



CONFIDENTIALITY AGREEMENT INSTRUCTIONS

- Please sign, scan and email the enclosed Confidentiality Agreement
- Upon receipt of a signed Confidentiality Agreement, Stormont shall provide a countersigned copy of the Confidentiality Agreement and access to Confidential Information via a secure online Virtual Data Room (VDR).

_____, 2019

THERMO ACOUSTIC ENGINE GENERATOR CO.
Acquisition Opportunity

c/o Stormont Energy Advisors Corp.
Suite 601, 933 – 17th Ave. SW
Calgary, Alberta T2T 5R6
Fax: (403) 452-2937

Dear Sirs:

Re: Confidentiality Agreement – Stormont Energy Advisors Corp. (“Stormont”)

In connection with our interest in considering the proposed acquisition from an undisclosed Seller (“the Seller”) that has engaged Stormont Energy Advisors Corp. (“Stormont”) to market for sale the Shares or Assets of the Seller, Stormont has agreed, on behalf of the Seller, to provide us with certain confidential information (the “Confidential Information”) of the Seller being data, information, knowledge or material relating to the assets or business of the Seller and its subsidiaries, if any, including, without limitation, any information related to the Seller’s business activities, prices, supplier and customer lists, financial information, operations data, know-how, intellectual property and trade secrets.

We understand that the Confidential Information being provided to us concerning the Seller and/or its assets is proprietary and confidential to the Seller and will be so treated by us. In this regard, we agree as follows:

1. The Confidential Information and identity of the Seller shall be kept in strict confidence and shall not be used for any purpose whatsoever other than evaluating a possible transaction between us and/or our affiliates and the Seller and will not be used to the detriment of the Seller. The Confidential Information and identity of the Seller shall not be disclosed to any person other than to such of our employees, consultants, advisors, agents and representatives (collectively, the “Representatives”) who have a need to know. The Representatives will be informed of the confidential nature of the information, will be directed not to disclose the Confidential Information to any unauthorized person, and will not copy, in whole or in part, the Confidential Information without the written consent of Stormont.
2. In addition to any rights Stormont may have against us arising by reason of any breach hereof, we shall:
 - (a) be liable to Stormont and the Seller for all losses, costs, damages and expenses whatsoever which either of them may suffer, sustain, pay or incur; and in addition,
 - (b) indemnify Stormont and the Seller against all actions, proceedings, claims, demands, losses, costs, damages and expenses whatsoever which may be brought against or suffered by Stormont and the Seller or which Stormont and the Seller may sustain, pay or incur;

resulting from unauthorized disclosure by us, or our Representatives, of all or any part or parts of the Confidential Information.

3. The restrictions set forth in Paragraph 1:
 - (a) shall not apply to any part of the Confidential Information which is, at the time of disclosure by Stormont or the Seller, part of the public domain or, as confirmed by written records and/or other satisfactory evidence, was in the lawful possession of us without obligations of confidentiality, prior to its disclosure by Stormont or the Seller; and
 - (b) shall no longer apply to any part of the Confidential Information at such time as it becomes a part of the public domain through no violation of this Confidentiality Agreement or is hereafter lawfully acquired by us from a third party which has no obligation of confidence to the Seller,

provided however; that any combination of information which includes part of the Confidential Information shall not be included in the foregoing exceptions merely because individual parts of the information were within the public domain or were within the prior possession of us, unless all the information was in the public domain or in the prior possession of us.

4. At any time, at the request of Stormont, except as required by law or regulation (including but not limited to the rules and regulations of any applicable securities exchange), we shall immediately destroy, return to, or cause to be returned to Stormont any of the Confidential Information which may have been released to us and shall not retain any copies or other reproductions or extracts thereof. We shall at any time, at the request of Stormont, except as required by law or regulation (including but not limited to the rules and regulations of any applicable securities exchange), destroy or have destroyed all memoranda, notes, reports and documents prepared by or in the possession of us or our Representatives in connection with its review of the Confidential Information. Furthermore, we shall provide to Stormont a letter certifying that we and our Representatives have complied with the terms and conditions of this paragraph.
5. We shall ensure that each of our Representatives is aware of its obligations under the provisions of this Confidentiality Agreement before disclosing any Confidential Information to such Representative and we shall take all such other steps as are necessary to ensure that our Representatives comply with the terms and conditions of this Confidentiality Agreement.
6. We shall be directly responsible to the Seller for the compliance by our Representatives of their obligations created by this agreement and shall be liable to the Seller for damages caused to the Seller as a result of the breach of any of the terms or conditions hereof by such Representatives and, upon written request of the Seller, we shall provide the Seller with a list of Representatives who have received the Confidential Information.
7. We hereby acknowledge that we are aware, and that we will ensure that our Representatives to whom any Confidential Information is disclosed are also aware, of the general nature of applicable securities laws, including, without limitation, all applicable securities laws which may prohibit any person, firm or corporation who has material, non-public information concerning the matters which are the subject of this Confidentiality Agreement, from trading in securities of a company which may be party to a transaction of the nature contemplated herein or from communicating such information to other persons under circumstances in which it is reasonably foreseeable that such other person is likely to purchase or sell such securities.

8. We will not, nor will any of our affiliates (which shall mean any person or entity, directly or indirectly, through one or more intermediaries, controlling or controlled by or under control with us), unless in any such case specifically invited to do so by the board of directors or management of the Seller, directly or indirectly solicit any employee of the Seller for the purpose of hiring such person as an employee or a consultant. It is understood that this provision does not preclude us or our affiliates from hiring an employee of the Seller who responds to a general public advertisement for employment, or solicitation through a third party recruiter that is not specifically targeted at such persons and solicitation of individuals who have terminated their employment with the Seller prior to any such solicitation.
9. We acknowledge and agree that the Seller will be irreparably injured by a material breach of this Confidentiality Agreement which could not be adequately compensated for by damages. The Seller shall be entitled to seek equitable relief, including injunctive relief and specific performance, in the event of any breach of the provisions of this Confidentiality Agreement. Such remedies shall not be deemed to be exclusive remedies but shall be in addition to all other remedies available at law or at equity.
10. We shall be entitled to disclose Confidential Information to the extent required by an order issued by a court or regulatory authority of competent jurisdiction, or required by a stock exchange on which our shares or those of an affiliate are traded, provided that we shall:
 - (a) provide to the Seller prompt advance written notice of any such requirement for disclosure so that the Seller may seek a protective order or other appropriate remedy;
 - (b) consult with the Seller on the advisability of taking legally available steps to defend or limit the ambit of such order; and
 - (c) take such steps as are reasonably necessary and available to maintain confidentiality with the court, stock exchange or regulatory authority.
11. This Confidentiality Agreement shall remain in force until the earlier of (a) one year after the date hereof, (b) such time as all of the Confidential Information becomes a part of the public domain through no violation of this Confidentiality Agreement, or (c) the closing of the transaction contemplated hereby. Unless a transaction is completed between the Seller and us, there shall be no continued right of use of the Confidential Information by us or our Representatives during or after the termination of this Confidentiality Agreement.
12. It is understood by us that in providing access to the Confidential Information, Stormont does not make any representation or warranty as to the accuracy or completeness of the Confidential Information. We agree that neither Stormont, nor anyone representing Stormont, shall have any liability to us or any of our Representatives as a result of any errors or omissions in the Confidential Information or as a result of the use of the Confidential Information by us or our Representatives. It is specifically understood that only those particular representations and warranties which may be made by the Seller and/or its shareholders in a definitive agreement of purchase and sale, when and if it is executed (and subject to such limitations and restrictions as may be specified in such definitive formal agreement), shall have any legal effect. It is also specifically understood that we shall rely solely on our own estimates as to the value and condition of assets of the Seller and shall rely solely on our own corporate, geological, geophysical, engineering, environmental, accounting and financial analyses and interpretations related thereto.

13. We and our Representatives shall not in connection with the evaluation of the proposed acquisition:
- (a) visit any of the business sites of the Seller or of any parent or subsidiary company of the Seller;
 - (b) contact any customer, supplier, employee, or consultant of the Seller or of any parent or subsidiary company of the Seller, in relation to the proposed acquisition; or
 - (c) contact any other persons having a commercial relationship with the Seller or of any parent or subsidiary of the Seller;

without the prior written consent of Stormont or the Seller. Any such visits as may be authorized shall be at the sole cost and risk of the undersigned and the undersigned shall not claim from the Seller any loss, cost, damages and expenses whatsoever which the undersigned may suffer, sustain, pay or incur as a result of such visits other than those arising as a result of the negligence or willful misconduct of the Seller, any parent or subsidiary company of the Seller or their respective employees, agents or representatives.

14. The Seller reserves the right, at its sole discretion, to:

- (a) modify the process;
- (b) negotiate with any third party on any issue; and
- (c) accept or reject any offer,

in respect to the sale of assets or securities of the Seller or of any parent or subsidiary company of the Seller.

15. No failure or delay by the Seller in the exercise of any of its rights, powers or privileges under this Confidentiality Agreement shall operate as a waiver thereof.
16. If any provision of this Confidentiality Agreement is wholly or partially unenforceable for any reason, such unenforceability shall not affect the enforceability of the balance of this Confidentiality Agreement.
17. This Confidentiality Agreement shall be governed by and interpreted in accordance with the laws of the Province of Alberta and the parties agree that the courts of the Province of Alberta shall have exclusive jurisdiction in relation to the enforcement of the provisions of this Confidentiality Agreement.
18. This Confidentiality Agreement shall be binding upon and enure to the benefit of the parties hereto and their respective successors and permitted assigns. This Confidentiality Agreement, and Stormont's rights, benefits and obligations under this Confidentiality Agreement, may be assigned, at any time upon notice given to us by Stormont, to the Seller or an affiliate of the Seller, without our consent. Upon such notice being given by Stormont, Stormont shall be deemed to be released and discharged by us from all claims, liabilities and costs arising from or related to this Confidentiality Agreement.
19. This Confidentiality Agreement may only be amended with the written consent of all parties.

20. Stormont and the undersigned acknowledge and agree that:
- (a) Stormont is executing this Confidentiality Agreement for and on behalf and as agent of the Seller who is, at the time of the execution of this Confidentiality Agreement by Stormont, its undisclosed principal; and
 - (b) The Seller has reviewed and agreed to the terms of this Confidentiality Agreement; and
 - (c) Upon the execution of this Confidentiality Agreement by the undersigned and Stormont, the Seller will reveal its identity, by notice in writing to the undersigned; and
 - (d) The Seller shall be deemed to be the party to this Confidentiality Agreement and the undersigned shall be deemed to have received valuable consideration from the Seller for the Seller's covenants herein contained.
21. The parties further agree that the terms "we", "our", "us", and "the undersigned" mean _____, as the undersigned, its affiliates and subsidiaries.

We accept the Confidential Information furnished and to be furnished by Stormont concerning the Seller subject to the conditions set forth in this Confidentiality Agreement.

Yours truly,

(Full Company Name)

Per: _____
(Officer's signature)

(Officer's name and title, printed)

(Officer's email address)

(Officer's direct phone #)

ACCEPTED this ____ day of _____, 2019

STORMONT ENERGY ADVISORS CORP.

Per: _____

Dave Munro / Stuart Parnell, Managing Director