', warehousemen's, mechanics', materialmen's and other similar Liens arising in the ordinary course of business and securing obligations (other than indebtedness for borrowed money) that are not overdue by more than 30 days or are being contested in good faith and by appropriate proceedings promptly initiated and diligently conducted, and a reserve or other appropriate provision shall have been made therefor, (v) bankers Liens on deposits and deposit accounts maintained by it, and (vi) pledges or deposits in connection with workers compensation.

" **Person** " means an individual, partnership, corporation, limited liability company, business trust, joint stock company, trust, unincorporated association, joint venture, governmental authority or other entity of whatever nature.

" **Second Funding Date** " means the date that $550,000 of principle hereunder is actually advanced and paid to the Borrower.

" **Subsidiary** " means, with respect to any Person, any corporation, limited liability company, limited partnership or other entity of which securities or other ownership interests having ordinary voting power to elect a majority of the board of directors or other persons performing similar functions are at the time directly or indirectly owned by such Person.

(b) **Other Defined Terms** . Certain other terms defined in the other parts of this Note are indicated below:

"Borrower"	Section 2
"Common Stock"	Section 11
"Conversion Rate"	Section 11(a)
"Conversion Time"	Section 11
"Costs"	Section 13(d)
"Collateral"	Section 6
"Event of Default"	Section 7
"Exempted Securities"	Section 11(f)
"Holder"	Section 2
"Indebtedness"	Section 9
"Indemnified Liabilities"	Section 13(d)
"Indemnified Persons"	Section 13(d)
"Loan Documents"	Section 9
"Maturity Date"	Section 4
"Note"	Section 3
"Obligations"	Section 6
"Payment Office"	Section 2
"Second Funding Date"	Section 2

(c) **UCC Terms** . Any capitalized term used herein and not defined shall have the meaning assigned to it in the Uniform Commercial Code as in effect in the State of New York from time to time (the " **UCC** ").

4. **Maturity Date** .

(a) Unless otherwise extended pursuant to Section 3(b) below, this Note has a maturity date of July 28, 2018, the one year anniversary of the Effective Date.

5. **Payments of Principal, Interest and Late Charges** .

(a) By this Note, the Holder is making a loan of $750,000 to the Borrower. Borrower agrees to pay the principle due hereon on the Maturity Date.

(b) The unpaid principle and any other unpaid Obligations shall accrue interest at the Applicable Rate from the date of funding. Interest shall be calculated on the basis of a 360-day year based on the actual number of days during the period for which such interest is payable. Accrued and unpaid interest shall be payable in cash: (i) on the Maturity Date, and (ii) on the date of any payment or prepayment of principal, whether by prepayment, acceleration or otherwise, with respect to the principal so repaid or Obligation when paid. If any payment on this Note becomes due and payable on a Saturday, Sunday or other day on which commercial banks in the City of New York are authorized or required by law to close, the due date thereof shall be extended to the next succeeding day which is not a Saturday, Sunday or other day on which the commercial banks in the City of New York are authorized or required by law to close.

(c) Each payment made hereunder will be applied, first, to the payment of any Costs and Indemnified Liabilities, second, to the payment of accrued and unpaid interest, and the balance, if any, to the unpaid principal balance of this Note and, third, to any other outstanding Obligations.

(d) This Note may be prepaid in whole or in part, at any time or from time to time, without premium or penalty. Upon prepayment of part of the principal amount of this Note, Borrower may require Holder to present this Note for notation on Schedule I hereto of such adjustment and payment. If this Note is prepaid in full, Borrower may require the holder to surrender this Note.

(e) Payments and prepayments of principal, interest and Obligation due on this Note shall be made to Holder at the Payment Office or such other place or places as may be specified by the Holder in a written notice to Borrower and to the order of Holder.

(f) To the extent permitted by law, upon the occurrence and during the continuance of an Event of Default, the principle, interest then due and Obligations then due shall bear interest from the date such Event of Default occurred until cured or waived, at the rate per annum equal to the Applicable Rate plus 12% per annum. Any interest accruing pursuant to this paragraph (f) shall be payable on demand.

6. **Security** . (a) As collateral security for all indebtedness, obligations and other liabilities of the Borrower evidenced by this Note, including principle, interest and those amounts arising pursuant to Section 12(d) hereof, whether now existing or hereafter arising (collectively, the " **Obligations** "), the Borrower hereby pledges and assigns to the Holder, and grants to the Holder a continuing security interest in, all real and personal property and fixtures of the Borrower, wherever located and whether now or hereafter existing and whether now owned or hereafter acquired, of every kind and description, tangible or intangible (the " **Collateral** "), including, without limitation, the following:

(i) all Goods (including, without limitation, all Equipment, Fixtures and Inventory);

(ii) As Extracted Collateral;

(iii) all Commercial Tort Claims;

(iv) all Accounts;

(v) all Chattel Paper (whether tangible or electronic);

(vi) all Instruments (including, without limitation, the equity interest of each of its Subsidiaries);

(vii) all Investment Property;

(viii) all Documents (as defined in the UCC);

(ix) all Deposit Accounts, all cash, and all other property from time to time deposited therein or otherwise credited thereto and the monies and property in the possession or under the control of the Holder or any affiliate, representative, agent or correspondent of the Holder;

(x) all Letter-of-Credit Rights;

(xi) all General Intangibles (including, without limitation, all payment intangibles, intellectual property and licenses);

(xii) all Supporting Obligations;

(xiii) all real property of the Borrower;

(xiv) all other tangible and intangible real property and personal property and fixtures of the Borrower (whether or not subject to the UCC), including, without limitation, all securities accounts, bank accounts and all cash and all investments therein, proceeds, products, offspring, accessions, rents, profits, income, benefits, substitutions and replacements of and to any of the property of the Borrower described in the preceding clauses of this Section (including, without limitation, any proceeds of insurance thereon and all causes of action, claims and warranties now or hereafter held by the Borrower in respect of any of the items listed above), and all books, correspondence, credit files, records, invoices and other papers, including, without limitation, all tapes, cards, software, data, computer runs and other papers and documents in the possession or under the control of the Borrower or any service company from time to time acting for the Borrower; and

(xv) all Proceeds and products of any and all of the foregoing Collateral;

in each case howsoever the Borrower's interest therein may arise or appear (whether by ownership, security interest, claim or otherwise).

(b) The Borrower hereby irrevocably constitutes and appoints the Holder as the Borrower's true and lawful attorney, with full power of substitution, at the sole cost and expense of the Borrower but for the sole benefit of the Holder, to take any action and to execute any instrument which the Holder may deem necessary or advisable to accomplish the purposes of this Note, including, without limitation, to create and maintain the security interest granted hereby, to receive, indorse and collect all instruments made payable to the Borrower representing any dividend or other distribution in respect of any of the Collateral and to give full discharge for the same; to convert the Collateral into cash, including, without limitation, completing the manufacture or processing of work in process, and the sale (either public or private) of all or any portion of the Collateral; to enforce collection of the Collateral, either in its own name or in the name of the Borrower, including, without limitation, executing releases, compromising or settling with any debtors and prosecuting, defending, compromising or releasing any action relating to the Collateral; to receive, open and dispose of all mail addressed to the Borrower and to take therefrom any remittances or proceeds of Collateral in which the Holder has a security interest; to notify post office authorities to change the address for delivery of mail addressed to the Borrower to such address as the Holder shall designate; to endorse the name of the Borrower in favor of the Holder upon any and all checks, drafts, money orders, notes, acceptances or other instruments of the same or different nature; to sign and endorse the name of the Borrower on and to receive as secured party any of the Collateral, any invoices, schedules of Collateral, freight or express receipts, or bills of lading, storage receipts, warehouse receipts, or other documents of title of the same or different nature relating to the Collateral; to sign the name of the Borrower on any notice to any debtor with respect to accounts or on verification of the Collateral; and to sign and file or record on behalf of the Borrower any financing or other statement in order to perfect or protect the Holder's security interest. The Holder shall not be obliged to do any of the acts or exercise any of the powers hereinabove authorized, but if the Holder elects to do any such act or exercise any such power, it shall not be accountable for more than it actually receives as a result of such exercise of power, and it shall not be responsible to the Borrower except for its gross negligence or willful misconduct. All powers conferred upon the Holder by this Note, being coupled with an interest, shall be irrevocable so long as any Obligation of the Borrower to the Holder shall remain unpaid.

(c) After the occurrence of an Event of Default, the Holder may exercise in respect of the Collateral, in addition to other rights and remedies provided for herein or otherwise available to it, all of the rights and remedies of a secured party on default under the UCC, and also may (i) take absolute control of the Collateral, including, without limitation, transfer into the Holder's name or into the name of its nominee or nominees (to the extent the Holder has not theretofore done so) and thereafter receive all payments made thereon, give all consents, waivers and ratifications in respect thereof and otherwise act with respect thereto as though it were the outright owner thereof, (ii) require the Borrower to, and the Borrower hereby agrees that it will at its expense and upon request of the Holder forthwith, assemble all or part of the Collateral as directed by the Holder and make it available to the Holder at a place or places to be designated by the Holder that is reasonably convenient to both parties, and the Holder may enter into and occupy any premises owned or leased by the Borrower where the Collateral or any part thereof is located or assembled for a reasonable period in order to effectuate the Holder's rights and remedies hereunder or under law, without obligation to the Borrower in respect of such occupation, and (iii) without notice except as specified below and without any obligation to prepare or process the Collateral for sale, (A) sell the Collateral or any part thereof in one or more parcels at public or private sale, at any of the Holder's offices or elsewhere, for cash, on credit or for future delivery, and at such price or prices and upon such other terms as the Holder may deem commercially reasonable and/or (B) lease, license or dispose of the Collateral or any part thereof upon such terms as the Holder may deem commercially reasonable. The Borrower agrees that, to the extent notice of sale shall be required by law, at least 10 days' notice to the Borrower of the time and place of any public sale or the time after which any private sale is to be made shall constitute reasonable notification. The Borrower hereby waives any claims against the Holder arising by reason of the fact that the price at which the Collateral may have been sold at a private sale was less than the price which might have been obtained at a public sale or was less than the aggregate amount of the Obligations, even if the Holder accepts the first offer received and does not offer the Collateral to more than one offeree, and waives all rights that the Borrower may have to require that all or any part of the Collateral be marshaled upon any sale (public or private) thereof.

In the event that the proceeds of any such sale, collection, disposition or realization are insufficient to pay all amounts to which the Holder is legally entitled, the Borrower shall be liable for the deficiency, together with interest thereon at the highest rate specified herein for interest on overdue principal thereof or such other rate as shall be fixed by applicable law, together with the costs of collection and the fees, costs, expenses and other client charges of any attorneys employed by the Holder to collect such deficiency.

The Borrower hereby acknowledges that if the Holder complies with any applicable state, provincial or federal law requirements affecting any disposition of the Collateral, such compliance will not adversely affect the commercial reasonableness of any sale or other disposition of the Collateral.

(d) All certificates currently representing any Collateral shall be delivered to the Holder on or prior to the execution and delivery of this Note. All other certificates and instruments constituting Collateral from time to time shall be delivered to the Holder promptly upon the receipt thereof by or on behalf of the Borrower. All such certificates and instruments shall be held by or on behalf of the Holder pursuant hereto and shall be delivered in suitable form for transfer by delivery or shall be accompanied by duly executed instruments of transfer or assignment in blank, all in form and substance satisfactory to the Holder. The Borrower further agrees to execute such other documents and to take such other actions as the Holder deems reasonably necessary or desirable to create and perfect the security interests intended to be created hereunder, to effect the foregoing and to permit the Holder to exercise any of its rights and remedies hereunder (including, without limitation to notify the Holder if it establishes a Deposit Account and to cause such bank to execute and deliver a control agreement with respect to any such Deposit Account in form and substance reasonably satisfactory to the Holder and/or entering into Mortgages with respect to any real property owned by the Borrower). If the Borrower shall receive, by virtue of its being or having been an owner of any Collateral, any (i) stock certificate (including, without limitation, any certificate representing a stock dividend or distribution in connection with any increase or reduction of capital, reclassification, merger, consolidation, sale of assets, combination of shares, stock split, spinoff or split-off), promissory note or other instrument, (ii) option or right, whether as an addition to, substitution for, or in exchange for, any Collateral, or otherwise, (iii) dividends payable in cash or in securities or other property or (iv) dividends or other distributions in connection with a partial or total liquidation or dissolution or in connection with a reduction of capital, capital surplus or paid-in surplus, the Borrower shall receive such stock certificate, promissory note, instrument, option, right, payment or distribution in trust for the benefit of the Holder, shall segregate it from the Borrower's other property and shall deliver it forthwith to the Holder in the exact form received, with any necessary endorsement and/or appropriate stock powers duly executed in blank, to be held by the Holder as Collateral and as further collateral security for the Obligations.

7. **Representations and Warranties** . The Borrower represents and warrants as follows: (a) the Borrower is duly organized, validly existing and in good standing under the laws of State of Nevada; (b) the execution, delivery and performance by the Borrower of this Note have been duly authorized by all necessary corporate action, and do not contravene (i) its organizational documents, or (ii) any law or regulation or any contractual restriction binding on or affecting the Borrower or its property; (c) no authorization or approval or other action by, and no notice to or filing with, any governmental authority or regulatory body is required for the due execution, delivery and performance by the Borrower of this Note; (d) this Note constitutes the legal, valid and binding obligation of the Borrower thereto, enforceable against the Borrower in accordance with its terms, except to the extent enforceability is limited by bankruptcy, insolvency, fraudulent conveyance, moratorium and other laws for the protection of creditors generally; (e) there is no pending or threatened action or proceeding affecting the Borrower before any governmental agency or arbitrator with respect to the transactions contemplated by this Note or which may materially adversely affect the operations, business, property, assets, prospects or condition (financial or otherwise) of the Borrower; (f) except as disclosed to the Holder in writing prior to the date hereof, (i) no Event of Default has occurred and is continuing and (ii) all federal, state and local tax returns and other reports required by applicable law to be filed by the Borrower have been filed, and all taxes, assessments and other governmental charges imposed upon the Borrower or any of its properties which have become due and payable on or prior to the date hereof have been paid (except to the extent contested in good faith by proper proceedings which stay the imposition of any penalty, fine or Lien resulting from the non-payment thereof and with respect to which adequate reserves have been set aside for the payment thereof); (g) except as is set forth on Schedule II, Part B , the Borrower has no any Indebtedness on the date hereof and except as set forth on Schedule II, Part A , there are no liens or encumbrances on the Collateral; and (h) the Borrower has disclosed to the Holder all agreements, instruments and corporate or other restrictions to which it is subject, and all other matters known to it, that individually or in the aggregate could materially adversely affect the operations, business, property, assets, prospects or condition of the Borrower.

8. **Covenants** .

(a) On or prior to the Second Funding Date, the Holder or its designated persons or it Affiliates will have received all the agreements and shares and documents as provided under the terms of that certain Stock Purchase Agreement by and among Borrower and Holder and the separate Stock Purchase Agreements by and among, as the case may be, the Holder and its designees and Affiliates and individually Messrs. Benjamin Tran and Ross Henry Ramsey. Until all such deliveries have been made, and the shares being issued and transferred thereunder have been issued in the Holders (or its designees and Affiliates) names, the Holder is not obligated to fund the additional principle of $550,000 hereunder.

(b) As soon as available, and in any event within 3 business days after the filing date, the Borrower shall provide to the Holder copies of all reports, schedules and other instruments filed with the Securities and Exchange Commission. If requested, the Borrower will provide to Holder such other business, results of operation and financial condition information and data of the Borrower as reasonably requested by the Holder provided that the Holder covenants, to the extent such information comprises confidential information, to maintain such confidentiality (unless the Borrower is compelled in a judicial or administrative proceeding or otherwise required by law to disclose such information).

9. **Events of Default** . It shall constitute an event of default (" **Event of Default** ") if any one or more of the following shall occur for any reason:

(a) any failure to pay any installment of principal and interest on this Note pursuant to Section 5 (including any default interest as prescribed by Section 5(f) , and any failure to pay when due any other Obligation after the same shall become due (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise); or

(b) any representation or warranty made by the Borrower in this Note or any instrument, certificate or agreement delivered to the Holder by the Borrower (collectively, as the " **Loan Documents** ") shall have been incorrect in any material respect when made; or

(c) the Borrower shall fail to perform or observe any term, covenant or agreement contained in any Loan Document; or

(d) The Borrower shall fail to pay any debt for borrowed money or other similar obligation or liability (" **Indebtedness** ") in an aggregate principal amount in excess of $250,000 (excluding Indebtedness evidenced by this Note and any other Loan Document), or any interest or premium thereon, when due (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise) and such failure shall continue after the applicable grace period, if any, specified in the agreement or instrument relating to such Indebtedness, or any other default under any agreement or instrument relating to any such Indebtedness, or any other event, shall occur and shall continue after the applicable grace period, if any, specified in such agreement or instrument, if the effect of such default or event is to accelerate, or to permit the acceleration of, the maturity of such Indebtedness; or any such Indebtedness of the Borrower shall be declared to be due and payable, or required to be prepaid (other than by a regularly scheduled required prepayment), prior to the stated maturity thereof, or the Borrower shall default in any other obligation owed to the Holder; or

(e) the Borrower shall incur any Indebtedness after the date of this Note, without the prior written consent of the Holder; or

(f) the Borrower creates, incurs, assumes or suffers to exist any Lien upon any of the Collateral, other than a Permitted Lien; or

(g) this Note or any other security document, after delivery thereof pursuant hereto, shall for any reason fail or cease to create a valid and perfected and, except to the extent permitted by the terms hereof or thereof, first priority Lien in favor of the Holder on any portion of the Collateral, as applicable.

(h) one or more judgments or orders for the payment of money exceeding any applicable insurance coverage by $250,000 shall be rendered against the Borrower, and either (i) enforcement proceedings shall have been commenced by any creditor upon any such judgment or order, or (ii) there shall be any period of 30 consecutive days during which a stay of enforcement of any such judgment or order, by reason of a pending appeal or otherwise, shall not be in effect; or

(i) any provision of this Note or any other Document shall at any time for any reason be declared to be null and void by a court of competent jurisdiction, or the validity or enforceability thereof shall be contested by the Borrower or any other Person, or a proceeding shall be commenced by the Borrower or any other Person seeking to establish the invalidity or unenforceability thereof, or the Borrower shall deny that it has any liability or obligation hereunder or thereunder; or

(j) the Borrower shall (i) become insolvent or shall fail generally to pay its debts as they mature or shall apply for, shall consent to, or shall acquiesce in the appointment of a custodian, trustee or receiver for itself or for a substantial part of its property or assets; or, in the absence of such application, consent or acquiescence, a custodian, trustee or receiver shall be appointed for the Borrower or for a substantial part of the Borrower's property or assets, or the Borrower shall make an assignment for the benefit of creditors; or (ii) be the subject of any bankruptcy, reorganization, debt arrangement or other proceedings under any bankruptcy or insolvency act or law, state, federal or foreign, now or hereafter existing, which shall not have been dismissed within 30 days or an order for relief shall have been entered against the Borrower Party, as applicable; or

(k) the Borrower shall dispose of any Collateral, excluding: (i) the sale of Inventory and As Extracted Minerals in the ordinary course of business, (ii) the disposition of obsolete or worn-out equipment in the ordinary course of business, and (iii) the sale or disposition of other property or assets of the Borrower (excluding any equity interests owned by it) for cash in an aggregate amount not less than the fair market value of such property or assets, provided that the Net Cash Proceeds of such dispositions (A) in the case of clauses (ii) and (iii) above, do not exceed $250,000 in the aggregate and (B) in all cases, are applied to the repayment of the outstanding Obligations in accordance with Section 5(d) ; or

(l) a Change of Control shall have occurred; or

(m) an event or development occurs which could reasonably be expected to have a material adverse effect on the operations, business, assets, property, condition (financial or otherwise) or prospects of the Borrower or the assets, property and financial condition of the Borrower.

10. **Remedies** . Upon the occurrence of an Event of Default, the Holder shall have the right to, without notice to or demand on the Borrower, to declare the outstanding principal and all accrued and unpaid interest hereunder immediately due and payable, provided , that, upon the occurrence of an Event of Default specified in Section 9(j) , all amounts owing under this Note and the other Loan Documents shall immediately become due and payable. In addition to the right of acceleration, upon the occurrence of an Event of Default, the Holder shall have any and all of the rights and remedies contained in Section 6 of this Note and any other Document or that are available at law or in equity.

11. **Conversion** . The total amount of the principle due under this Note will automatically convert on the creation of the Series A Preferred Stock, in the form as attached hereto as Exhibit A, into 1,000,000 shares of that preferred class, with no adjustment for the amount of the principle then outstanding, and the shares into which the principle is converted will be issued to the Holder or its designees, as soon as possible after the date of the automatic conversion by the Borrower. Any interest and other Obligations due to the Holder (or holders if more than one), at the time of conversion into the Series A Preferred Stock, will be paid in cash or as otherwise indicated in the terms of this Agreement upon the automatic conversion. If the principle due on this Note is not converted on or before December 30, 2017, by the creation of the Series A Preferred Stock, then the Holder shall have the right at its option, and not the requirement, from time to time, to convert all or some of the principle, interest and other Obligations due under this Note into shares of common stock of the Borrower as provided herein.

(a) Conversion Rate for Common Stock . Each $0.005 (the " **Conversion Rate** ") of the Obligations due under this Note may be converted into one share of fully paid and non-assessable common stock of the Borrower (the " **Common Stock** "). The conversion rate at which the Obligations may be converted into shares of Common Stock, shall be subject to adjustment as provided below.

(b) Fractional Shares . No fractional shares of Common Stock shall be issued upon conversion of any of the Obligations. In lieu of any fractional shares to which the Holder would otherwise be entitled, the Borrower shall pay cash equal to such fraction multiplied by the fair market value of a share of Common Stock as determined in good faith by the Board of Directors of the Borrower. Whether or not fractional shares would be issuable upon such conversion shall be determined on the basis of the total number of shares issuable to the Holder is at the time converting the Obligations into Common Stock and the aggregate number of shares of Common Stock issuable upon such conversion.

(c) Mechanics of Conversion . To voluntarily convert the Obligations into shares of Common Stock, Holder shall (a) provide written notice to the Borrower at the principal office of the Borrower of its election to convert all or a portion of the Obligations into Common Stock and (b), if requested, surrender this Note for notation or reissue (or, if Holder alleges that the Note has been lost, stolen or destroyed, a lost certificate affidavit and agreement reasonably acceptable to the Borrower to indemnify the Borrower against any claim that may be made against the Borrower on account of the alleged loss, theft or destruction of such certificate). The notice shall state the names in which the Holder wishes the shares of Common Stock to be issued. The close of business on the date of receipt by the Borrower of the notice shall be the time of conversion (the " **Conversion Time** "), and the shares of Common Stock issuable upon conversion shall be deemed to be outstanding of record as of such date. The Borrower shall, as soon as practicable after the Conversion Time (i) issue and deliver the share certificate or notice of issuance of uncertificated shares to the designated recipients, and (ii) pay in cash such amount as provided in Section 11(b) in lieu of any fraction of a share of Common Stock otherwise issuable upon such conversion.

(d) Reservation of Shares . The Borrower shall at all times while this Note is outstanding, reserve and keep available out of its authorized but unissued capital stock, for the purpose of effecting the conversion of the Obligations, such number of its duly authorized shares of Common Stock as shall from time to time be sufficient to effect the conversion of all the Obligations hereunder; and if at any time the number of authorized but unissued shares of Common Stock shall not be sufficient to effect the conversion of all the then outstanding Obligations, the Borrower shall take all corporate action as may be necessary to increase its authorized but unissued shares of Common Stock to such number of shares as shall be sufficient for the purpose of conversion, including, without limitation, engaging in best efforts to obtain the requisite stockholder approval of any necessary amendment to the Certificate of Incorporation.

(e) Taxes . The Borrower shall pay any and all issue and other similar taxes that may be payable in respect of any issuance or delivery of shares of Common Stock upon conversion of the Obligations. The Borrower shall not, however, be required to pay any tax which may be payable in respect of any transfer involved in the issuance and delivery of shares of Common Stock in a name other than that of the Holder.

(f) Adjustments to Conversion Price for Diluting Issues .

(xvi) Special Definitions . For purposes of this Section 11 , the following definitions shall apply:

(a) "Option" shall mean rights, options or warrants to subscribe for, purchase or otherwise acquire Common Stock or Convertible Securities.

(b) "Convertible Securities" shall mean any evidences of indebtedness, shares or other securities directly or indirectly convertible into or exchangeable for Common Stock, but excluding Options and this Note.

(c) "Additional Shares of Common Stock" shall mean all shares of Common Stock issued (or, pursuant to Section 11(h) below, deemed to be issued) by the Borrower after the Second Funding Date, other than (1) the following shares of Common Stock and (2) shares of Common Stock deemed issued pursuant to the following Options and Convertible Securities (clauses (a) and (n), collectively, " Exempted Securities "):

(i) shares of Common Stock, Options or Convertible Securities issued by reason of a dividend, stock split, split-up or other distribution on shares of Common Stock that is covered by Sections 11(l), (m), (n) or (o) ;

(ii) shares of Common Stock or Options issued to employees or directors of, or consultants or advisors to, the Borrower or any of its subsidiaries pursuant to a plan, agreement or arrangement approved by the Board of Directors of the Borrower;

(iii) shares of Common Stock or Convertible Securities actually issued upon the exercise of Options or shares of Common Stock actually issued upon the conversion or exchange of Convertible Securities, in each case provided the issuance is pursuant to the terms of such Option or Convertible Security;

(iv) shares of Common Stock, Options or Convertible Securities issued to banks, equipment lessors or other financial institutions, or to real property lessors, pursuant to a debt financing, equipment leasing or real property leasing transaction approved by the Board of Directors of the Borrower;

(v) shares of Common Stock, Options or Convertible Securities issued to suppliers or third party service providers in connection with the provision of goods or services pursuant to transactions approved by the Board of Directors of the Borrower; or

(vi) shares of Common Stock, Options or Convertible Securities issued in connection with sponsored research, collaboration, technology license, development, OEM, marketing or other similar agreements or strategic partnerships approved by the Board of Directors of the Borrower.

(g) No Adjustment to Conversion Price upon Consent . No adjustment in the Conversion Price shall be made as the result of the issuance or deemed issuance of Additional Shares of Common Stock if the Borrower receives written notice from the Holders of at least a majority of the then outstanding principle amount due under the Note agreeing that no such adjustment shall be made as the result of the issuance or deemed issuance of such Additional Shares of Common Stock.

(h) Deemed Issue of Additional Shares of Common Stock .

(xvii) If the Borrower at any time or from time to time after the Second Funding Date shall issue any Options or Convertible Securities (excluding Options or Convertible Securities which are themselves Exempted Securities) or shall fix a record date for the determination of holders of any class of securities entitled to receive any such Options or Convertible Securities, then the maximum number of shares of Common Stock (as set forth in the instrument relating thereto, assuming the satisfaction of any conditions to exercisability, convertibility or exchangeability but without regard to any provision contained therein for a subsequent adjustment of such number) issuable upon the exercise of such Options or, in the case of Convertible Securities and Options therefor, the conversion or exchange of such Convertible Securities, shall be deemed to be Additional Shares of Common Stock issued as of the time of such issue or, in case such a record date shall have been fixed, as of the close of business on such record date.

(xviii) If the terms of any Option or Convertible Security, the issuance of which resulted in an adjustment to the Conversion Rate pursuant to the terms of Section 11(i) , are revised as a result of an amendment to such terms or any other adjustment pursuant to the provisions of such Option or Convertible Security (but excluding automatic adjustments to such terms pursuant to anti-dilution or similar provisions of such Option or Convertible Security) to provide for either (1) any increase or decrease in the number of shares of Common Stock issuable upon the exercise, conversion and/or exchange of any such Option or Convertible Security, or (2) any increase or decrease in the consideration payable to the Borrower upon such exercise, conversion and/or exchange, then, effective upon such increase or decrease becoming effective, the Conversion Rate computed upon the original issue of such Option or Convertible Security (or upon the occurrence of a record date with respect thereto) shall be readjusted to such Conversion Rate as would have obtained had such revised terms been in effect upon the original date of issuance of such Option or Convertible Security. Notwithstanding the foregoing, no readjustment pursuant to this clause (b) shall have the effect of increasing the Conversion Rate to an amount which exceeds the lower of (i) the Conversion Rate in effect immediately prior to the original adjustment made as a result of the issuance of such Option or Convertible Security, or (ii) the Conversion Rate that would have resulted from any issuances of Additional Shares of Common Stock (other than deemed issuances of Additional Shares of Common Stock as a result of the issuance of such Option or Convertible Security) between the original adjustment date and such readjustment date.

(xix) If the terms of any Option or Convertible Security (excluding Options or Convertible Securities which are themselves Exempted Securities), the issuance of which did not result in an adjustment to the Conversion Rate pursuant to the terms of Section 11(i) (either because the consideration per share (determined pursuant to Section 11(j)) of the Additional Shares of Common Stock subject thereto was equal to or greater than the Conversion Rate then in effect, or because such Option or Convertible Security was issued before the Second Funding Date), are revised after the Second Funding Date as a result of an amendment to such terms or any other adjustment pursuant to the provisions of such Option or Convertible Security (but excluding automatic adjustments to such terms pursuant to anti-dilution or similar provisions of such Option or Convertible Security) to provide for either (1) any increase in the number of shares of Common Stock issuable upon the exercise, conversion or exchange of any such Option or Convertible Security or (2) any decrease in the consideration payable to the Borrower upon such exercise, conversion or exchange, then such Option or Convertible Security, as so amended or adjusted, and the Additional Shares of Common Stock subject thereto (determined in the manner provided in Section 11(h)(i) shall be deemed to have been issued effective upon such increase or decrease becoming effective.

(xx) Upon the expiration or termination of any unexercised Option or unconverted or unexchanged Convertible Security (or portion thereof) which resulted (either upon its original issuance or upon a revision of its terms) in an adjustment to the Conversion Rate pursuant to the terms of Section 11(i) , the Conversion Rate shall be readjusted to such Conversion Rate as would have obtained had such Option or Convertible Security (or portion thereof) never been issued.

(xxi) If the number of shares of Common Stock issuable upon the exercise, conversion and/or exchange of any Option or Convertible Security, or the consideration payable to the Borrower upon such exercise, conversion and/or exchange, is calculable at the time such Option or Convertible Security is issued or amended but is subject to adjustment based upon subsequent events, any adjustment to the Conversion Rate provided for in this Section 11(h) shall be effected at the time of such issuance or amendment based on such number of shares or amount of consideration without regard to any provisions for subsequent adjustments (and any subsequent adjustments shall be treated as provided in clauses (ii) and (iii) of this Section 11(h)). If the number of shares of Common Stock issuable upon the exercise, conversion and/or exchange of any Option or Convertible Security, or the consideration payable to the Borrower upon such exercise, conversion and/or exchange, cannot be calculated at all at the time such Option or Convertible Security is issued or amended, any adjustment to the Conversion Rate that would result under the terms of this Section 11(h) at the time of such issuance or amendment shall instead be effected at the time such number of shares and/or amount of consideration is first calculable (even if subject to subsequent adjustments), assuming for purposes of calculating such adjustment to the Conversion Rate that such issuance or amendment took place at the time such calculation can first be made.

(i) Adjustment of Conversion Rate Upon Issuance of Additional Shares of Common Stock . In the event the Borrower shall at any time after the Second Funding Date issue Additional Shares of Common Stock (including Additional Shares of Common Stock deemed to be issued pursuant to Section 11(h)), without consideration or for a consideration per share less than the Conversion Rate in effect immediately prior to such issue, then the Conversion Rate shall be reduced, concurrently with such issue, to a price (calculated to the nearest one-hundredth of a cent) determined in accordance with the following formula:

$$X = \frac{((A)(Y) + ((B)(Z))}{Y + Z}$$

For purposes of the foregoing formula, the following definitions shall apply:

"X" shall mean the Conversion Rate in effect immediately after such issue of Additional Shares of Common Stock;

"A" shall mean the Conversion Rate in effect immediately prior to such issue of Additional Shares of Common Stock;

"Y" shall mean the number of shares of Common Stock outstanding immediately prior to such issue of Additional Shares of Common Stock (treating for this purpose as outstanding all shares of Common Stock issuable upon exercise of Options outstanding immediately prior to such issue or upon conversion or exchange of Convertible Securities outstanding (assuming exercise of any outstanding Options therefor) immediately prior to such issue);

"B" shall mean the consideration received by the Borrower for the issue of the Additional Shares of Common Stock per share; and

"Z" shall mean the number of Additional Shares of Common Stock issued.

(j) Determination of Consideration . For purposes of Section 11(h) , the consideration received by the Borrower for the issue of any Additional Shares of Common Stock shall be computed as follows:

(xxii) *Cash and Property* : Such consideration shall:

(a) insofar as it consists of cash, be computed at the aggregate amount of cash received by the Borrower, excluding amounts paid or payable for accrued interest;

(b) insofar as it consists of property other than cash, be computed at the fair market value thereof at the time of such issue, as determined in good faith by the Board of Directors of the Borrower; and

(c) in the event Additional Shares of Common Stock are issued together with other shares or securities or other assets of the Borrower for consideration which covers both, be the proportion of such consideration so received, computed as provided in clauses (i) and (ii) above, as determined in good faith by the Board of Directors of the Borrower.

(xxiii) *Options and Convertible Securities* . The consideration per share received by the Borrower for Additional Shares of Common Stock deemed to have been issued pursuant to Section 11(h) , relating to Options and Convertible Securities, shall be determined by dividing:

(a) The total amount, if any, received or receivable by the Borrower as consideration for the issue of such Options or Convertible Securities, plus the minimum aggregate amount of additional consideration (as set forth in the instruments relating thereto, without regard to any provision contained therein for a subsequent adjustment of such consideration) payable to the Borrower upon the exercise of such Options or the conversion or exchange of such Convertible Securities, or in the case of Options for Convertible Securities, the exercise of such Options for Convertible Securities and the conversion or exchange of such Convertible Securities, by

(b) the maximum number of shares of Common Stock (as set forth in the instruments relating thereto, without regard to any provision contained therein for a subsequent adjustment of such number) issuable upon the exercise of such Options or the conversion or exchange of such Convertible Securities, or in the case of Options for Convertible Securities, the exercise of such Options for Convertible Securities and the conversion or exchange of such Convertible Securities.

(k) Multiple Closing Dates . In the event the Borrower shall issue on more than one date Additional Shares of Common Stock that are a part of one transaction or a series of related transactions and that would result in an adjustment to the Conversion Rate pursuant to the terms of Section 11(i) , then, upon the final such issuance, the Conversion Rate shall be readjusted to give effect to all such issuances as if they occurred on the date of the first such issuance (and without giving effect to any additional adjustments as a result of any such subsequent issuances within such period).

(l) Adjustment for Stock Splits and Combinations . If the Borrower shall at any time or from time to time after the Second Funding Date effect a subdivision of the outstanding Common Stock, then the Conversion Rate in effect immediately before that subdivision shall be proportionately decreased so that the number of shares of Common Stock issuable on conversion of the Obligations shall be increased in proportion to such increase in the aggregate number of shares of Common Stock outstanding. If the Borrower shall at any time or from time to time after the Second Funding Date combine the outstanding shares of Common Stock, then the Conversion Rate in effect immediately before the combination shall be proportionately increased so that the number of shares of Common Stock issuable on conversion of the Obligations shall be decreased in proportion to such decrease in the aggregate number of shares of Common Stock outstanding. Any adjustment under this subsection shall become effective at the close of business on the date the subdivision or combination becomes effective.

(m) Adjustment for Certain Dividends and Distributions . In the event the Borrower at any time or from time to time after the Second Funding Date shall make or issue, or fix a record date for the determination of holders of Common Stock entitled to receive, a dividend or other distribution payable on the Common Stock in additional shares of Common Stock, then and in each such event the Conversion Rate in effect immediately before such event shall be decreased as of the time of such issuance or, in the event such a record date shall have been fixed, as of the close of business on such record date, by multiplying the Conversion Rate then in effect by a fraction:

(a) the numerator of which shall be the total number of shares of Common Stock issued and outstanding immediately prior to the time of such issuance or the close of business on such record date, and

(b) the denominator of which shall be the total number of shares of Common Stock issued and outstanding immediately prior to the time of such issuance or the close of business on such record date plus the number of shares of Common Stock issuable in payment of such dividend or distribution.

Notwithstanding the foregoing, if the record date shall have been fixed and the dividend is not fully paid or if the distribution is not fully made on the date fixed therefor, the Conversion Rate shall be recomputed accordingly as of the close of business on such record date and thereafter the Conversion Rate shall be adjusted pursuant to this subsection as of the time of actual payment of such dividends or distributions.

(n) Adjustment for Merger or Reorganization, etc . If there shall occur any reorganization, recapitalization, reclassification, consolidation or merger involving the Borrower in which the Common Stock is converted into or exchanged for securities, cash or other property (other than a transaction covered by Sections 11(c), (l) or (m) , then, following any such reorganization, recapitalization, reclassification, consolidation or merger, the Obligations shall thereafter be convertible in lieu of the Common Stock into which it was convertible prior to such event, into the kind and amount of securities, cash or other property the Common Stock is to be converted upon such reorganization, recapitalization, reclassification, consolidation or merger; and, in such case, appropriate adjustment (as determined in good faith by the Board of Directors of the Borrower) shall be made in the application of the provisions in this Section 11 so that the provisions set forth in this Section 11 shall as nearly as reasonably may be, equal to the securities or other property thereafter deliverable upon the conversion of the Obligations.

(o) Certificate as to Adjustments . Upon the occurrence of each adjustment or readjustment of the Conversion Rate pursuant to this Section 11 , the Borrower at its expense shall, as promptly as reasonably practicable but in any event not later than ten (10) days thereafter, compute such adjustment or readjustment in accordance with the terms hereof and furnish to the Holder of the Obligations a certificate setting forth such adjustment or readjustment (including the kind and amount of securities, cash or other property into which the Obligations are convertible) and showing in detail the facts upon which such adjustment or readjustment is based. The Borrower shall, as promptly as reasonably practicable after the written request at any time of any Holder of the Obligations (but in any event not later than ten (10) days thereafter), furnish or cause to be furnished to such holder a certificate setting forth (i) the Conversion Rate then in effect, and (ii) the number of shares of Common Stock and the amount, if any, of other securities, cash or property which then would be received upon the conversion of Obligations of the Note.

(p) Notice of Record Date . In the event:

(i) the Borrower shall take a record of the holders of its Common Stock (or other capital stock or securities at the time issuable upon conversion of the Obligations) for the purpose of entitling or enabling them to receive any dividend or other distribution, or to receive any right to subscribe for or purchase any shares of capital stock of any class or any other securities, or to receive any other security; or

(ii) of any capital reorganization of the Borrower, any reclassification of the Common Stock of the Borrower; or

(c) of the voluntary or involuntary dissolution, liquidation or winding-up of the Borrower,

then, and in each such case, the Borrower will send or cause to be sent to the Holder(s) of the Obligations a notice specifying, as the case may be, (i) the record date for such dividend, distribution or right, and the amount and character of such dividend, distribution or right, or (ii) the effective date on which such reorganization, reclassification, consolidation, merger, transfer, dissolution, liquidation or winding-up is proposed to take place, and the time, if any is to be fixed, as of which the holders of record of Common Stock (or such other capital stock or securities at the time issuable upon the conversion of the Obligations) shall be entitled to exchange their shares of Common Stock (or such other capital stock or securities) for securities or other property deliverable upon such reorganization, reclassification, consolidation, merger, transfer, dissolution, liquidation or winding-up, and the amount per share and character of such exchange applicable to the Common Stock. Such notice shall be sent at least ten (10) days prior to the record date or effective date for the event specified in such notice.

12. **Choice of Law; Venue; Jurisdiction; Waiver of Jury Trial** . This Note shall be governed and controlled as to validity, enforcement, interpretation, construction, effect and in all other respects, including, but not limited to, the legality of the interest charged hereunder, by the statutes, laws and decisions of the State of New York without giving effect to such State's conflicts of laws principles. The Borrower hereby irrevocably consents to the exclusive venue and jurisdiction of the federal and state courts located in Texas with respect to any proceeding which may be brought in connection with the Note. The Borrower hereby expressly and irrevocably waives the right to a trial by jury in any action or proceeding arising out of this Note.

13. **Miscellaneous Provisions** .

(a) This Note may not be amended or modified, and revision hereto shall not be effective, except by an instrument in writing executed by each of the Borrower and the Holder.

(b) (i) Any notice or communication by the Borrower, on the one hand, or the Holder on the other hand, to the other is duly given if in writing and delivered in Person or mailed by first class mail (registered or certified, return receipt requested), telecopier or overnight air courier guaranteeing next day delivery, to the others' address:

If to the Borrower:

International Western Petroleum, Inc.
5525 N. MacArthur Blvd, Suite 280
Irving, TX 75038

Attention: President

If to the Holder:

JBB Partners, Inc.
409 Terrell Court
New Iberia, LA 70563
Attention: Mr. Patrick Norris

In the case of the Holder, not constituting any form of notice, with copies to:

Golenbock Eiseman Assor Bell & Peskoe LLP
711 Third Avenue, 17 th Floor
New York, NY 10017
Facsimile: (212) 754-0330
Attention: Andrew Hudders, Esq.

(ii) Either Holder or Borrower by notice to the other party may designate additional or different addresses for subsequent notices or communications.

(iii) All notices and communications shall be deemed to have been duly given: at the time delivered by hand, if personally delivered; three business days after being deposited in the mail, postage prepaid, if mailed; when receipt acknowledged, if telecopied or emailed; and the next business day after timely delivery to the courier, if sent by overnight air courier guaranteeing next day delivery.

(c) Every provision of this Note is intended to be severable. In the event any term or provision hereof is declared by a court of competent jurisdiction to be illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the balance of the terms and provisions hereof, which terms and provisions shall remain binding and enforceable.

(d) (i) The Borrower shall have paid to the Holder, on demand, all costs of enforcement and collection (including without limitation, any fees, disbursements and other charges of primary and special counsel to the Holder), whether or not any action or proceeding is brought to enforce the provisions hereof (collectively, " **Costs** "); and

(ii) The Borrower shall pay, indemnify, defend, and hold the Holder, each of its assigns and participants and each of their respective affiliates (each, an " **Indemnified Person** ") harmless (to the fullest extent permitted by law) from and against any and all claims, demands, suits, actions, investigations, proceedings, liabilities, fines, costs, penalties, and damages, and all reasonable fees and disbursements of attorneys, experts, or consultants and all other costs and expenses actually incurred in connection therewith or in connection with the enforcement of this indemnification (as and when they are incurred and irrespective of whether suit is brought), at any time asserted against, imposed upon, or incurred by any of them (A) in connection with or as a result of or related to the execution, delivery, enforcement, performance, or administration of this Note, any of the other Loan Documents, or the transactions contemplated hereby or thereby or the monitoring of Borrower's compliance with the terms of the Loan Documents, and (b) with respect to any investigation, litigation, or proceeding related to this Note, any other Loan Document, or the use of the proceeds of the credit provided hereunder (irrespective of whether any Indemnified Person is a party thereto), or any act, omission, event, or circumstance in any manner related thereto (each and all of the foregoing, the " **Indemnified Liabilities** "). The foregoing to the contrary notwithstanding, Borrowers shall have no obligation to any Indemnified Person under this Section 12(d) with respect to any Indemnified Liability that a court of competent jurisdiction finally determines to have resulted from the gross negligence or willful misconduct of such Indemnified Person.

(iii) This Section shall survive the termination of this Note and the repayment of the Obligations. If any Indemnified Person makes any payment to any other Indemnified Person with respect to an Indemnified Liability as to which Borrower was required to indemnify the Indemnified Person receiving such payment, the Indemnified Person making such payment is entitled to be indemnified and reimbursed by Borrower with respect thereto. **WITHOUT LIMITATION, THE FOREGOING INDEMNITY SHALL APPLY TO EACH INDEMNIFIED PERSON WITH RESPECT TO INDEMNIFIED LIABILITIES WHICH IN WHOLE OR IN PART ARE CAUSED BY OR ARISE OUT OF ANY NEGLIGENT ACT OR OMISSION OF SUCH INDEMNIFIED PERSON OR OF ANY OTHER PERSON.**

(e) No failure on the part of the Holder to exercise, and no delay in exercising, any right, power, privilege or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise thereof by the Holder preclude any other or further exercise thereof or the exercise of any other right, power, privilege or remedy of the Holder.

(f) Headings at the beginning of each numbered Section of this Note are intended solely for convenience of reference and are not to be deemed or construed to be a part of this Note.

(g) This Note may not be sold, transferred or otherwise hypothecated, in whole or in part by the Borrower. Any attempted sale, transfer or hypothecation of this Note in violation of this provision shall be null and void.

(h) The Obligations of the Borrower shall be automatically reinstated if and to the extent that for any reason any payment by or on behalf of the Borrower in respect of the Obligations is rescinded or must be otherwise restored by the Holder, whether as a result of any proceedings in bankruptcy or reorganization or otherwise, and the Borrower agrees that it will indemnify the Holder on demand for all reasonable costs and expenses (including, without limitation, reasonable fees of counsel) incurred by the Holder in connection with any such rescission or restoration, including any such costs and expenses incurred in defending against any claim alleging that such payment constituted a preference, fraudulent transfer or similar payment under any bankruptcy, insolvency or similar law. The provisions of this paragraph (h) shall survive the termination of this Note.

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IN WITNESS WHEREOF, the Borrower has executed this Note as of the Effective Date set forth above.

INTERNATIONAL WESTERN PETROLEUM, INC.

By: _____
Name:
Title:

Schedule I

Date of Payment	Principal Paid or Prepaid	Aggregate Principal Balance	Notation Made By

Schedule II

Part A : Permitted Liens

None.

Part B : Existing Indebtedness

$50,000 loan from Jeff Jennings, a shareholder of International Western Petroleum, Inc.

Exhibit A

Form of Series A Preferred Stock