

Form 13-31
(Rule 13-31)

COURT FILE NUMBER Q.B.G 1705 of 2020

COURT OF QUEEN'S BENCH FOR SASKATCHEWAN
IN BANKRUPTCY AND INSOLVENCY

JUDICIAL CENTRE REGINA

APPLICANT BDO CANADA LIMITED in its capacity as RECEIVER OF
BOW RIVER ENERGY LTD.

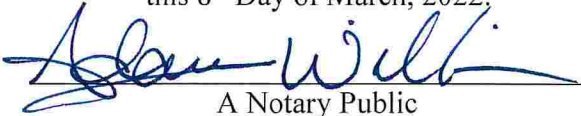
RESPONDENT BOW RIVER ENERGY LTD.

AFFIDAVIT OF ALLISON ENDERSBY

I, Allison Endersby, of Calgary, Alberta, AFFIRM AND SAY THAT:

1. I am employed by Bennett Jones Services Limited Partnership, a services limited partnership for Bennett Jones LLP, Barristers and Solicitors, counsel for the Receiver of Bow River Energy Ltd. ("**Bow River**") and therefore have personal knowledge of the matters deposed to herein, except where otherwise stated to be based on information and belief, in which case I verily believe the same to be true.
2. This affidavit is sworn in response to the Application of the R.M. Eye Hill No. 382.
3. I am advised by Keely Cameron, counsel for Bow River, that the following documents filed in Bow River's proceedings under the *Companies' Creditors Arrangement Act*, RSC 1985, c C-36 ("**CCAA**") are relevant:
 - (a) The Amended and Restated Initial Order, a copy of which is attached hereto as **Exhibit "1"**;
 - (b) The Alberta *CCAA* Initial Order Template, a copy of which is attached hereto as **Exhibit "2"**; and

(c) Affidavit No. 4 of Daniel Belot, a copy of which is attached hereto as **Exhibit "3"**.

AFFIRMED BEFORE ME at the City of)
Calgary, in the Province of Alberta,)
this 8th Day of March, 2022.)
)
A Notary Public)
in and for the Province of Alberta)

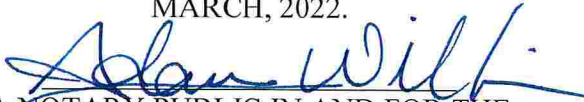

ALLISON ENDERSBY

Adam J. Williams
Barrister & Solicitor

Contact Information and Address for Service:

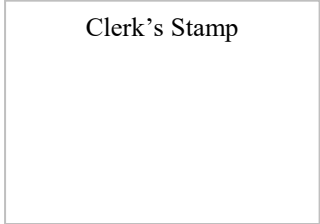
Name of firm:	Bennett Jones LLP
Name of lawyer in charge of file:	Keely Cameron/Adam J. Williams
Address:	4500 Bankers Hall East 855 – 2 Street SW Calgary, AB T2P 4K7
Telephone number:	403-298-3324/3307
Fax number (if any):	403-265-7219
Email address:	cameronk@bennettjones.com williamsa@bennettjones.com

THIS IS EXHIBIT "1" REFERRED TO IN
THE AFFIDAVIT OF ALLISON ENDERSBY
AFFIRMED BEFORE ME THIS 8TH DAY OF
MARCH, 2022.


A NOTARY PUBLIC IN AND FOR THE
PROVINCE OF ALBERTA

Adam J. Williams
Barrister & Solicitor

COURT FILE NUMBER **2001-06997**
COURT COURT OF QUEEN’S BENCH OF
 ALBERTA
JUDICIAL CENTRE Calgary



IN THE MATTER OF THE *COMPANIES'*
CREDITORS ARRANGEMENT ACT, RSC 1985,
c C-36, as amended

AND IN THE MATTER OF THE
COMPROMISE OR ARRANGEMENT OF
BOW RIVER ENERGY LTD.

DOCUMENT **AMENDED AND RESTATED
INITIAL ORDER**

ADDRESS FOR SERVICE AND Robyn Gurofsky/Jessica Cameron
CONTACT INFORMATION OF Borden Ladner Gervais LLP
 1900, 520 3rd Ave. S.W.
PARTY FILING THIS Calgary, AB T2P 0R3
 Telephone: (403) 232-9774/9715
DOCUMENT Facsimile: (403) 266-1395
 Email: rgurofsky@blg.com
 jcameron@blg.com
 File No. 441275/000025

DATE ON WHICH ORDER WAS PRONOUNCED: June 10, 2020

LOCATION WHERE ORDER WAS PRONOUNCED: Calgary, Alberta

NAME OF JUSTICE WHO MADE THIS ORDER: The Honourable Justice P.R. Jeffrey

UPON the application of Bow River Energy Ltd. (the “**Applicant**”); **AND UPON** having read the Originating Application, the Application for an Amended and Restated Initial Order, the Affidavit of Daniel G. Belot sworn May 29, 2020 (the “**Belot Affidavit**”), the Second Affidavit of Daniel G. Belot sworn June 5, 2020, and the Affidavit of Service of Stella Kim sworn June 8, 2020; **AND UPON** reading the consent of BDO Canada Limited (“**BDO**”) to act as Monitor; **AND UPON** having read the First Report of the Monitor; **AND UPON** reviewing the initial order granted in the within proceedings by the Honourable Madame Justice Grosse on June 1, 2020 (the “**Initial Order**”); **AND UPON** being advised that secured creditors who are likely to be affected by the

charges created herein have been provided notice of this application; **AND UPON** hearing counsel for the Applicant, the Monitor, the Debenture holders, and any other parties present at the Application;

IT IS HEREBY ORDERED AND DECLARED THAT:

SERVICE

1. The time for service of the notice of application for this amended and restated initial order (the “**Order**”) is hereby abridged and deemed good and sufficient and this application is properly returnable today.

CAPITALIZED TERMS

2. Capitalized terms used but not otherwise defined in this Order shall have the meaning given to such terms in the Belot Affidavit.

APPLICATION

3. The Applicant is a company to which the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”) applies.
4. The terms of the Initial Order granted in these proceedings shall be operative and shall continue to govern the period until the granting of this Order. The terms of the Initial Order are hereby amended and restated by the terms of this Order from and after the granting of this Order.

PLAN OF ARRANGEMENT

5. The Applicant shall have the authority to file and may, subject to further order of this Court, file with this Court a plan of compromise or arrangement (the “**Plan**”).

POSSESSION OF PROPERTY AND OPERATIONS

6. The Applicant shall:
 - (a) remain in possession and control of its current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the “**Property**”);
 - (b) subject to further order of this Court, continue to carry on business in a manner consistent with the preservation of its business (the “**Business**”) and Property;

- (c) be authorized and empowered to continue to retain and employ the employees, independent contractors, consultants, agents, experts, accountants, counsel, financial advisors, investment bankers and such other persons (collectively “**Assistants**”) currently retained or employed by it, with liberty to retain such further Assistants as it deems reasonably necessary or desirable in the ordinary course of business or for the carrying out of the terms of this Order;
 - (d) be entitled to continue to utilize the central cash management system currently in place as described in the Belot Affidavit or replace it with another substantially similar central cash management system (the “**Cash Management System**”), and any present or future bank providing the Cash Management System shall not be under any obligation whatsoever to inquire into the propriety, validity or legality of any transfer, payment, collection or other action taken under the Cash Management System, or as to the use or application by the Applicant of funds transferred, paid, collected or otherwise dealt with in the Cash Management System, shall be entitled to provide the Cash Management System without any liability in respect thereof to any Person (as hereinafter defined) other than the Applicant, pursuant to the terms of the documentation applicable to the Cash Management System, and shall be, in its capacity as provider of the Cash Management System, an unaffected creditor under the Plan with regard to any claims or expenses it may suffer or incur in connection with the provision of the Cash Management System; and
 - (e) be entitled to continue to utilize the corporate credit cards in place with Scotiabank (the “**Credit Cards**”) and shall make full repayment of all amounts outstanding thereunder, including with respect to any pre-filing charges.
7. To the extent permitted by law, the Applicant shall be entitled but not required to make the following advances or payments of the following expenses, whether incurred prior to or after the Initial Order:
- (a) all outstanding and future wages, salaries, compensation, employee and pension benefits, vacation pay and expenses (including without limitation, payroll and benefits processing and servicing expenses) payable on or after the date of the Initial Order, in each case incurred in the ordinary course of business and consistent with existing compensation policies and arrangements;

- (b) the reasonable fees and disbursements of any Assistants retained or employed by the Applicant in respect of these proceedings, at their standard rates and charges, including for periods prior to the date of the Initial Order; and
 - (c) with consent of the Monitor, amounts owing for goods or services supplied to the Applicant, including for periods prior to the date of the Initial Order if, in the opinion of the Applicant following consultation with the Monitor, the supplier or vendor of such goods or services is necessary for the operation or preservation of the Business or the Property.
- 8. Except as otherwise provided to the contrary herein, the Applicant shall be entitled but not required to pay all reasonable expenses incurred by the Applicant in carrying on the Business in the ordinary course after this Order, and in carrying out the provisions of this Order and any other Order of this Court, which expenses shall include, without limitation:
 - (a) all expenses and capital expenditures reasonably necessary for the preservation of the Property or the Business including, without limitation, payments on account of insurance (including directors and officers insurance), maintenance and security services; and
 - (b) payment for goods or services actually supplied to the Applicant following the date of this Order.
- 9. The Applicant shall remit, in accordance with legal requirements, or pay:
 - (a) any statutory deemed trust amounts in favour of the Crown in Right of Canada or of any Province thereof or any other taxation authority that are required to be deducted from employees' wages, including, without limitation, amounts in respect of:
 - (i) employment insurance,
 - (ii) Canada Pension Plan,
 - (iii) Quebec Pension Plan, and
 - (iv) income taxes,

but only where such statutory deemed trust amounts arise after the date of the Initial Order, or are not required to be remitted until after the date of the Initial Order, unless otherwise ordered by the Court;

- (b) all goods and services or other applicable sales taxes (collectively, “**Sales Taxes**”) required to be remitted by the Applicant in connection with the sale of goods and services by the Applicant, but only where such Sales Taxes are accrued or collected after the date of the Initial Order, or where such Sales Taxes were accrued or collected prior to the date of the Initial Order but not required to be remitted until on or after the date of the Initial Order; and
 - (c) any amount payable to the Crown in Right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal realty, municipal business or other taxes, assessments or levies of any nature or kind which are entitled at law to be paid in priority to claims of secured creditors and that are attributable to or in respect of the carrying on of the Business by the Applicant.
10. Until such time as a real property lease is disclaimed or resiliated in accordance with the CCAA, the Applicant may pay all amounts constituting rent or payable as rent under real property leases (including, for greater certainty, common area maintenance charges, utilities and realty taxes and any other amounts payable as rent to the landlord under the lease) based on the terms of existing lease arrangements or as otherwise may be negotiated by the Applicant from time to time for the period commencing from and including the date of the Initial Order (“**Rent**”), but shall not pay any rent in arrears.
11. Except as specifically permitted in this Order, the Applicant is hereby directed, until further order of this Court:
- (a) to make no payments of principal, interest thereon or otherwise on account of: (i) amounts owing by the Applicant as of the date of the Initial Order or otherwise becoming due and owing during these CCAA proceedings pursuant to the Debentures, and (ii) amounts owing by the Applicant to any of its other creditors as of the date of the Initial Order;

- (b) to grant no security interests, trust, liens, charges or encumbrances upon or in respect of any of its Property; and
- (c) not to grant credit or incur liabilities except in the ordinary course of the Business.

RESTRUCTURING

12. The Applicant shall, subject to such requirements as are imposed by the CCAA, have the right to:

- (a) permanently or temporarily cease, downsize or shut down any portion of its business or operations and to dispose of redundant or non-material assets not exceeding \$150,000 in any one transaction or \$600,000 in the aggregate, provided that any sale that is either (i) in excess of the above thresholds, or (ii) in favour of a person related to the Applicant (within the meaning of section 36(5) of the CCAA), shall require authorization by this Court in accordance with section 36 of the CCAA, and further provided that the Applicant and any other person shall not remove improvements from any lands upon which there exists real property tax arrears without the prior written approval of the applicable municipality or taxing authority or prior Order of this Court brought on notice to the applicable municipality or taxing authority;
- (b) terminate the employment of such of its employees or temporarily lay off such of its employees as it deems appropriate, whether by agreement or otherwise, and to deal with any consequences thereof in the Plan;
- (c) disclaim or resiliate, in whole or in part, with the prior consent of the Monitor (as defined below) or further order of the Court, their arrangements or agreements of any nature whatsoever with whomsoever, whether oral or written, as the Applicant deems appropriate, in accordance with section 32 of the CCAA; and
- (d) pursue all avenues of refinancing or restructuring of its Business or Property, in whole or part, subject to prior approval of this Court being obtained before any material refinancing or restructuring,

all of the foregoing to permit the Applicant to proceed with an orderly restructuring of the Business (the “**Restructuring**”).

13. The Applicant shall provide each of the relevant landlords with notice of the Applicant's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal. If the landlord disputes the Applicant's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Applicant, or by further order of this Court upon application by the Applicant on at least two (2) days' notice to such landlord and any such secured creditors. If the Applicant disclaims or resiliates the lease governing such leased premises in accordance with section 32 of the CCAA, it shall not be required to pay Rent under such lease pending resolution of any such dispute other than Rent payable for the notice period provided for in section 32(5) of the CCAA, and the disclaimer or resiliation of the lease shall be without prejudice to the Applicant's claim to the fixtures in dispute.
14. If a notice of disclaimer or resiliation is delivered pursuant to section 32 of the CCAA, then:
 - (a) during the notice period prior to the effective time of the disclaimer or resiliation, the landlord may show the affected leased premises to prospective tenants during normal business hours, on giving the Applicant and the Monitor five (5) business days prior written notice; and
 - (b) at the effective time of the disclaimer or resiliation, the relevant landlord shall be entitled to take possession of any such leased premises without waiver of or prejudice to any claims or rights such landlord may have against the Applicant in respect of such lease or leased premises and such landlord shall be entitled to notify the Applicant of the basis on which it is taking possession and to gain possession of and re-lease such leased premises to any third party or parties on such terms as such landlord considers advisable, provided that nothing herein shall relieve such landlord of its obligation to mitigate any damages claimed in connection therewith.

NO PROCEEDINGS AGAINST THE APPLICANT OR THE PROPERTY

15. Until and including July 31, 2020, or such later date as this Court may order (the "**Stay Period**"), no proceeding or enforcement process in any court, or, subject to any exceptions

under the CCAA, a tribunal (each, a “**Proceeding**”) shall be commenced or continued against or in respect of the Applicant or the Monitor, or affecting the Business or the Property, except with the written consent of the Applicant and the Monitor, or with leave of this Court, and any and all Proceedings currently under way against or in respect of the Applicant or affecting the Business or the Property are hereby stayed and suspended pending further order of this Court or the written consent of the Applicant and the Monitor.

NO EXERCISE OF RIGHTS OR REMEDIES

16. During the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being “**Persons**” and each being a “**Person**”), whether judicial or extra-judicial, statutory or non-statutory against or in respect of the Applicant or the Monitor, or affecting the Business or the Property, are hereby stayed and suspended and shall not be commenced, proceeded with or continued except with the written consent of the Applicant and the Monitor, or leave of this Court, provided that nothing in this Order shall:
 - (a) empower the Applicant to carry on any business that the Applicant is not lawfully entitled to carry on;
 - (b) affect such investigations, actions, suits or proceedings by a regulatory body as are permitted by section 11.1 of the CCAA;
 - (c) prevent the filing of any registration to preserve or perfect a security interest;
 - (d) prevent the registration of a claim for a lien; or
 - (e) exempt the Applicant from compliance with statutory or regulatory provisions relating to health, safety or the environment.

17. Nothing in this Order shall prevent any party from taking an action against the Applicant where such an action must be taken in order to comply with statutory time limitations in order to preserve their rights at law, provided that no further steps shall be taken by such party except in accordance with the other provisions of this Order, and notice in writing of such action be given to the Applicant and the Monitor at the first available opportunity.

NO INTERFERENCE WITH RIGHTS

18. During the Stay Period, no Person shall accelerate, suspend, discontinue, fail to honour, alter, interfere with, repudiate, rescind, terminate or cease to perform any right, renewal right, contract, agreement, lease, sublease, licence or permit in favour of or held by the Applicant, except with the written consent of the Applicant and the Monitor, or leave of this Court.

CONTINUATION OF SERVICES

19. During the Stay Period, all Persons having:

- (a) statutory or regulatory mandates for the supply of goods and/or services; or
- (b) oral or written agreements or arrangements with the Applicant, including without limitation all computer software, communication and other data services, centralized banking services, payroll and benefits services, insurance, shipping and transportation services, utility or other services to the Business or the Applicant,

are hereby restrained until further order of this Court from discontinuing, altering, interfering with, suspending or terminating the supply of such goods or services as may be required by the Applicant or exercising any other remedy provided under such agreements or arrangements. The Applicant shall be entitled to the continued use of its current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the usual prices or charges for all such goods or services received after the date of the Initial Order are paid by the Applicant in accordance with the payment practices of the Applicant, or such other practices as may be agreed upon by the supplier or service provider and each of the Applicant and the Monitor, or as may be ordered by this Court.

NON-DEROGATION OF RIGHTS

20. Nothing in this Order has the effect of prohibiting a Person from requiring immediate payment for goods, services, use of leased or licensed property or other valuable consideration provided on or after the date of the Initial Order, nor shall any Person be under any obligation on or after the date of the Initial Order to advance or re-advance any monies or otherwise extend any credit to the Applicant.

PROCEEDINGS AGAINST DIRECTORS AND OFFICERS

21. During the Stay Period, and except as permitted by subsection 11.03(2) of the CCAA and paragraph 16 of this Order, no Proceeding may be commenced or continued against any of the former, current or future directors or officers of the Applicant with respect to any claim against the directors or officers that arose before the date of the Initial Order and that relates to any obligations of the Applicant whereby the directors or officers are alleged under any law to be liable in their capacity as directors or officers for the payment or performance of such obligations.

DIRECTORS' AND OFFICERS' INDEMNIFICATION AND CHARGE

22. The Applicant shall indemnify its current and future directors and officers (the “D&Os”) against obligations and liabilities that they may incur as directors and/or officers of the Applicant after the commencement of the within proceedings, except to the extent that, with respect to any officer or director, the obligation or liability was incurred as a result of the director’s or officer’s gross negligence or wilful misconduct.
23. The D&Os of the Applicant shall be entitled to the benefit of and are hereby granted a charge (the “**Directors’ Charge**”) on the Property, which charge shall not exceed an aggregate amount of \$400,000, as security for the indemnity provided in paragraph 22 of this Order. The Directors’ Charge shall have the priority set out in paragraphs 33 and 35 of this Order.
24. Notwithstanding any language in any applicable insurance policy to the contrary:
- (a) no insurer shall be entitled to be subrogated to or claim the benefit of the Directors’ Charge; and
 - (b) the Applicant’s D&Os shall only be entitled to the benefit of the Directors’ Charge to the extent that they do not have coverage under any directors’ and officers’ insurance policy, or to the extent that such coverage is insufficient to pay amounts indemnified in accordance with paragraph 22 of this Order.

APPOINTMENT OF MONITOR

25. BDO is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the Property, Business, and financial affairs of the Applicant with the powers

and obligations set out in the CCAA or set forth herein, and the Applicant and its shareholders, D&O's, and Assistants shall advise the Monitor of all material steps taken by the Applicant pursuant to this Order, and shall co-operate fully with the Monitor in the exercise of its powers and discharge of its obligations and provide the Monitor with the assistance that is necessary to enable the Monitor to adequately carry out the Monitor's functions.

26. The Monitor, in addition to its prescribed rights and obligations under the CCAA, is hereby directed and empowered to:
- (a) monitor the Applicant's receipts and disbursements, Business and dealings with the Property;
 - (b) report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business, and such other matters as may be relevant to the proceedings herein and immediately report to the Court if in the opinion of the Monitor there is a material adverse change in the financial circumstances of the Applicant;
 - (c) assist the Applicant in its preparation of the Applicant's cash flow statements and reporting required from time to time;
 - (d) assist the Applicant, to the extent required by the Applicant, with respect to any sale or investment solicitation process;
 - (e) advise the Applicant, to the extent required by the Applicant, in its development of the Plan and any amendments to the Plan;
 - (f) assist the Applicant, to the extent required by the Applicant, with the holding and administering of creditors' or shareholders' meetings for voting on the Plan;
 - (g) have full and complete access to the Property, including the premises, books, records, data, including data in electronic form and other financial documents of the Applicant to the extent that is necessary to adequately assess the Property, Business, and financial affairs of the Applicant or to perform its duties arising under this Order;

- (h) be at liberty to engage independent legal counsel or such other persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order;
 - (i) hold funds in trust or in escrow, to the extent required, to facilitate settlements between the Applicant and any other Person; and
 - (j) perform such other duties as are required by this Order or by this Court from time to time.
27. The Monitor shall not take possession of the Property and shall take no part whatsoever in the management or supervision of the management of the Business and shall not, by fulfilling its obligations hereunder, or by inadvertence in relation to the due exercise of powers or performance of duties under this Order, be deemed to have taken or maintain possession or control of the Business or Property, or any part thereof. Nothing in this Order shall require the Monitor to occupy or to take control, care, charge, possession or management of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal or waste or other contamination, provided however that this Order does not exempt the Monitor from any duty to report or make disclosure imposed by applicable environmental legislation or regulation. The Monitor shall not, as a result of this Order or anything done in pursuance of the Monitor's duties and powers under this Order be deemed to be in possession of any of the Property within the meaning of any federal or provincial environmental legislation.
28. The Monitor shall provide any creditor of the Applicant with information provided by the Applicant in response to reasonable requests for information made in writing by such creditor addressed to the Monitor. The Monitor shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Monitor has been advised by the Applicant is confidential; the Monitor shall not provide such information to creditors unless otherwise directed by this Court or on such terms as the Monitor and the Applicant may agree.

29. In addition to the rights and protections afforded the Monitor under the CCAA or as an Officer of this Court, the Monitor shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded the Monitor by the CCAA or any applicable legislation.
30. The Monitor, counsel to the Monitor, and counsel to the Applicant, shall be paid their reasonable fees and disbursements (including any pre-filing fees and disbursements related to these CCAA proceedings) by the Applicant, in each case at their standard rates and charges, subject to the terms set forth in their respective engagement letters with the Applicant, as applicable, as part of the costs of these proceedings. The Applicant is hereby authorized and directed to pay the accounts of the foregoing parties in accordance with the payment terms agreed between the Applicant and such parties.
31. The Monitor and its legal counsel shall pass their accounts from time to time.
32. The Monitor, counsel to the Monitor, and counsel to the Applicant, shall be entitled to the benefits of and are hereby granted a charge (the “**Administration Charge**”) on the Property, which charge shall not exceed an aggregate amount of \$300,000, as security for the professional fees and disbursements incurred both before and after the granting of the Initial Order at the standard rates and charges of the Monitor and such counsel, subject to the terms set forth in their respective engagement letters, as applicable. The Administration Charge shall have the priority set out in paragraphs 33 and 35 of this Order.

VALIDITY AND PRIORITY OF CHARGES

33. The priorities of the Directors’ Charge and the Administration Charge, as among them, shall be as follows:
 - (a) First – Administration Charge (to the maximum amount of \$300,000); and
 - (b) Second – Directors’ Charge (to the maximum amount of \$400,000).
34. The filing, registration or perfection of the Directors’ Charge or the Administration Charge, (together, the “**Charges**”) shall not be required, and the Charges shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered,

recorded or perfected subsequent to the Charges coming into existence, notwithstanding any such failure to file, register, record or perfect.

35. Each of the Charges (all as constituted and defined herein) shall constitute a charge on the Property and, subject always to section 34(11) of the CCAA, such Charges shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, and claims of secured creditors, statutory or otherwise (collectively, “**Encumbrances**”) in favour of any Person that has received notice of this Application.
36. Except as otherwise expressly provided for herein, or as may be approved by this Court, the Applicant shall not grant any Encumbrances over any Property that rank in priority to, or *pari passu* with, any of the Charges, unless the Applicant also obtains the prior written consent of the Monitor and the beneficiaries of the applicable Charge(s), or further order of this Court.
37. The Charges shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the Charges (collectively, the “**Chargees**”) thereunder shall not otherwise be limited or impaired in any way by:
 - (a) the pendency of these proceedings and the declarations of insolvency made in this Order;
 - (b) any application(s) for bankruptcy order(s) issued pursuant to BIA, or any bankruptcy order made pursuant to such applications;
 - (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA;
 - (d) the provisions of any federal or provincial statutes; or
 - (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an “**Agreement**”) that binds the Applicant, and notwithstanding any provision to the contrary in any Agreement:

- (i) neither the creation of the Charges nor the execution, delivery, perfection, registration or performance of any documents in respect thereof, shall create or be deemed to constitute a new breach by the Applicant of any Agreement to which it is a party;
- (ii) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the creation of the Charges; and
- (iii) the payments made by the Applicant pursuant to this Order and the granting of the Charges, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct or other challengeable or voidable transactions under any applicable law.

ALLOCATION

38. Any interested Person may apply to this Court on notice to any other party likely to be affected for an order to allocate the Charges amongst the various assets comprising the Property.

SERVICE AND NOTICE

39. The Monitor shall (i) without delay, publish in the *Calgary Herald* and *Daily Oil Bulletin* a notice containing the information prescribed under the CCAA; (ii) within five (5) days after the date of the Initial Order (A) make the Initial Order publicly available in the manner prescribed under the CCAA, (B) send, in the prescribed manner, a notice to every known creditor who has a claim against the Applicant of more than \$1,000 and (C) prepare a list showing the names and addresses of those creditors and the estimated amounts of those claims, and make it publicly available in the prescribed manner, all in accordance with section 23(1)(a) of the CCAA and the regulations made thereunder.
40. The Monitor shall establish a website in respect of the within CCAA proceedings at: <https://www.bdo.ca/en-ca/extranets/bowriver/> (the “**Proceedings Website**”). The Monitor shall post a copy of this Order to the Proceedings Website without delay.
41. The Applicant and, where applicable, the Monitor, are at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other

correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile or other electronic transmission to the Applicant's creditors or other interested parties at their respective addresses as last shown on the records of the Applicant and that any such service, distribution or notice shall be deemed to be received: (a) if sent by courier, on the next business day following the date of forwarding thereof, (b) if delivered by personal delivery or facsimile or other electronic transmission, on the day so delivered, and (c) if sent by ordinary mail, on the third business day after mailing.

42. Any Person that wishes to be served with any application and other materials in these proceedings must deliver to the Monitor by way of ordinary mail, courier, personal delivery or electronic transmission a request to be added to a service list (the "**Service List**") to be maintained by the Applicant. The Monitor shall post and maintain an up-to-date form of the Service List on the Proceedings Website (<https://www.bdo.ca/en-ca/extranets/bowriver/>).
43. The Applicant and the Monitor and their counsel are at liberty to serve or distribute this Order, any other materials and orders as may be reasonably required in these proceedings, including any notices, or other correspondence, by forwarding true copies thereof by electronic message to the Applicant's creditors or other interested parties and their advisors.
44. Any party to these proceedings may serve or distribute any court materials in these proceedings by emailing a PDF or other electronic copy of such materials to the email addresses of counsel as recorded on the Service List from time to time, and the Monitor shall post a copy of all prescribed materials on the Proceedings Website.
45. Any interested party wishing to object to the relief sought in an application brought by the Applicant or the Monitor in these proceedings shall, subject to further order of this Court, provide the Service List with responding application materials or a written notice (including by e-mail) stating its objection to the application and the grounds for such objection by no later than 5:00 p.m. Mountain Standard Time on the date that is four (4) days prior to the date such application is returnable (the "**Objection Deadline**"). The Monitor shall have the ability to adjust the Objection Deadline, after consulting with the Applicant, to a date that is less than four (4) days prior to the application.

46. Following the expiry of the Objection Deadline, counsel to the Monitor or counsel to the Applicant shall inform the Commercial Coordinator in writing (which may be by e-mail) of the absence or the status of any objections to the application, and the judge having carriage of the application may determine the manner in which the application and any objections to the application, as applicable, will be dealt with.
47. Any interested party (including the Applicant and the Monitor) may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to any other party or parties likely to be affected by the Order sought, or upon such other notice as this Court may order.

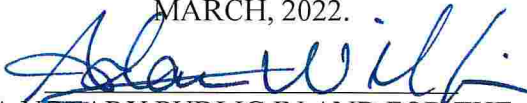
GENERAL

48. The Applicant or the Monitor may from time to time apply to this Court to amend, vary or supplement this Order, or for advice and directions in the discharge of its powers and duties hereunder.
49. Notwithstanding Rule 6.11 of the *Alberta Rules of Court*, unless otherwise ordered by this Court, the Monitor will report to the Court from time to time, which reporting is not required to be in affidavit form and shall be considered by this Court as evidence. The Monitor's reports shall be filed by the Court Clerk notwithstanding that they do not include an original signature.
50. Nothing in this Order shall prevent the Monitor from acting as an interim receiver, a receiver, a receiver and manager or a trustee in bankruptcy of the Applicant, the Business or the Property.
51. This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in any foreign jurisdiction, to give effect to this Order and to assist the Applicant, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Applicant and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicant and the Monitor and their respective agents in carrying out the terms of this Order.

52. Each of the Applicant and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order and that the Monitor is authorized and empowered to act as a representative in respect of the within proceeding for the purpose of having these proceedings recognized in a jurisdiction outside Canada.
53. This Order and all of its provisions are effective as of 12:01 a.m. Mountain Standard Time on the date of this Order.


Justice of the Court of Queen's Bench of
Alberta

THIS IS EXHIBIT "2" REFERRED TO IN
THE AFFIDAVIT OF ALLISON ENDERSBY
AFFIRMED BEFORE ME THIS 8TH DAY OF
MARCH, 2022.


A NOTARY PUBLIC IN AND FOR THE
PROVINCE OF ALBERTA

Adam J. Williams
Barrister & Solicitor

Clerk's Stamp:



COURT FILE NUMBER
COURT
JUDICIAL CENTRE OF

COURT OF QUEEN'S BENCH OF ALBERTA



IN THE MATTER OF THE *COMPANIES'*
CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c.
C-36, as amended

AND IN THE MATTER OF A PLAN OF
COMPROMISE OR ARRANGEMENT OF **[THE
DEBTOR(S)]**

APPLICANT:
RESPONDENT(S):
DOCUMENT
CONTACT INFORMATION OF PARTY
FILING THIS DOCUMENT:

ALBERTA TEMPLATE CCAA INITIAL ORDER

[LAW FIRM NAME]

[Address]

[Address]

Solicitor: ●

Telephone: ●

Facsimile: ●

Email: ●

File Number: ●

**DATE ON WHICH ORDER WAS
PRONOUNCED:
NAME OF JUDGE WHO MADE THIS
ORDER:
LOCATION OF HEARING:**

**[*NOTE: DO NOT USE THIS ORDER AS A PRECEDENT WITHOUT REVIEWING
THE ACCOMPANYING EXPLANATORY NOTES.]**

UPON the application of **[NAME]** (the “**Applicant**”); **AND UPON** having read the Originating Application, the Affidavit of ●; and the Affidavit of Service of ● **[if applicable]**, filed; **AND UPON** reading the consent of **[NAME]** to act as Monitor; **AND UPON** being advised that the secured creditors who are likely to be affected by the charges created herein have been provided notice of this application and either do not oppose or alternatively consent to the within Order **[if applicable]**; **AND UPON** hearing counsel for ●; **AND UPON** reading the Pre-Filing Report of **[Monitor’s Name]**; **IT IS HEREBY ORDERED AND DECLARED THAT:**

SERVICE

1. The time for service of the notice of application for this order (the “**Order**”) is hereby abridged and deemed good and sufficient **[if applicable]** and this application is properly returnable today.

APPLICATION

2. The Applicant is a company to which the *Companies’ Creditors Arrangement Act* of Canada (the “**CCAA**”) applies.

PLAN OF ARRANGEMENT

3. The Applicant shall have the authority to file and may, subject to further order of this Court, file with this Court a plan of compromise or arrangement (the “**Plan**”).

POSSESSION OF PROPERTY AND OPERATIONS

4. The Applicant shall:
 - (a) remain in possession and control of its current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the “**Property**”);
 - (b) subject to further order of this Court, continue to carry on business in a manner consistent with the preservation of its business (the “**Business**”) and Property;
 - (c) be authorized and empowered to continue to retain and employ the employees, consultants, agents, experts, accountants, counsel and such other persons (collectively “**Assistants**”) currently retained or employed by it, with liberty to retain such further Assistants as it deems reasonably necessary or desirable in the ordinary course of business or for the carrying out of the terms of this Order; and
 - (d) be entitled to continue to utilize the central cash management system currently in place as described in the Affidavit of **[NAME]** sworn **[DATE]** or replace it with another substantially

similar central cash management system (the "**Cash Management System**") and that any present or future bank providing the Cash Management System shall not be under any obligation whatsoever to inquire into the propriety, validity or legality of any transfer, payment, collection or other action taken under the Cash Management System, or as to the use or application by the Applicant of funds transferred, paid, collected or otherwise dealt with in the Cash Management System, shall be entitled to provide the Cash Management System without any liability in respect thereof to any Person (as hereinafter defined) other than the Applicant, pursuant to the terms of the documentation applicable to the Cash Management System, and shall be, in its capacity as provider of the Cash Management System, an unaffected creditor under the Plan with regard to any claims or expenses it may suffer or incur in connection with the provision of the Cash Management System.] **[See Explanatory Note]**

5. To the extent permitted by law, the Applicant shall be entitled but not required to make the following advances or payments of the following expenses, incurred prior to or after this Order:
 - (a) all outstanding and future wages, salaries, employee and pension benefits, vacation pay and expenses payable on or after the date of this Order, in each case incurred in the ordinary course of business and consistent with existing compensation policies and arrangements; and
 - (b) the reasonable fees and disbursements of any Assistants retained or employed by the Applicant in respect of these proceedings, at their standard rates and charges, including for periods prior to the date of this Order.

6. Except as otherwise provided to the contrary herein, the Applicant shall be entitled but not required to pay all reasonable expenses incurred by the Applicant in carrying on the Business in the ordinary course after this Order, and in carrying out the provisions of this Order, which expenses shall include, without limitation:
 - (a) all expenses and capital expenditures reasonably necessary for the preservation of the Property or the Business including, without limitation, payments on account of insurance (including directors and officers insurance), maintenance and security services; and
 - (b) payment for goods or services actually supplied to the Applicant following the date of this Order.

7. The Applicant shall remit, in accordance with legal requirements, or pay:
 - (a) any statutory deemed trust amounts in favour of the Crown in Right of Canada or of any Province thereof or any other taxation authority that are required to be deducted from employees' wages, including, without limitation, amounts in respect of:

- (i) employment insurance,
- (ii) Canada Pension Plan,
- (iii) Quebec Pension Plan, and
- (iv) income taxes,

but only where such statutory deemed trust amounts arise after the date of this Order, or are not required to be remitted until after the date of this Order, unless otherwise ordered by the Court;

- (b) all goods and services or other applicable sales taxes (collectively, "**Sales Taxes**") required to be remitted by the Applicant in connection with the sale of goods and services by the Applicant, but only where such Sales Taxes are accrued or collected after the date of this Order, or where such Sales Taxes were accrued or collected prior to the date of this Order but not required to be remitted until on or after the date of this Order; and
 - (c) any amount payable to the Crown in Right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal realty, municipal business or other taxes, assessments or levies of any nature or kind which are entitled at law to be paid in priority to claims of secured creditors and that are attributable to or in respect of the carrying on of the Business by the Applicant.
8. Until such time as a real property lease is disclaimed or resiliated in accordance with the CCAA, the Applicant may pay all amounts constituting rent or payable as rent under real property leases (including, for greater certainty, common area maintenance charges, utilities and realty taxes and any other amounts payable as rent to the landlord under the lease) based on the terms of existing lease arrangements or as otherwise may be negotiated by the Applicant from time to time for the period commencing from and including the date of this Order ("**Rent**"), but shall not pay any rent in arrears.
9. Except as specifically permitted in this Order, the Applicant is hereby directed, until further order of this Court:
- (a) to make no payments of principal, interest thereon or otherwise on account of amounts owing by the Applicant to any of its creditors as of the date of this Order;
 - (b) to grant no security interests, trust, liens, charges or encumbrances upon or in respect of any of its Property; and
 - (c) not to grant credit or incur liabilities except in the ordinary course of the Business.

RESTRUCTURING

10. The Applicant shall, subject to such requirements as are imposed by the CCAA **[and such covenants as may be contained in the Definitive Documents (as hereinafter defined in paragraph [33]),]** have the right to:
 - (a) permanently or temporarily cease, downsize or shut down any portion of its business or operations and to dispose of redundant or non-material assets not exceeding **[\$]** in any one transaction or **[\$]** in the aggregate, provided that any sale that is either (i) in excess of the above thresholds, or (ii) in favour of a person related to the Applicant (within the meaning of section 36(5) of the CCAA), shall require authorization by this Court in accordance with section 36 of the CCAA;
 - (b) terminate the employment of such of its employees or temporarily lay off such of its employees as it deems appropriate on such terms as may be agreed upon between the Applicant and such employee, or failing such agreement, to deal with the consequences thereof in the Plan;
 - (c) disclaim or resiliate, in whole or in part, with the prior consent of the Monitor (as defined below) or further Order of the Court, their arrangements or agreements of any nature whatsoever with whomsoever, whether oral or written, as the Applicant deems appropriate, in accordance with section 32 of the CCAA; and
 - (d) pursue all avenues of refinancing of its Business or Property, in whole or part, subject to prior approval of this Court being obtained before any material refinancing,all of the foregoing to permit the Applicant to proceed with an orderly restructuring of the Business (the "**Restructuring**").

11. The Applicant shall provide each of the relevant landlords with notice of the Applicant's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal. If the landlord disputes the Applicant's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Applicant, or by further order of this Court upon application by the Applicant on at least two (2) days' notice to such landlord and any such secured creditors. If the Applicant disclaims or resiliates the lease governing such leased premises in accordance with section 32 of the CCAA, it shall not be required to pay Rent under such lease pending resolution of any such dispute other than Rent payable for the notice period provided for in section 32(5) of the CCAA, and the disclaimer or resiliation of the lease shall be without prejudice to the Applicant's claim to the fixtures in dispute.

12. If a notice of disclaimer or resiliation is delivered pursuant to section 32 of the CCAA, then:
- (a) during the notice period prior to the effective time of the disclaimer or resiliation, the landlord may show the affected leased premises to prospective tenants during normal business hours, on giving the Applicant and the Monitor 24 hours' prior written notice; and
 - (b) at the effective time of the disclaimer or resiliation, the relevant landlord shall be entitled to take possession of any such leased premises without waiver of or prejudice to any claims or rights such landlord may have against the Applicant in respect of such lease or leased premises and such landlord shall be entitled to notify the Applicant of the basis on which it is taking possession and to gain possession of and re-lease such leased premises to any third party or parties on such terms as such landlord considers advisable, provided that nothing herein shall relieve such landlord of its obligation to mitigate any damages claimed in connection therewith.

NO PROCEEDINGS AGAINST THE APPLICANT OR THE PROPERTY

13. Until and including **[DATE – MAX. 30 DAYS]**, or such later date as this Court may order (the “**Stay Period**”), no proceeding or enforcement process in any court (each, a “**Proceeding**”) shall be commenced or continued against or in respect of the Applicant or the Monitor, or affecting the Business or the Property, except with leave of this Court, and any and all Proceedings currently under way against or in respect of the Applicant or affecting the Business or the Property are hereby stayed and suspended pending further order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

14. During the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being “**Persons**” and each being a “**Person**”), whether judicial or extra-judicial, statutory or non-statutory against or in respect of the Applicant or the Monitor, or affecting the Business or the Property, are hereby stayed and suspended and shall not be commenced, proceeded with or continued except with leave of this Court, provided that nothing in this Order shall:
- (a) empower the Applicant to carry on any business that the Applicant is not lawfully entitled to carry on;
 - (b) affect such investigations, actions, suits or proceedings by a regulatory body as are permitted by section 11.1 of the CCAA;
 - (c) prevent the filing of any registration to preserve or perfect a security interest;
 - (d) prevent the registration of a claim for lien; or

- (e) exempt the Applicant from compliance with statutory or regulatory provisions relating to health, safety or the environment.

15. Nothing in this Order shall prevent any party from taking an action against the Applicant where such an action must be taken in order to comply with statutory time limitations in order to preserve their rights at law, provided that no further steps shall be taken by such party except in accordance with the other provisions of this Order, and notice in writing of such action be given to the Monitor at the first available opportunity.

NO INTERFERENCE WITH RIGHTS

16. During the Stay Period, no person shall accelerate, suspend, discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Applicant, except with the written consent of the Applicant and the Monitor, or leave of this Court.

CONTINUATION OF SERVICES

17. During the Stay Period, all persons having:

- (a) statutory or regulatory mandates for the supply of goods and/or services; or
- (b) oral or written agreements or arrangements with the Applicant, including without limitation all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation, services, utility or other services to the Business or the Applicant

are hereby restrained until further order of this Court from discontinuing, altering, interfering with, suspending or terminating the supply of such goods or services as may be required by the Applicant or exercising any other remedy provided under such agreements or arrangements. The Applicant shall be entitled to the continued use of its current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the usual prices or charges for all such goods or services received after the date of this Order are paid by the Applicant in accordance with the payment practices of the Applicant, or such other practices as may be agreed upon by the supplier or service provider and each of the Applicant and the Monitor, or as may be ordered by this Court.

NON-DEROGATION OF RIGHTS

18. Nothing in this Order has the effect of prohibiting a person from requiring immediate payment for goods, services, use of leased or licensed property or other valuable consideration provided on or

after the date of this Order, nor shall any person, other than the Interim Lender where applicable, be under any obligation on or after the date of this Order to advance or re-advance any monies or otherwise extend any credit to the Applicant.

PROCEEDINGS AGAINST DIRECTORS AND OFFICERS

19. During the Stay Period, and except as permitted by subsection 11.03(2) of the CCAA and paragraph [15] of this Order, no Proceeding may be commenced or continued against any of the former, current or future directors or officers of the Applicant with respect to any claim against the directors or officers that arose before the date of this Order and that relates to any obligations of the Applicant whereby the directors or officers are alleged under any law to be liable in their capacity as directors or officers for the payment or performance of such obligations, until a compromise or arrangement in respect of the Applicant, if one is filed, is sanctioned by this Court or is refused by the creditors of the Applicant or this Court.

DIRECTORS' AND OFFICERS' INDEMNIFICATION AND CHARGE

20. The Applicant shall indemnify its directors and officers against obligations and liabilities that they may incur as directors and or officers of the Applicants after the commencement of the within proceedings except to the extent that, with respect to any officer or director, the obligation was incurred as a result of the director's or officer's gross negligence or wilful misconduct.
21. The directors and officers of the Applicant shall be entitled to the benefit of and are hereby granted a charge (the "**Directors' Charge**") on the Property, which charge shall not exceed an aggregate amount of [\$], as security for the indemnity provided in paragraph [20] of this Order. The Directors' Charge shall have the priority set out in paragraphs [37] and [39] herein.
22. Notwithstanding any language in any applicable insurance policy to the contrary:
 - (a) no insurer shall be entitled to be subrogated to or claim the benefit of the Directors' Charge; and
 - (b) the Applicant's directors and officers shall only be entitled to the benefit of the Directors' Charge to the extent that they do not have coverage under any directors' and officers' insurance policy, or to the extent that such coverage is insufficient to pay amounts indemnified in accordance with paragraph [20] of this Order.

APPOINTMENT OF MONITOR

23. [MONITOR'S NAME] is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the Property, Business, and financial affairs and the Applicant with the powers

and obligations set out in the CCAA or set forth herein and that the Applicant and its shareholders, officers, directors, and Assistants shall advise the Monitor of all material steps taken by the Applicant pursuant to this Order, and shall co-operate fully with the Monitor in the exercise of its powers and discharge of its obligations and provide the Monitor with the assistance that is necessary to enable the Monitor to adequately carry out the Monitor's functions.

24. The Monitor, in addition to its prescribed rights and obligations under the CCAA, is hereby directed and empowered to:
- (a) monitor the Applicant's receipts and disbursements, Business and dealings with the Property;
 - (b) report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business, and such other matters as may be relevant to the proceedings herein and immediately report to the Court if in the opinion of the Monitor there is a material adverse change in the financial circumstances of the Applicant;
 - (c) assist the Applicant, to the extent required by the Applicant, in its dissemination to the Interim Lender and its counsel on a **[TIME INTERVAL]** basis of financial and other information as agreed to between the Applicant and the Interim Lender which may be used in these proceedings, including reporting on a basis as reasonably required by the Interim Lender;
 - (d) advise the Applicant in its preparation of the Applicant's cash flow statements and reporting required by the Interim Lender, which information shall be reviewed with the Monitor and delivered to the Interim Lender and its counsel on a periodic basis, but not less than **[TIME INTERVAL]**, or as otherwise agreed to by the Interim Lender;
 - (e) advise the Applicant in its development of the Plan and any amendments to the Plan;
 - (f) assist the Applicant, to the extent required by the Applicant, with the holding and administering of creditors' or shareholders' meetings for voting on the Plan;
 - (g) have full and complete access to the Property, including the premises, books, records, data, including data in electronic form and other financial documents of the Applicant to the extent that is necessary to adequately assess the Property, Business, and financial affairs of the Applicant or to perform its duties arising under this Order;
 - (h) be at liberty to engage independent legal counsel or such other persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order;

- (i) hold funds in trust or in escrow, to the extent required, to facilitate settlements between the Applicants and any other Person; and
 - (j) perform such other duties as are required by this Order or by this Court from time to time.
25. The Monitor shall not take possession of the Property and shall take no part whatsoever in the management or supervision of the management of the Business and shall not, by fulfilling its obligations hereunder, or by inadvertence in relation to the due exercise of powers or performance of duties under this Order, be deemed to have taken or maintain possession or control of the Business or Property, or any part thereof. Nothing in this Order shall require the Monitor to occupy or to take control, care, charge, possession or management of any of the Property that might be environmentally contaminated, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal or waste or other contamination, provided however that this Order does not exempt the Monitor from any duty to report or make disclosure imposed by applicable environmental legislation or regulation. The Monitor shall not, as a result of this Order or anything done in pursuance of the Monitor's duties and powers under this Order be deemed to be in possession of any of the Property within the meaning of any federal or provincial environmental legislation.
26. The Monitor shall provide any creditor of the Applicant and the Interim Lender with information provided by the Applicant in response to reasonable requests for information made in writing by such creditor addressed to the Monitor. The Monitor shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Monitor has been advised by the Applicant is confidential, the Monitor shall not provide such information to creditors unless otherwise directed by this Court or on such terms as the Monitor and the Applicant may agree.
27. In addition to the rights and protections afforded the Monitor under the CCAA or as an Officer of this Court, the Monitor shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded the Monitor by the CCAA or any applicable legislation.
28. The Monitor, counsel to the Monitor, and counsel to the Applicant shall be paid their reasonable fees and disbursements (including any pre-filing fees and disbursements related to these CCAA proceedings), in each case at their standard rates and charges, by the Applicant as part of the costs of these proceedings. The Applicant is hereby authorized and directed to pay the accounts of the Monitor, counsel for the Monitor and counsel for the Applicant on a **[TIME INTERVAL]** basis and, in

addition, the Applicant is hereby authorized to pay to the Monitor, counsel to the Monitor, and counsel to the Applicant, retainers in the respective amount[s] of \$●, to be held by them as security for payment of their respective fees and disbursements outstanding from time to time.

29. The Monitor and its legal counsel shall pass their accounts from time to time.
30. The Monitor, counsel to the Monitor, if any, and the Applicant's counsel, as security for the professional fees and disbursements incurred both before and after the granting of this Order, shall be entitled to the benefits of and are hereby granted a charge (the "**Administration Charge**") on the Property, which charge shall not exceed an aggregate amount of **[\$]**, as security for their professional fees and disbursements incurred at the normal rates and charges of the Monitor and such counsel, both before and after the making of this Order in respect of these proceedings. The Administration Charge shall have the priority set out in paragraphs **[37]** and **[39]** hereof.

INTERIM FINANCING

31. The Applicant is hereby authorized and empowered to obtain and borrow under a credit facility from **[INTERIM LENDER'S NAME]** (the "**Interim Lender**") in order to finance the Applicant's working capital requirements and other general corporate purposes and capital expenditures, provided that borrowings under such credit facility shall not exceed **[\$]** unless permitted by further order of this Court.
32. Such credit facility shall be on the terms and subject to the conditions set forth in the commitment letter between the Applicant and the Interim Lender dated as of **[DATE]** (the "**Commitment Letter**"), filed.
33. The Applicant is hereby authorized and empowered to execute and deliver such credit agreements, mortgages, charges, hypothecs, and security documents, guarantees and other definitive documents (collectively, the "**Definitive Documents**"), as are contemplated by the Commitment Letter or as may be reasonably required by the Interim Lender pursuant to the terms thereof, and the Applicant is hereby authorized and directed to pay and perform all of its indebtedness, interest, fees, liabilities, and obligations to the Interim Lender under and pursuant to the Commitment Letter and the Definitive Documents as and when the same become due and are to be performed, notwithstanding any other provision of this Order.
34. The Interim Lender shall be entitled to the benefits of and is hereby granted a charge (the "**Interim Lender's Charge**") on the Property to secure all obligations under the Definitive Documents incurred on or after the date of this Order which charge shall not exceed the aggregate amount advanced on or after the date of this Order under the Definitive Documents. The Interim Lender's Charge shall not secure any obligation existing before this the date this Order is made. **[see**

Explanatory Notes] The Interim Lender's Charge shall have the priority set out in paragraphs [37] and [39] hereof.

35. Notwithstanding any other provision of this Order:
- (a) the Interim Lender may take such steps from time to time as it may deem necessary or appropriate to file, register, record or perfect the Interim Lender's Charge or any of the Definitive Documents;
 - (b) upon the occurrence of an event of default under the Definitive Documents or the Interim Lender's Charge, the Interim Lender, upon [●] days notice to the Applicant and the Monitor, may exercise any and all of its rights and remedies against the Applicant or the Property under or pursuant to the Commitment Letter, Definitive Documents, and the Interim Lender's Charge, including without limitation, to cease making advances to the Applicant and set off and/or consolidate any amounts owing by the Interim Lender to the Applicant against the obligations of the Applicant to the Interim Lender under the Commitment Letter, the Definitive Documents or the Interim Lender's Charge, to make demand, accelerate payment, and give other notices, or to apply to this Court for the appointment of a receiver, receiver and manager or interim receiver, or for a bankruptcy order against the Applicant and for the appointment of a trustee in bankruptcy of the Applicant; and
 - (c) the foregoing rights and remedies of the Interim Lender shall be enforceable against any trustee in bankruptcy, interim receiver, receiver or receiver and manager of the Applicant or the Property.
36. The Interim Lender shall be treated as unaffected in any plan of arrangement or compromise filed by the Applicant under the CCAA, or any proposal filed by the Applicant under the *Bankruptcy and Insolvency Act* of Canada (the "BIA"), with respect to any advances made under the Definitive Documents.

VALIDITY AND PRIORITY OF CHARGES

37. The priorities of the Directors' Charge, the Administration Charge and the Interim Lender's Charge, as among them, shall be as follows:
- First – Administration Charge (to the maximum amount of [\\$]);
 - Second – Interim Lender's Charge; and
 - Third – Directors' Charge (to the maximum amount of [\\$]).

38. The filing, registration or perfection of the Directors' Charge, the Administration Charge or the Interim Lender's Charge (collectively, the "**Charges**") shall not be required, and the Charges shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Charges coming into existence, notwithstanding any such failure to file, register, record or perfect.
39. Each of the Directors' Charge, the Administration Charge, and the Interim Lender's Charge (all as constituted and defined herein) shall constitute a charge on the Property and subject always to section 34(11) of the CCAA such Charges shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, and claims of secured creditors, statutory or otherwise (collectively, "**Encumbrances**") in favour of any Person. **[See Explanatory Notes.]**
40. Except as otherwise expressly provided for herein, or as may be approved by this Court, the Applicant shall not grant any Encumbrances over any Property that rank in priority to, or *pari passu* with, any of the Directors' Charge, the Administration Charge or the Interim Lender's Charge, unless the Applicant also obtains the prior written consent of the Monitor, the Interim Lender, and the beneficiaries of the Directors' Charge and the Administration Charge, or further order of this Court.
41. The Directors' Charge, the Administration Charge, **[the Commitment Letter, the Definitive Documents,]** and the Interim Lender's Charge shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the Charges (collectively, the "**Chargees**") and/or the Interim Lender thereunder shall not otherwise be limited or impaired in any way by:
- (a) the pendency of these proceedings and the declarations of insolvency made in this Order;
 - (b) any application(s) for bankruptcy order(s) issued pursuant to BIA, or any bankruptcy order made pursuant to such applications;
 - (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA;
 - (d) the provisions of any federal or provincial statutes; or
 - (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an "**Agreement**") that binds the Applicant, and notwithstanding any provision to the contrary in any Agreement:
 - (i) neither the creation of the Charges nor the execution, delivery, perfection, registration or performance of any documents in respect thereof **[, including the**

Commitment Letter or the Definitive Documents,] shall create or be deemed to constitute a new breach by the Applicant of any Agreement to which it is a party;

- (ii) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the creation of the Charges, **[the Applicant entering into the Commitment Letter,]** or the execution, delivery or performance of the Definitive Documents; and
- (iii) the payments made by the Applicant pursuant to this Order, **[including the Commitment Letter or the Definitive Documents,]** and the granting of the Charges, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct or other challengeable or voidable transactions under any applicable law.

ALLOCATION

- 42. Any interested Person may apply to this Court on notice to any other party likely to be affected for an order to allocate the Administration Charge, the Interim Lender's Charge, and the Directors' Charge amongst the various assets comprising the Property.

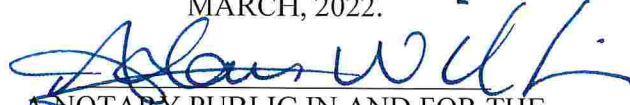
SERVICE AND NOTICE

- 43. The Monitor shall (i) without delay, publish in **[newspapers specified by the Court]** a notice containing the information prescribed under the CCAA; (ii) within five (5) days after the date of this Order (A) make this Order publicly available in the manner prescribed under the CCAA, (B) send, in the prescribed manner, a notice to every known creditor who has a claim against the Applicant of more than \$1,000 and (C) prepare a list showing the names and addresses of those creditors and the estimated amounts of those claims, and make it publicly available in the prescribed manner, all in accordance with section 23(1)(a) of the CCAA and the regulations made thereunder.
- 44. The E-Service Guide of the Commercial List (the "**Guide**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Guide (which can be found on the Commercial List website at: **[●]**) shall be valid and effective service. Subject to Rules 11.25 and 11.26 this Order shall constitute an order for substituted service pursuant to Rule 11.28 of the Rules of Court. Subject to paragraph 13 of the Guide, service of documents in accordance with the Guide will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Guide with the following URL **'[●]'**."

GENERAL

45. The Applicant or the Monitor may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.
 46. Notwithstanding Rule 6.11 of the *Alberta Rules of Court*, unless otherwise ordered by this Court, the Monitor will report to the Court from time to time, which reporting is not required to be in affidavit form and shall be considered by this Court as evidence. The Monitor's reports shall be filed by the Court Clerk notwithstanding that they do not include an original signature.
 47. Nothing in this Order shall prevent the Monitor from acting as an interim receiver, a receiver, a receiver and manager or a trustee in bankruptcy of the Applicant, the Business or the Property.
 48. This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in any foreign jurisdiction, to give effect to this Order and to assist the Applicant, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Applicant and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicant and the Monitor and their respective agents in carrying out the terms of this Order.
 49. Each of the Applicant and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order and that the Monitor is authorized and empowered to act as a representative in respect of the within proceeding for the purpose of having these proceedings recognized in a jurisdiction outside Canada.
 50. Any interested party (including the Applicant and the Monitor) may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order.
 51. This Order and all of its provisions are effective as of 12:01 a.m. Mountain Standard Time on the date of this Order.
-

THIS IS EXHIBIT "3" REFERRED TO IN
THE AFFIDAVIT OF ALLISON ENDERSBY
AFFIRMED BEFORE ME THIS 8TH DAY OF
MARCH, 2022.



A NOTARY PUBLIC IN AND FOR THE
PROVINCE OF ALBERTA

Adam J. Williams
Barrister & Solicitor

COURT FILE NUMBER **2001-06997**

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE Calgary

Clerk's Stamp

IN THE MATTER OF THE *COMPANIES'*
CREDITORS ARRANGEMENT ACT, RSC 1985,
c C-36, as amended

AND IN THE MATTER OF THE
COMPROMISE OR ARRANGEMENT OF
BOW RIVER ENERGY LTD.

DOCUMENT **AFFIDAVIT**

ADDRESS FOR SERVICE AND Jessica L. Cameron
CONTACT INFORMATION OF Borden Ladner Gervais LLP
PARTY FILING THIS 1900, 520 3rd Ave. S.W.
DOCUMENT Calgary, AB T2P 0R3
 Telephone: (403) 232-9715
 Facsimile: (403) 266-1395
 Email: jcameron@blg.com
 File No. 441275/000025

AFFIDAVIT NO. 4 OF DANIEL G. BELOT

Sworn on September 28, 2020

I, Daniel G. Belot, of Alberta, SWEAR AND SAY THAT:

1. I am the Vice President of Finance, Chief Financial Officer, and co-founder of the applicant, Bow River Energy Ltd. ("**Bow River**" or the "**Company**"). I have been the VP Finance and CFO of Bow River since February 2013. I have over 30 years of financial experience in the oil and gas industry, focusing on financial management, corporate finance, and energy investment banking. As such, I have personal knowledge of the matters to which I depose in this Affidavit, except where such matters are stated to be based

on information and belief, in which case I have stated the source of my information and, in all cases, I believe such information to be true. In preparing this Affidavit, I consulted with the Company's management team and advisors and reviewed relevant documents and information concerning the Company's operations, financial affairs and restructuring activities.

2. I am authorized to swear this Affidavit as corporate representative of the Company.
3. I previously swore Affidavits in the within proceedings on May 29, 2020 (the "**First Affidavit**") and June 5, 2020 (the "**Second Affidavit**"), in support of applications by Bow River for an initial order and an amended and restated initial order, respectively, each pursuant to the *Companies' Creditors Arrangement Act*, RSC 1985, c C-36, as amended (the "**CCAA**").
4. I also previously swore an Affidavit in the within proceedings on July 17, 2020 (the "**Third Affidavit**"), in support of an application by Bow River for, *inter alia*, the approval of a sales and investment solicitation process ("**SISP**"), the approval of a Stalking Horse Asset Purchase and Sale Agreement (the "**Stalking Horse APA**") and an extension of the stay of proceedings up to and including October 16, 2020.
5. On June 1, 2020, the Honourable Madame Justice Grosse granted the Company's application for an initial order (the "**Initial Order**"). On June 10, 2020, the Honourable Mister Justice Jeffrey granted the Company's application for an amended and restated initial order (the "**ARIO**"). On July 24, 2020, the Honourable Madame Justice Topolniski granted the Company's application for, *inter alia*, the implementation of the SISP and the approval of the Stalking Horse APA (the "**SISP Order**") and the extension of the stay period as provided for by the ARIO until and including October 16, 2020 (the "**Stay Extension Order**").
6. I swear this third Affidavit in support of the Company's application for an order which, amongst other things:

- (a) extends the stay of proceedings as presently granted by the ARIO and as extended by the Stay Extension Order up to and including October 30, 2020, or such further and other date as this Court may consider appropriate;
 - (b) grants such further and other relief as the Company may request and this Honourable Court may deem just.
7. All capitalized terms used by not otherwise defined herein shall have the meaning given to them in the ARIO.

THE SISP & STALKING HORSE APA

8. In July 2020, the Company sought and obtained the SISP Order as a means to maximize value to its stakeholders through either the sale of, or an investment in, all of Bow River's property (the "**Opportunity**"). The Stalking Horse APA was included as part of the SISP, and was approved by this Court in the SISP Order.
9. Pursuant to the SISP Order, the Company worked in consultation with the Monitor and Sayer Energy Advisors (the "**SISP Advisor**") to conduct the SISP. I am advised by Tom Pavic, President of the SISP Advisor, and honestly believe that:
- (a) Public marketing of the SISP and the Opportunity began on July 24, 2020, with an information brochure summarizing Bow River's assets and the SISP (the "**Teaser**") being mailed to approximately 700 contacts on that date, and with the Teaser also being posted to the SISP Advisor's website at www.sayeradvisors.com (the "**Sayer Website**").
 - (b) Over the course of the SISP, the Teaser was downloaded 231 times from the Sayer Website, which is a high number of downloads for an offering of this nature.
 - (c) On July 27, 2020, the Teaser was distributed electronically by the SISP Advisor to approximately 2,100 additional contacts.
 - (d) On July 27, 2020, the SISP Advisor caused an advertisement respecting the Opportunity to be placed in the *BOE Report* and that this advertisement was viewed 2,782 times.

- (e) On August 4, 2020, the SISP Advisor caused an advertisement respecting the Opportunity to be placed in the *Daily Oil Bulletin* and that this advertisement was viewed 556 times.
 - (f) The SISP Advisor also placed advertisements in *A&D Watch* and *Energy Advisors Group* respecting the Opportunity, in an attempt to reach new parties not currently on its mailing or email distribution lists in Canada and the United States.
 - (g) The SISP Advisor also advertised the Opportunity in its internal *Canadian Oil and Industry Asset Sale Listing* during the entirety of the marketing period, being from July 24, 2020 until August 24, 2020.
10. During the course of the SISP, a total of 52 parties executed confidentiality agreements and gained access to each of the virtual data room and the physical data room, which was setup in Bow River's office in order to allow bidders to conduct due diligence respecting the Opportunity. During the course of the marketing period, four parties attended at Bow River's office in order to conduct due diligence regarding the Opportunity.
 11. A total of 14 companies submitted offers prior to the noon bid deadline on August 24, 2020, and one company submitted a late offer the evening of August 24, 2020, which offer was accepted in the process by Bow River, following consultation with each of the SISP Advisor and the Monitor.
 12. I am advised by Mr. Pavic and do honestly believe that the ratio of executed confidentiality agreements to offers received, being 27%, is comparable to other similar divestiture assignments the SISP Advisor has recently managed.
 13. None of the offers received by the Company constituted a "Superior Offer" as defined within the SISP.
 14. In total, Bow River received offers on 98% and 95% of its producing properties in Alberta and Saskatchewan, respectively.

15. Following the SISP bid deadline of August 24, 2020, the Company worked, diligently and in good faith, to develop a proposal by which a significant portion of Bow River's Alberta assets would be sold in three separate transactions (the "**Proposal**"). Pursuant to the Proposal, a significant portion of Bow River's outstanding surface and mineral lease payments and outstanding royalties would also be satisfied by the proposed purchasers, in order to transfer the assets subject to the Proposal. Additionally, the Proposal contemplated that all post-filing property taxes owed by the Company to various municipalities would also be obligations assumed by the purchasers.
16. Among the Company's efforts to move forward with its Proposal, were discussions with the Alberta Energy Regulator ("**AER**") on September 10, 2020 and September 16, 2020, respectively. The Monitor participated in each of the Company's meetings with the AER, and supported the Company's Proposal.
17. At the first meeting with the AER, the Company presented the AER with a summary of all of the offers received through the SISP, which offers the Company intended to pursue, being the Proposal, and discussed what environmental liabilities would remain as a result. The Company advised the AER that it intended to submit the Proposal for approval by this Court at the October 6, 2020 hearing date.
18. At that meeting, the AER raised several concerns with the Company's Proposal and the Stalking Horse APA in particular. In an effort to move the Proposal forward, the Company relayed these concerns to the stalking horse bidder, 2270943 Alberta Ltd. ("**227**"), and recommended that 227 approach the AER to discuss these issues prior to the Company preparing its Court materials seeking approval of the Proposal.
19. The Company again participated in a meeting with the AER on September 16, 2020, at the request of 227, regarding concerns the AER had expressed regarding the Stalking Horse APA. While primarily a meeting between the AER, the Monitor and 227, the Company participated in this meeting in the event the AER had any further questions for the Company respecting the Proposal in general.

20. On September 21, 2020, counsel for the AER formally responded to the Proposal by letter to Borden Ladner Gervais (“**BLG**”), counsel for the Company in these CCAA proceedings (the “**AER Letter**”). A copy of the AER Letter is attached hereto and marked as **Exhibit “A”**.
21. In the AER Letter, the AER gave notice that it would not support the Proposal and would object to any application by the Company for the Court’s approval of the Proposal. This response severely prejudices the Company and its stakeholders’ ability to achieve the goals of these CCAA proceedings.
22. Counsel for the Company responded to the AER Letter on September 24, 2020 (the “**Response Letter**”). A copy of the Response Letter is attached hereto and marked as **Exhibit “B”**.
23. In the Response Letter, the Company sought confirmation from the AER as to its position on Bow River’s intended application for approval of the transactions reflected in the Proposal. As of my swearing of this Affidavit, the AER has not provided a response to the Company’s Response Letter.
24. The Company undertook the Court-approved SISP and agreed to the Stalking Horse APA in good faith and in consideration of the purposes of the CCAA. Throughout these CCAA proceedings, the Company has been working closely with and cooperating with the Monitor, and has been acting in good faith and with due diligence throughout the process.

EXTENSION OF THE STAY OF PROCEEDINGS

25. The Company requests an extension of the Stay Period, which is currently set to expire on October 16, 2020, up to and including October 30, 2020, or such further and other date as this Court may consider appropriate.
26. Since the granting of the ARIO, the Company, with the oversight and assistance of the Monitor, has been working diligently to maintain the stability of its operations and business, manage its liquidity position, and review potential strategic options and alternatives to address its financial position.

27. In particular, the Company has:

- (i) Developed the SISP in consultation with the Monitor and SISP Advisor, and received this Court's approval to conduct the SISP;
- (ii) conducted the SISP in accordance with the terms of the SISP Order;
- (iii) solicited bids and otherwise participated in the SISP;
- (iv) received final bids from interested parties pursuant to the SISP;
- (v) begun discussions with regulators regarding the proposed transactions;
- (vi) begun discussions with Indian Oil and Gas Canada ("**IOGC**") and various ministries within the Government of Saskatchewan (the "**Saskatchewan Ministries**") respecting possible transactions on the Company's Saskatchewan properties as well;
- (vii) met with the AER on September 10, 2020 and again on September 16, 2020, presenting it with the offers received and discussing any liabilities that would remain; and
- (viii) in light of the bids received through the SISP, issued the Proposal to the AER to accept the Stalking Horse APA and two other transactions for Bow River's assets.

28. Following receipt of the AER Letter, the Company discussed possible next steps with each of 227 and the Monitor. Through these conversations, the Company indicated if the AER continues to refuse to support the Proposal arising from the court-approved SISP, the Company would consider conducting an additional, abbreviated sales process, as set out in the Response Letter (the "**Proposed Additional Sales Process**"). The Proposed Additional Sales Process would:

- (a) be abbreviated;
- (b) be conducted by the Company with the assistance of the SISP Advisor and Monitor;
- (c) be an open remarketing of all of Bow River's assets with no stalking horse bid;
- (d) include an auction with respect to qualified bidders; and
- (e) specify that preference would be given to *en bloc* offers, offers that whitemap a particular geographical area, and/or offers that assume the most deemed liabilities.

29. The Company has recognized that the reality of an additional sales process would require funding from an alternate source. Particularly given the time, resources and funds expended during the previously court-approved SISP and the Company's rapidly deteriorating cash position, Bow River does not anticipate having the funds necessary to support the holding and conclusion of the Proposed Additional Sales Process. Similarly, the Company's current interim lender, being 227, is unwilling to fund an additional sales process. In these circumstances, the only solution would be for the AER, or alternatively the Orphan Well Association ("OWA"), to fund the process. Bow River proposed this course of action to the AER in the Response Letter. As of my swearing of this Affidavit, the AER has not responded to our proposal.
30. Ultimately, if the AER does not agree to fund the Proposed Additional Sales Process, an extension of the CCAA stay will nonetheless be necessary. If the Company is unable to conduct the Proposed Additional Sales Process it will have exhausted all of its alternatives and will be unable to carry on business in the ordinary course. As a result, it will be necessary for the Company to cease its restructuring efforts and to focus on an orderly wind-down of its affairs and transition its interests to the applicable energy regulator, or as they direct. In this regard, through the Response Letter the Company has advised the AER that if the Proposed Additional Sales Process does not proceed, it will have exhausted its restructuring efforts and will work with the AER to ensure an orderly transition of its assets.
31. The Company also requires the proposed stay extension to continue negotiating transactions regarding its Saskatchewan assets. Bow River has received offers pursuant to the SISP regarding these assets and, as noted above, has been in discussions with IOGC and the Saskatchewan Ministries, regarding their disposition.
32. The offers received for the Saskatchewan assets are insufficient to satisfy outstanding surface and mineral leases and royalty payments, related to the assets and owed to the IOGC and Saskatchewan Ministries. Thus, the Company is and will continue working with the Saskatchewan Ministries and IOGC to attempt to reach a resolution in order to allow these transactions to proceed. I do not expect that such negotiations will resolve prior to October 16, 2020, the current expiry of the Stay Period.

33. In the event these negotiations are not resolved expeditiously or are ultimately unsuccessful, the Company will also have to develop a transition plan respecting its Saskatchewan assets as well.
34. The Company has prepared an updated cash flow forecast out to November 27, 2020, which is attached hereto as **Exhibit "C"**. The Cash Flow Forecast supports the requested stay extension; however, it contains several critical assumptions, as follows:
- (a) it assumes that there will be no material changes in commodity pricing, including the differential between Western Canadian Select ("WCS") and West Texas Intermediary ("WTI"), operating costs, or current production levels until the end of November 2020;
 - (b) it assumes that the Company will continue to defer payment of post-filing surface and mineral lease payments on its non-producing properties; and
 - (c) it assumes that the Company will only pay the pro-rated portion of post-filing non-linear property taxes on producing properties in Alberta, excepting where the property taxes are so immaterial that the Company will nonetheless remit payment of them. It generally does not account for payment of Saskatchewan property taxes, which largely are not due until December 31, 2020.
35. Further, under the Cash Flow Forecast, the Company's electricity charges, which are included as an operating expense, are presently two months behind actual consumption due to a timing variance with respect to the issuance of invoices by EPCOR. Therefore, while the Company does not have any overdue invoices presently, there is a concern that if EPCOR accelerated monthly billing, this could have an adverse impact on the Company's Cash Flow up to an estimated \$500,000.
36. The Cash Flow Forecast does not contemplate any further draws on the Interim Facility (as defined in my Third Affidavit). As noted above, the Company asked 227 whether it would be willing to fund the Proposed Additional Sales Process; however, 227 declined to make a further advance under the Interim Facility to Bow River.

37. While the Cash Flow Forecast indicates an estimated positive balance of \$240,000 at the end of November 2020, in order to conduct the Proposed Additional Sales Process the Company estimates that a further \$250,000 to \$500,000 in funding would be required. The reason for this is that if the Proposed Additional Sales Process were conducted, even under the compressed timelines, transactions under that process likely would not close until the beginning of December. The length of this additional period, coupled with the variable assumptions underlying the Cash Flow Forecast and the timing variance with respect to EPCOR billings, could easily result in negative cash balances for the Company. If this occurred, it would be unable to complete the Proposed Additional Sales Process without outside funding.
38. The Company has been acting in good faith and with due diligence throughout these CCAA proceedings and believes it is in the best interests of Bow River and all stakeholders to continue these proceedings until October 30, 2020. The requested stay extension will allow the Company time to confirm the AER's position respecting the Proposed Additional Sales Process, and in particular, whether the AER, or the OWA, are willing to fund that process.
39. It will also allow the Company time to continue negotiations with respect to transactions for the Saskatchewan assets with the IOGC and Saskatchewan Ministries.
40. Alternatively, if funding for the Proposed Additional Sales Process is not possible, and/or the Company's negotiations respecting transactions on the Saskatchewan assets are unsuccessful, the requested stay extension will allow the Company time to develop a plan to orderly, and safely, transition its assets to the care and custody of a third party as directed by the applicable energy regulators.

CONCLUSION

41. I swear this Affidavit in support of the Company's Application for an Order extending the stay of proceedings up to and including October 30, 2020, or such further and other date as this Court may consider appropriate.

SWORN BEFORE ME at Calgary, Alberta,
this 28th day of September, 2020.

Myles Fish
Commissioner for Oaths in and for Alberta

)
)
)
) Daniel G. Belot
) DANIEL G. BELOT
)
)
)

MYLES J. FISH
A Commissioner for Oaths
in and for Alberta
Lawyer, Notary Public

Via Email

September 21, 2020

Borden Ladner Gervais LLP (BLG)
Centennial Place, East Tower,
1900, 520 – 3rd Ave. SW,
Calgary, AB, Canada T2P 0R3

Attention: Jessica Cameron, Senior Associate

Dear Ms. Cameron:

RE: Bow River Energy Ltd. Companies Creditors Arrangements Act (CCAA)

You have asked whether the AER would support a proposal by Bow River Energy Ltd. (Bow River) that involves the sale of specific assets (not white-mapped) to 2270943 Alberta Ltd. (“the Stalking Horse Bidder”)- a credit bid by one of the debenture holders of Bow River and the sale of additional white mapped assets to [REDACTED], resulting in a remaining liability of approximately \$18-\$23 million destined for the OWA (“the Proposal”).

The AER has completed its review of the Proposal. We were aided in our review by the meetings you set up for us on September 10, 2020 and September 16, 2020 and by the subsequent information you and the Stalking Horse Bidder provided. In brief, for the reasons explained below, the AER cannot support the Proposal and would object to a court application for approval of these sales.

The AER had previously expressed its reservations in court on July 24, 2020 regarding the proposed sales process if the effect was for the Stalking Horse Bidder to selectively bid on assets to reduce their debt while leaving unfunded liabilities behind. While we appreciate that the outcome of the sales process did not meet expectations, unfortunately the current Proposal does nothing to alleviate the AER’s concerns.

The AER objects to the Proposal as it is contrary to the Supreme Court of Canada’s decision in *Redwater*. In *Redwater*, the Court held that in an insolvency proceeding, environmental obligations are to be addressed in priority to other monetary claims, including those of secured creditors. The Proposal is contrary to this principle in that its effect is to eliminate the debt of the Stalking Horse Bidder (a debenture holder) in priority to addressing Bow River’s environmental obligations.

THIS IS EXHIBIT " A
referred to in the Affidavit of
Daniel G. Belot
Sworn before me this 28th
day of September, A.D. 2020

Myles Fish
A Commissioner for Oaths in
and for Alberta

MYLES J. FISH
A Commissioner for Oaths
in and for Alberta
Lawyer, Notary Public

Calgary Head Office
Suite 1000, 250 – 5 Street SW
Calgary, Alberta T2P 0R4
Canada

www.aer.ca

It appears that Bow River seeks to distinguish this “liquidating” CCAA process from other CCAA processes in that Bow River will not continue to operate after the conclusion of the CCAA process but rather the Stalking Horse Bidder and others will take over the operation of the selected assets. However, on the contrary, this so-called “liquidating” aspect of this CCAA makes it even more akin to a receivership and there is all the more reason that the priority established in *Redwater* should apply.

As BLG noted on its own blog summary of the *Redwater* decision:

The landmark decision from the Supreme Court of Canada highlights the generational shift toward environmental protection at every sphere and at every level. ...Environmental protection should be high in the priority of all business endeavours regardless of whether the undertaking directly or indirectly engages environmental laws.

You should also be aware that the AER has dealt with several CCAA matters since *Redwater*, and the decision was a factor in each of these matters.

While we appreciate the economic rationale behind the Stalking Horse Bidder’s selective bid, this does not address the significant remaining environmental liability that would result from this Proposal. Similarly, while we appreciate that the Stalking Horse Bid was the superior offer received, we are concerned that it did not serve the purpose of a stalking horse bid in that rather than establishing a floor for bids, the Stalking Horse bidder advised that it was over the market value of those assets. As a result, in our view, the sales process was flawed from the outset in that other bidders could not compete with the Stalking Horse Bid.

While the AER is willing to work collaboratively with companies to find solutions that might be mutually agreeable, we have consistently held that *Redwater* must be upheld and that a CCAA process cannot be used to prioritize business considerations over regulatory obligations. The AER is happy to work with Bow River, and the Monitor if there are other proposals that would address our objections or alternatively, other approaches that would provide for an orderly wind up of Bow River’s operations.

In addition, as you know, the AER retains its statutory discretion on licence transfers. Were Bow River to enter into bankruptcy or receivership then the involvement of some of the Stalking Horse Bidder’s directors as shareholders and former directors of Bow River is a relevant consideration. As noted in your correspondence on September 17, one of the Directors stepped down from Bow

River after his appointment to 2270943 Alberta Ltd. (the Stalking Horse Bidder's company), resulting from a conflict of interest between those two roles.

Finally, if you intend to seek court approval of this Proposal, in spite of our objections, then the October 6th Edmonton date is no longer appropriate. It was only on September 16, 2020 that we were advised by the Stalking Horse Bidder that they questioned the application of *Redwater* to the CCAA process and we assume by implication this is the position of Bow River.

If this is the case, then this application raises complex legal issues that will require additional time to adequately respond to. As such, we would request a later court date before a Calgary commercial Court Justice as they regularly deal with and understand complex insolvency issues. **Please advise, as soon as possible, if you are agreeable to this latter request as if not, we will need to immediately seek a formal adjournment of the October 6 date.**

Sincerely,



Maria Lavelle
Legal Counsel, AER

cc: Robyn Gurofsky, BLG
Matti Lemmens, BLG
Keely Cameron, Bennett Jones
Kaitlin Szacki, AER
Bonni Pierce, AER

Jessica L. Cameron
T 403-232-9715
F 403-266-1395
jcameron@blg.com

Borden Ladner Gervais LLP
Centennial Place, East Tower
1900, 520 - 3rd Ave SW
Calgary, AB, Canada T2P 0R3
T 403.232.9500
F 403.266.1395
blg.com

BLG
Borden Ladner Gervais

File No. 441275/000025

September 24, 2020

Delivered by Email

Alberta Energy Regulator
Calgary Head Office
Suite 1000, 250-5 Street SW
Calgary AB, T2P 0R4

Attention: Ms. Maria Lavelle

Dear Ms. Lavelle,

**Re: In the Matter of the *Companies' Creditors Arrangement Act* proceedings of
Bow River Energy Ltd. ("Bow River" or the "Company")**

Thank you for your letter of September 21, 2020. To say that our client, Bow River was disappointed with the Alberta Energy Regulator's ("AER") decision in the above noted proceedings would be an understatement. For the reasons noted below, we would urge the AER to reconsider its position respecting the three transactions Bow River proposes to consummate in its proceedings under the *Companies' Creditors Arrangement Act*, RSC 1985, c C-36, as amended ("CCAA").

First, we are extremely troubled by the AER's assertions in your letter that Bow River's Court-approved sales process was flawed from the outset due to the presence of the Stalking Horse Bid. Bow River advised the AER that it intended to pursue a sales process involving a stalking horse credit bid prior to bringing such application. Furthermore, the AER appeared and made representations to the Court during the Application where such process, and the Stalking Horse Purchase and Sale Agreement (the "**Stalking Horse PSA**") itself, were both approved by the Court. While the AER reserved its rights with respect to potential vesting motions following the outcome of Bow River's sales process, the process itself that was approved by the Court was not challenged. The Court went out of its way to confirm that the AER was not reserving its rights with respect to either the process itself, or the Stalking Horse PSA, as those were the very issues before it for approval. The AER never appealed this order and the appeal period has long since expired.

While all parties are understandably disappointed with the outcome of the sales process, the fact remains that this was a court-approved process, that involved a stalking horse credit bid from the outset, and the AER did not object to the process itself, nor the Stalking Horse PSA. Based on this, Bow River has expended considerable time, resources and scarce funds, in order to pursue this process. The AER cannot lie in the weeds and object to the process at this stage in the proceedings because it is dissatisfied with the outcome. This is patently unfair and prejudicial to not only Bow River, but all of Bow River's stakeholders, including the interim lender and stalking horse bidder,

THIS IS EXHIBIT " B "
referred to in the Affidavit of
Daniel G. Belot
Sworn before me this 28th
day of September A.D. 20 20

Myles Fish
A Commissioner for Oaths in
and for Alberta

MYLES J. FISH
A Commissioner for Oaths
in and for Alberta
Lawyer, Notary Public

2270943 Alberta Ltd. (“227”), and the Alberta public in general. It also raises questions about whether the AER’s position is subject to the principle of *res judicata*.

Second, in our view, the AER misconstrues the applicability of the Supreme Court of Canada’s decision in *Redwater* to these proceedings. The decision in *Redwater* concerned the allocation of sale proceeds as between the AER and the secured creditor. It did not involve a credit bid by the first ranking secured creditor to acquire the assets. If the AER’s position is taken to its logical conclusion, it would imply that the AER is not supportive of any credit bids in any form of insolvency proceedings. This surely cannot be the case, as we understand the AER has supported credit bids by secured creditors in other insolvency proceedings. We also do not believe this is the effect of the *Redwater* decision.

Third, in your letter you note that it is the AER’s position that the CCAA process cannot be used to prioritize business considerations over regulatory obligations. That is hardly what Bow River is attempting to do here. Bow River’s primary objective in conducting its sales process was to transfer as many liabilities as possible to solvent third parties, knowing full well that it will not survive the within CCAA proceedings. As you are aware, Bow River is proposing to pursue a whitemap offer on assets where there are competing bids offering higher cash consideration. This decision puts repayment of the interim financing facility at risk. Certainly this is an example of putting its regulatory obligations ahead of business interests. Moreover, with respect to the single well transaction proposed by the Company, this was the only offer received for this asset. The cash consideration will barely be sufficient to cover the professional fees associated with consummating the transaction. Again, an indication of the Company putting regulatory obligations above its own commercial interests.

With respect to the Stalking Horse Bid, the only other bids received on these properties pertained to the underlying mineral interests, which would have seen no transfer of liabilities. The Stalking Horse Bid therefore results in the greatest transfer of liabilities possible based on the offers the Company received. We understand the AER takes issue with the Stalking Horse Bid; however, we reiterate that the sales process and the Stalking Horse PSA were all approved by the Court on July 24, 2020. Pursuant to that Order, Bow River is at liberty to apply for an Order vesting title to the Purchased Assets (as defined in the Stalking Horse PSA) following completion of the sales process.

The present stay of proceedings expires on October 16, 2020. Additionally, the Company’s cash position is rapidly deteriorating. Without pursuing the transactions proposed by the Company, the end result will very likely be that all of the Company’s assets will be orphaned, thereby increasing the strain on the Orphan Well Fund.

The AER’s position in denying the proposed transactions therefore runs directly contrary to at least two policies and objectives we had understood the AER is attempting to protect. First, it is contrary to the objectives of protecting the environment and the public interest, as more assets are likely to be orphaned. Second, it runs afoul of the AER’s commitment to transparency, as it is in direct opposition to a previously granted Court Order, granted at an Application to which the AER was an active participant, resulting in an Order upon which Bow River relied when pursuing its Court-approved Sales Process.

In light of the foregoing, and in light of the fact that Bow River has a final Court Order authorizing it to apply for a vesting order in this exact situation, please confirm whether the AER is prepared to proceed with the Company's application for approval of the two additional proposed sale transactions, and vesting orders with respect to all three transactions.

Alternatively, we note the invitation in your letter that the AER is willing to work collaboratively with Bow River and the Monitor to pursue other proposals to address an orderly wind-up of the Company. Without conceding that there were any flaws in the sales process that has already been conducted by Bow River, and solely in an effort to reach a mutually agreeable resolution with the AER, the Company is prepared to seek approval of an additional sales process.

The proposed sales process would be abbreviated and conducted again by the Company with the assistance of Sayer Energy Advisors as sales agent, and the Monitor. The sales process would not involve a stalking horse bid from 227 and would be an open remarketing of all of Bow River's assets. Following the remarketing, the sales process would include an auction with respect to qualified bidders. Lastly, the sales process would specify that preference will be given to *en bloc* offers, offers that whitemap a particular geographical area, and/or offers that assume the most deemed liabilities. In this manner, the design of the sales process would be to maximize the amount of environmental liabilities transferred and assumed by solvent third parties.

Such a sales process would only be conducted if the AER agrees to proceed with it and abide by its terms. Further, it is highly unlikely that Bow River will be able to fund this additional process, having almost exhausted its resources on completing the previously approved Court sales process. Bow River estimates that the costs to run this additional sales process range between \$250,000 to \$500,000, on account of its operational losses. To that end, Bow River will require a funding commitment of \$500,000 in order to conduct an additional sales process. Bow River's present interim lender, 227, has denied this request for additional funding.

We understand the Orphan Well Association ("OWA") has indicated it may be willing to fund a receivership respecting Bow River. In our view, if funding exists to fund a receivership run by the OWA, those funds may be utilized to support Bow River in conducting a sales process in the within CCAA proceedings, while management remains in place and would be able to assist with such a process. To that end, can you please advise whether the AER itself, or the OWA, would be willing to fund such an additional sales process?

Finally, prior to embarking on any further duplicative process, some understanding will have to be reached as between the Company and the AER so that the Company does not find itself in the same position as it is now – without any *en bloc* offers, but attempting to consummate what transactions it may. Can the AER confirm that if Bow River conducts the additional sales process as proposed, and receives no *en bloc* offers, that the AER will not object to the Company entering into a, or several, transaction(s) in an effort to address what environmental liabilities it can?

As you are aware, our filing deadline with respect to the October 6th Court date is next Monday September 28, 2020. In light of the uncertainties surrounding these proceedings, Bow River intends to use the October 6th date to seek an extension of the stay of proceedings. We will be seeking a

filing extension from the Court in order to file and serve those materials on parties, including the AER no later than noon on Thursday October 1, 2020.

That being said, if an additional sales process is going to be run, it will require Court approval as soon as possible. The Company is unlikely to have the cash resources to survive past the end of November 2020. Therefore, it needs to conduct the process, finalize definitive purchase and sale agreements, obtain court approval and submit license transfers all within the next eight weeks. With that in mind, time on the Commercial List will need to be secured on an urgent basis in order to approve any additional sales process. **We would therefore appreciate receiving the AER's position by close of business on Monday September 28, 2020 as to whether it:**

1. Is prepared to proceed with the sale approval and vesting motions as originally contemplated, given the current standing of the July 24, 2020 Court Order;
2. Would support the Company's formulation of a subsequent sales process, on the terms and stipulations set forth in this letter; or
3. Will work with the Company on a plan to transition assets to the care and custody of presumably the OWA, and appoint a receiver over the Company.

We look forward to hearing from you in regards to the above.

Sincerely,

Borden Ladner Gervais LLP



Jessica L. Cameron

cc: Bonni Pierce and Kaitlin Szacki, Alberta Energy Regulator – via email
Lars dePauw, Orphan Well Association – via email
Bruce Lawrence, Borden Ladner Gervais LLP (Counsel to Bow River Energy Ltd.) – via email
Matti Lemmens, Borden Ladner Gervais LLP (Counsel to 2270943 Alberta Ltd.) – via email
Marc A. Kelly, BDO Canada Limited (Monitor) – via email
Keely Cameron, Bennett Jones LLP (Counsel to the Monitor) – via email

BOW RIVER ENERGY LTD.
Cash Flow Forecast
Prepared by Management on September 21, 2020 - UNAUDITED
\$CAD

	Note(s)	FORECAST FOR WEEK ENDING:											Total
		25-Sep-20	02-Oct-20	09-Oct-20	16-Oct-20	23-Oct-20	30-Oct-20	06-Nov-20	13-Nov-20	20-Nov-20	27-Nov-20	Oct/Nov carryover	
Opening cash		2,015,567	2,658,190	2,028,948	1,681,731	808,903	754,903	1,101,538	783,029	337,924	236,519	846,227	2,015,567
Cash Inflows													
Gross oil and gas sales	1	1,177,248	-	-	-	-	1,024,088	-	-	-	1,081,374	995,727	4,278,437
Receivables/Other	2	-	-	-	-	-	1,575	-	-	-	-	-	1,575
Total Cash Inflows		1,177,248	-	-	-	-	1,025,663	-	-	-	1,081,374	995,727	4,280,012
Cash Outflows													
Operating Disbursements:													
Operating	3, 13	225,000	475,867	164,217	619,691	-	435,863	225,000	293,925	-	180,000	1,000,000	3,619,563
Transportation	4	25,000	-	25,000	-	25,000	-	25,000	-	25,000	-	25,000	150,000
Royalties	5	86,364	-	-	89,496	-	-	-	94,180	-	-	148,650	418,690
Leases	6	100,200	-	-	111,641	-	-	-	-	65,405	-	-	277,246
G&A	7, 13	71,946	6,175	37,000	52,000	-	146,666	44,509	57,000	7,000	101,666	(6,000)	517,961
Capital	8	-	-	-	-	-	-	-	-	-	-	-	-
Other	9	26,115	-	-	-	4,000	30,000	-	-	4,000	-	34,000	98,115
Financing Disbursements:													
Debentures	10	-	-	-	-	-	-	-	-	-	-	-	-
Interim financing	11	-	-	-	-	-	-	-	-	-	-	-	-
Restructuring Costs:													
Professional fees	12	-	136,500	25,000	-	25,000	31,500	24,000	-	-	150,000	-	392,000
Sales process		-	-	-	-	-	35,000	-	-	-	40,000	-	75,000
Shut-in costs		-	-	96,000	-	-	-	-	-	-	-	400,000	496,000
Bid deposits		-	10,700	-	-	-	-	-	-	-	-	-	10,700
Total Cash Outflows		534,625	629,241	347,217	872,828	54,000	679,028	318,509	445,105	101,405	471,666	1,601,650	6,055,275
Net Cash Flow		642,623	(629,241)	(347,217)	(872,828)	(54,000)	346,635	(318,509)	(445,105)	(101,405)	609,708	(605,923)	(1,775,263)
Ending cash		2,658,190	2,028,948	1,681,731	808,903	754,903	1,101,538	783,029	337,924	236,519	846,227	240,304	240,304

BOW RIVER ENERGY LTD.

Per: Daniel Belot
VP Finance and CFO

September 28, 2020
CALGARY, ALBERTA

FORECAST CASH FLOW ASSUMPTIONS:

General Note:

Management of Bow River Energy Ltd. have prepared this forecasted cash flow statement based on probable and hypothetical assumptions as detailed in notes 1-13 below. The forecast has been prepared solely for the purpose of the Company's CCAA filing. As such, readers are cautioned that it may not be appropriate for other purposes and may not match presentation in the Company's financial statements.

Notes:

- Oil and natural gas sales are estimated based on prior month's volumes less anticipated production declines and strip/hedged prices as at the time of filing. Monthly cash receipts relate to production volumes and sales from the prior month.
- Receivables are primarily from joint interest billings receivables. BRE has one primary partner in its Saskatchewan and Amisk, Alberta areas. That partner currently owes approximately \$1.1 million in current JIBs and we anticipate it will be billed approximately \$100-\$200 thousand per month going forward to cover monthly operating costs as they take in kind. However, due to timing of JIB inquiries, that include concern over non-payment of lease rentals by BRE, to be conservative we have reduced our estimated cash inflow to nil.
- Operating costs include field payroll and expenses, vehicle leases and utilities, and are gross payments including the share that will be billed to partners. Estimates are based on historical expenses and projected production levels. Forecast timing assumes certain vendors continue to withhold credit and require cash-on-delivery payment terms. Only the non-linear, post-stay, producing area portion of material property taxes are being paid pending the outcome of the SISF.
- Transportation costs relate to costs to transport products to sales points and are forecast based on average historical costs. BRE does not have any fixed transportation contracts.
- Royalties are comprised of Crown and Freehold royalties, GORRs, and Gas Cost Allowance rebates based on historical results being approximately 8% of oil and natural gas sales.
- Annual mineral and surface lease payments which will become due during the forecast period, excluding certain lease payments becoming due in relation to shut-in properties and which lease payments are being deferred pending the outcome of the SISF.
- General and administrative costs include rent, office payroll and benefits and various office expenses.
- No capital expenditures planned at this time.
- The Company files GST and PST returns on a monthly basis. This reflects the Company's conservative estimate of potential net GST and PST owing.
- Debenture payments of principal and interest were suspended in April 2020 and are expected to be stayed during the CCAA process.
- BRE has obtained an agreement from a debenture holder for interim financing of \$1.1 million at a 12% per annum interest rate based on its forecast of cash needs to completion of the proposed sale process.
- Restructuring costs consist of and monthly payments for professional fees to be incurred as part of the CCAA process. This includes payments to the Company's legal counsel and the Monitor and its legal counsel, and is based on updated estimates from those professionals. Also, included are further shut-in costs deemed necessary for safety reasons in the two areas shut-in in late April 2020.
- The Company is receiving the Canadian Emergency Wage Subsidy (CEWS) and will continue to apply. The Company has allocated a portion as a credit to field salaries and a portion as a credit to G&A. An estimate of future claims and timing of payments has been included to the end of November.

MYLES J. FISH
A Commissioner for Oaths
in and for Alberta
Lawyer, Notary Public

THIS IS EXHIBIT "C"
referred to in the Affidavit of
Daniel G. Belot
Sworn before me this 28th
day of September, A.D. 2020

Myles Fish
A Commissioner for Oaths in
and for Alberta