

## MEMORANDUM OF UNDERSTANDING

THIS Memorandum of Understanding dated the day of February 3, 2020.

BETWEEN:

### CANADIAN GAS ASSOCIATION

("CGA")

acting through its

### NATURAL GAS INNOVATION FUND

("NGIF")

And

### GEOSCIENCE BC SOCIETY

("Geoscience BC")

#### 1. Background

NGIF was established by the Canadian Gas Association to support the funding of eligible projects in cleantech innovation for the natural gas value chain.

Geoscience BC is an independent, not-for-profit society incorporated under the British Columbia *Societies Act*. Geoscience BC's mission is to generate and publicly share high quality and unbiased earth science research and data relating to minerals and coal, oil & gas, geothermal and water resources that:

- improves our collective level of geoscience knowledge;
- informs responsible natural resource development decisions;
- catalyzes investment and socio-economic opportunities; and
- stimulates innovation and geoscience technologies.

#### 2. Purpose and Objective

NGIF and Geoscience BC (collectively the "Parties") share some common objectives, and wish to consider ways to establish a working relationship based on mutual areas of interest and cooperation.

The purpose of this Memorandum of Understanding ("MOU") is to establish a framework within which the Parties may:

- a) Enhance project agreement flow;
- b) Share information on markets and best practices;
- c) Leverage resources;

- d) Accelerate the reduction of greenhouse gases; and
- e) Co-invest in cleantech research projects where appropriate.

### **3. Potential Areas of Collaboration**

Potential areas of future collaboration between the Parties include:

- a) periodic information sharing meetings to discuss each Party's respective business plans, targeted areas for investment, investment performance, best practices, performance metrics and other matters of mutual interest;
- b) sharing of information about planned calls for funding and/or requests for proposals;
- c) coordinating timing and/or delivery of calls for funding and/or requests for proposals where possible and mutually beneficial to optimize attraction and submission volume;
- d) sharing of technical expertise where possible and mutually beneficial to assess and evaluate applications and projects;
- e) communicating cleantech success to stakeholders where mutually beneficial including, without limitation, the provincial and federal governments, and the venture capital community;
- f) reducing duplication, process integration and process streamlining;
- g) collaborating on provincial, national and international outreach;
- h) reviewing the Parties' respective decision-making processes and exploring ways to harmonize those processes so that both Parties can operate more efficiently and share project related findings with confidence; and
- i) collaborating on projects using the high-level process outlined in section 4.

### **4. Proposed Project Collaboration Process**

The following process may be used by the Parties for collaborating on projects:

- a) upon receipt of a new project opportunity, either Party may elect to refer the project to the other Party. The decision to refer a project is entirely voluntary, and depends on the individual project and its circumstances. As appropriate, either Party may:
  - A. contact the other Party to discuss the opportunity (with the lead applicant's written permission); or
  - B. provide the lead applicant with other Party's contact and website information with no introduction.
- b) if written approval to jointly discuss and review a common project has been obtained from the lead applicant, the Parties may:
  - A. exchange due diligence findings on the common project (e.g. conferring with Geoscience BC and/or NGIF's operations staff, etc.);
  - B. share, to the extent permissible by each Party's selection process, decision-making outcomes on the common project as they move through each Party's investment decision and approval process.

- c) NGIF and Geoscience BC will each maintain distinct approval mechanisms. Cooperation between NGIF and Geoscience BC on common projects does not impact on the separate and distinct funding decisions of either Party, and in no way denotes an obligation to fund a common project. In any event wherein NGIF or Geoscience BC approve funding for a common project, the other Party may decline funding for the common project
- d) in the event that both Parties approve common project funding, the Parties may choose, but are in no way obligated to:
  - A. develop harmonized contract performance terms for the common project involving, but not limited to, deliverables, performance metrics, reporting, and remedies;
  - B. share relevant project management information for the common project involving, but not limited to deliverables, performance metrics, reporting, and remedies; and
  - C. co-operate on remedies to performance issues that arise throughout the life of the common project.

## 5. Agreement

It is mutually understood and agreed by and between the Parties that:

- a) except for this Section 5, the provisions of which shall be binding on the Parties, this MOU and its contents shall not be construed to be, and in no way are, legally binding on the Parties. This MOU is only intended to articulate areas for possible cooperation or collaboration amongst the Parties;
- b) the Parties may enter into written agreements in furtherance of this MOU, however, the execution of this MOU shall not be construed to create any obligation on either Party to enter into such agreements or to further in any way its relationship with the other Party;
- c) neither Party shall make any public statement relating to projects and undertakings involving the other Party or the existence of this MOU or its contents without the prior written consent of the other Party;
- d) any charges or expenses incurred by either Party in preparing this MOU, or as a result of this MOU or any work done hereunder are to the sole account of the Party incurring same unless otherwise agreed by the Parties in writing;
- e) this MOU does not represent, and in no way implies: (a) a partnership, joint venture or other commercial relationship between the Parties; (b) an authorization for either Party to act as the agent or representative of the other; or (c) an encouragement to either Party to expend funds or other resources in the development of products, services, projects or a more formal relationship between the Parties;

- f) nothing in this MOU shall be construed as prohibiting either Party from entering into a business arrangement with any other third party, whether or not such third party is in a similar line of business to the other Party.
- g) the Parties will disclose any conflicts of interests, deemed or perceived, during meetings or as soon as practicable whenever a potential conflict of interest arises. Upon discussion, the conflicted party may need to recuse themselves from meetings or proceedings, or take whatever reasonable actions necessary.
- h) in no event shall either Party be liable in contract, tort (inclusive of gross negligence) or otherwise, to the other for any claim, damage, injury or loss of any nature arising out of, or related to, this MOU or any information or analysis exchanged between the Parties as contemplated hereunder unless otherwise agreed to in writing by the Parties. In no event shall either Party be liable for special, incidental, punitive, indirect or consequential damages under this MOU. All tangibles and intangibles provided by a Party hereunder are provided "as is" and the Parties make no warranties, representations or covenants with respect to them, whether express, implied, statutory, or otherwise, including, without limitation, warranties of fitness for a particular purpose;
- i) this MOU may be terminated at any time by either Party upon written notice being delivered to the other Party in accordance with section 6; and
- j) this MOU is subject in all respects to the laws of the Province of Alberta, Canada, and the Alberta courts shall have jurisdiction with regard to all matters arising under this MOU.

## 6. General

- a) Any notices, approvals, consents and other communication under this MOU shall be in writing and are effective when delivered in person, by mail, by email, couriered or faxed to the following respective addresses:
  - A. if to NGIF:
 

Natural Gas Innovation Fund  
 350 Albert Street, Suite 1220  
 Ottawa, Ontario, K1R 1A4  
 Attention: John Adams  
 Email: jadams@cga.ca
  - B. if to Geoscience BC:
 

Geoscience BC Society  
 Suite 1101 – 750 West Pender Street  
 Vancouver, British Columbia, V6C 2T7  
 Attention: Carlos Salas  
 Email: salas@geosciencebc.com

Either Party may change its address information by giving written notice to the other in the above manner. Any notice or communication is deemed to have been received on the day of delivery, if hand-delivered, when the other Party acknowledges receipt, if sent by registered mail and one business day following transmission, if sent by email.

- b) This MOU may be signed by originals or by facsimile or portable document format (pdf) and executed in any number of counterparts, and each executed counterpart will be considered to be an original.

By their signatures attached hereto the Parties affirm their intentions with respect to this MOU.

**CANADIAN GAS ASSOCIATION - NATURAL GAS  
INNOVATION FUND**

Timothy M. Egan  
President and CEO

Per: \_\_\_\_\_

Authorized Signatory

**GEOSCIENCE BC SOCIETY**

Gavin C. Dirom  
President and CEO

Per: \_\_\_\_\_

Authorized Signatory