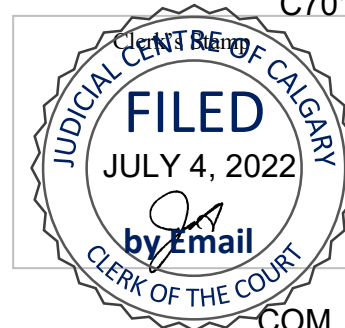




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COURT FILE NUMBER

2001 - 01210

COURT

COURT OF QUEEN'S BENCH
OF ALBERTA

JUDICIAL CENTRE

CALGARY

COM
July 15, 2022
Justice Jeffrey

PLAINTIFF

GMT CAPITAL CORP

DEFENDANT

STRATEGIC OIL AND GAS LTD. and STRATEGIC
TRANSMISSION LTD.IN THE MATTER OF THE RECEIVERSHIP OF STRATEGIC
OIL AND GAS LTD. and STRATEGIC TRANSMISSION LTD.

DOCUMENT

THIRD REPORT OF THE RECEIVER**July 4, 2022**ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
PARTY FILING THIS
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INTRODUCTION

1. On January 28, 2020 (the “**Receivership Date**”), by order of the Honourable Justice Horner, Alvarez & Marsal Canada Inc., at the request of the government of the Northwest Territories (“**GNWT**”), was appointed receiver and manager (the “**NWT Receiver**”), without security, of all of Strategic Oil and Gas Ltd.’s and Strategic Transmission Ltd.’s (“**Strategic**” or the “**Company**”) current and future assets, undertakings and properties of every nature and kind whatsoever situated in the Northwest Territories, including all proceeds thereof and including, without limiting the generality of the foregoing, any letters of credit (“**NWT LCs**”) issued in respect of assets situated in the Northwest Territories (the “**NWT Property**”), pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3 (the “**BIA**”), and section 13(2) of the *Judicature Act*, RSA 2000, c J-2 (the “**NWT Receivership Order**”).
2. Prior to the Receivership Date, the Company had sought and obtained protection under the *Companies’ Creditors Arrangement Act*, RSC 1985, c C-36, as amended (the “**CCAA**”) pursuant to an order granted by the Alberta Court of Queen’s Bench on April 10, 2019 (the “**Initial Order**”). The Initial Order granted, *inter alia*, a stay of proceedings (the “**Stay**”) against Strategic until and including May 6, 2019 and appointed KPMG Inc. as Monitor (“**Monitor**”). The proceedings commenced by the Company under the CCAA will be referred to herein as the “**CCAA Proceedings**”.
3. By a series of subsequent orders, the Court extended the Stay to January 31, 2020. However, the Company was unable to develop a plan of arrangement or compromise (“**Plan**”) in any iteration acceptable to the GNWT, the Alberta Energy Regulator (“**AER**”), and the office of the Regulator of Oil and Gas Operations for the Northwest Territories (“**OROGO**”) and, was subsequently placed into Receivership upon application of GMT Capital Corp.
4. Concurrently, GMT Capital Corp. requested that a separate receiver (the “**Alberta Receiver**”) be appointed over Strategic, excepting the NWT Property. This consisted primarily of Strategic’s business, undertakings and properties located in Alberta. Consequently, a separate receivership order was granted appointing

KPMG Inc. as receiver and manager (the “**Alberta Receiver**”) respecting Strategic and its Alberta assets (the “**Alberta Receivership Order**”). On November 20, 2020, the Alberta Receiver received a partial discharge of its duties as the Alberta Receiver. Further background on the CCAA Proceedings and the Alberta Receiver’s proceedings have been posted on the Alberta Receiver’s website at: <https://www.kpmg.com/ca/strategic>.

5. Amongst other things, the NWT Receivership Order empowers and authorizes, but does not obligate, the NWT Receiver to take possession and control of the NWT Property and to sell, convey, transfer, lease or assign the NWT Property or any part or parts thereof out of the ordinary course of business. Except as they specifically relate to the NWT Property, all powers of the receivership in relation to Strategic’s assets, business, undertakings and properties fall under the exclusive jurisdiction of the Alberta Receiver.
6. A dispute exists regarding the priority of funds that existed as at the Receivership Date and which funds were utilized by the Alberta Receiver through the course of its administration of Strategic’s Alberta receivership proceedings, in addition to the funds remaining in the estate of the Alberta Receiver. As further detailed in this Report, no cash was made available from Strategic or the Alberta Receiver to the NWT Receiver at the Receivership Date or subsequently, and as such, throughout the within Receivership Proceedings, the NWT Receiver has been funded entirely by the GNWT. On November 20, 2020, by order of this Honourable Court, the Alberta Receiver was partially discharged and remains in care and custody of approximately \$780,000 in relation to this dispute. The NWT Receiver understands that all of the AER, the Canada Energy Regulator (“**CER**”), and GNWT and/or OROGO have advanced claims against these funds. This dispute remains outstanding.
7. On July 19, 2021, this Honourable Court granted an order approving a sales solicitation process (“**SSP**”) and approving the NWT Receiver’s recommendation of a sales advisor to market and sell the NWT Property. While the SSP has been

unsuccessful to date, the NWT Receiver continues to work with an interested party (along with the GNWT) for the possible purchase of several assets, as discussed further below.

8. The purpose of this third report of the NWT Receiver (the “**Third Report**” or “**this Report**”) is to provide this Honourable Court with information in respect of the following:

- a) subsequent activities of the NWT Receiver since the second report of the NWT Receiver dated July 12, 2021 (the “**Second Report**”);
- b) an update on the NWT Receiver’s SSP respecting the NWT Property;
- c) the NWT Receiver’s application for an order approving the NWT Receiver’s proposed Request for Proposal (“**RFP**”) respecting the abandonment of certain NWT Property;
- d) the cash flow results for the period from July 10, 2021 to June 17, 2022;
- e) approval of the NWT Receiver’s actions, activities and conduct, and approval of the NWT Receiver’s fees and disbursements and those of the NWT Receiver’s independent legal counsel, Borden Ladner Gervais LLP (“**BLG**”); and
- f) the NWT Receiver’s conclusions and recommendations with respect to the foregoing.

9. Capitalized words or terms not otherwise defined in this Report are as defined in the NWT Receivership Order and previously filed reports of the Receiver.

10. All references to dollars are in Canadian currency unless otherwise noted.

TERMS OF REFERENCE

11. In preparing this Report, the NWT Receiver has relied upon: (i) the representations of certain management and other key stakeholders of Strategic; and (ii) financial and other information contained in the Company’s books and records, which were

- produced and maintained principally by the Company. The NWT Receiver has not performed an audit, review or other verification of such information.
12. Further, the NWT Receiver has not performed an audit, review or otherwise attempted to verify the accuracy or completeness of the Company's financial information that would wholly or partially comply with Canadian Auditing Standards ("CASs") pursuant to the Chartered Professional Accountants Canada Handbook, and accordingly, the NWT Receiver expresses no opinion or other form of assurance contemplated under CASs in respect of the financial information. Future oriented financial information relied upon in this Report is based on the NWT Receiver's assumptions regarding future events and actual results achieved will vary from this information and the variations may be material.

BACKGROUND AND OVERVIEW

13. Strategic is an oil and gas exploration and production company with non-operational wells in the Cameron Hills area of the Northwest Territories and other producing and non-producing areas throughout Alberta.
14. Strategic Oil and Gas Ltd. was incorporated under the *Alberta Business Corporations Act* in April 2012 and was publicly traded on the TSX Venture Exchange in Canada under the symbol "SOG". A cease trade order was issued to the Company by the Alberta Securities Commission on May 6, 2019.
15. Strategic Transmission Ltd. ("STL") was incorporated under the *Canada Business Corporations Act*. In June 2013, Strategic Oil and Gas Ltd. acquired all the outstanding common shares of STL, in conjunction with the acquisition of the NWT Property.
16. STL holds legal title to the section of pipeline that crosses the Alberta border into the Cameron Hills area of the Northwest Territories, which is regulated by the CER (the "**Interprovincial Pipeline**"). Beyond holding legal title to the pipeline, STL has no other assets or operations.

17. Further background is contained in the materials filed in support of the NWT Receivership Order. These documents and other publicly filed Court materials in these proceedings have been posted on the NWT Receiver's website at: <https://www.alvarezandmarsal.com/sog> (the "NWT Receiver's Website").

SUBSEQUENT ACTIVITIES OF THE NWT RECEIVER

18. Since the Second Report, the NWT Receiver's activities have included, but are not limited to, the following:
- a) administering and monitoring, with the assistance of its independent contractors, the various well and facility locations in Cameron Hills for the purposes of care and custody of the NWT Property and necessary safety and environmental monitoring;
 - b) monitoring the cash flow expenditures required to preserve and protect the NWT Properties and pay other administrative matters during the receivership proceedings;
 - c) arranging for continued funding from the GNWT to allow the NWT Receiver to carry out its duties pursuant to the NWT Receivership Order;
 - d) carrying out the SSP and working with the Sales Advisor respecting the marketing of the NWT Properties, including hosting multiple communications with interested parties for the purchase of some or all of the NWT Properties;
 - e) attending to various communications and virtual meetings with certain GNWT officials to discuss various matters related to the NWT Receivership Proceedings;
 - f) attending meetings with officials of the Mackenzie Valley Land and Water Board (the "MVLWB") to discuss various matters related to the NWT Receivership Proceedings;

- g) communicating with CER officials to discuss the CER regulated pipeline and its implications to the NWT Receivership Proceedings;
- h) providing instructions to the NWT Receiver's independent legal counsel, BLG, in respect of NWT the Receivership Proceedings;
- i) performing ongoing monitoring and regulatory compliance, with the assistance of various contractors;
- j) attending multiple meetings and hosting various communications with the GNWT, OROGO and respective legal counsel, in general; and
- k) communicating with the Alberta Receiver and respective legal counsel on matters concerning the joint administration of the NWT Receivership Proceedings.

REGULATORY MATTERS

OROGO Abandonment Order

19. As previously reported, on October 4, 2019, OROGO issued an order requiring the abandonment of approximately 40 wells and decommissioning oil and gas infrastructure, including the gathering system at Cameron Hills within the deadlines set between January 31, 2023 and May 14, 2025 (the “**Abandonment Order**”).
20. The NWT Receiver obtained certain extensions from OROGO to abandon a significant number of wells, of which 24 wells are to be abandoned by March 31, 2023. The NWT Receiver, with the support of the GNWT, is now proposing the RFP to facilitate the well abandonment work of these 24 wells (along with any remaining wells, facilities and pipelines due to be abandon by May 14, 2025). The proposed RFP is discussed in more detail below.

Other Ancillary Regulatory Matters

21. The NWT Receiver is in the process of applying to the MVLWB to for a Land Use Permit in accordance with the *Mackenzie Valley Resource Management Act* and the *Mackenzie Valley Land Use Regulations* for the activities required to conduct the

abandonment program contemplated under the proposed RFP. The Receiver understands that the Land Use Permit may be transferred under the *Mackenzie Valley Resource Management Act*.

22. Based on discussions with OROGO, the NWT Receiver believes it remains in compliance with OROGO and the other NWT regulatory bodies regarding the NWT Property and is not aware of any other order issued by OROGO or any other regulatory body.

Interprovincial Pipeline Issues

23. The NWT Receiver has not received any abandonment order from the CER relating to the Interprovincial Pipeline. Should the Interprovincial Pipeline not be sold as part of the SSP, and at the wishes of the CER, an agreement may be considered with respect to the abandonment work related to the Interprovincial Pipeline in the future.
24. The proposed RFP does not bind the NWT Receiver or the CER to carry out an abandonment of the Interprovincial Pipeline; however, such an abandonment may be incorporated should an agreement be reached between the NWT Receiver and the CER.

SALES PROCESS UPDATE

25. On July 19, 2021, an order of the Honourable Justice Nixon was granted authorizing the NWT Receiver to engage Sayer Energy Advisors (the “**Sales Advisor**”) and approving the SSP. The SSP was facilitated by the Sales Advisor, under the supervision of the NWT Receiver.

Summary of the SSP

26. Public marketing of the NWT Property commenced on August 23, 2021. At that time an information brochure (“**Teaser**”) developed by the Sales Advisor summarizing the NWT Property was mailed to approximately 600 potential interested parties.

27. On August 23, 2021, a copy of the Teaser, along with corresponding maps and summary information for each area was advertised on the Sales Advisor's website, www.sayeradvisors.com. The detailed information was consolidated into one document which was available for visitors to download from the webpage. The Sales Advisor was able to electronically track the interest and activity in the SSP on its website. Statistics show that, throughout the marketing process, the Teaser and other information was downloaded a total of 180 times.
28. Subsequent to the mailing, on August 24, 2021, approximately 2,250 parties from a separate distribution list created by the Sales Advisor received an electronic copy of the Teaser by email.
29. On August 24, 2021, the Sales Advisor placed an advertisement in the *BOE Report* and the *Daily Oil Bulletin* ("**DOB**"). Statistics from the *BOE Report* and *DOB* shown that the advertisement were viewed a total of 2,629 and 283 times, respectively.
30. The Sales Advisor also placed advertisements relating of the opportunity in *A&D Watch* and *Energy Advisors Group*, in an attempt to reach new parties outside of their mail or email distribution lists in Canada and the U.S. In addition, an advertisement announcing the divestiture was placed in the Sales Advisor's *Canadian Oil Industry Asset Sale Listing* during the entire marketing period.
31. A total of five confidentiality agreements were received throughout the SSP. By the Bid Deadline (September 23, 2021), the Sales Advisor received one offer (the "**SSP Offer**") from one interested party (the "**Sole Bidder**") for certain of the wells, associated pipelines, facilities and batteries of Strategic's NWT Property as well as the Interprovincial Pipeline (the "**Potential Sale Property**").

Status of the SSP

32. Since receiving the SSP Offer, the NWT Receiver and the NWT Receiver's Counsel have facilitated the following:

- a) multiple and ongoing meetings with the Sole Bidder to discuss the SSP Offer to attempt to facilitate a transaction acceptable to the Sole Bidder, the GNWT and the Regulators;
 - b) multiple and ongoing meetings with certain GNWT officials to discuss the SSP Offer to facilitate an acceptable transaction; and
 - c) meetings with officials between the MVLWB, OROGO, CER and the Sole Bidder to discuss the SSP Offer and the regulatory matters involved in contemplating a transaction.
33. Although the marketing stages of the SSP are completed and resulted in no acceptable offer to date, the NWT Receiver continues to actively pursue the sale of the Potential Sale Property with the Sole Bidder, the GNWT and the regulatory bodies. The Receiver will report to the Court in the future and seek the appropriate relief should an acceptable transaction be facilitated with the Sole Bidder or any other interested party.

PROPOSED REQUEST FOR PROPOSAL

Overview

34. As discussed previously, as a result of certain extensions permitted by OROGO, the Abandonment Order required 24 wells to be abandoned by March 31, 2023. The NWT Receiver, with the support of the GNWT, is proposing to conduct a court-approved RFP to identify a party with expertise to complete the well abandonment work primarily with respect to these wells and the remaining NWT Property.
35. The NWT Receivership Order empowers and authorizes, but does not obligate, the NWT Receiver to, among other things:
- a) take possession of and exercise control over the NWT Property;
 - b) engage consultants, appraisers, agents and experts to assist the NWT Receiver in exercising its powers and duties; and

- c) to manage, operate and carry on business in respect of the NWT Property, including the powers to enter into any agreements and incur any obligations in the ordinary course of business.
36. The NWT Receiver is requesting that the Court approve the RFP, as a court approved process will provide:
- a) fairness, clarity and consistency to proponents interested in submitting a competitive proposal;
 - b) fairness and consistency to GNWT, as primary stakeholder, and the other key government stakeholders, in evaluating proposals that achieve the objectives contemplated in the RFP; and
 - c) allow for the NWT Receiver to remain in compliance with OROGO.
37. The NWT Receiver has closely collaborated with the GNWT in the development of the proposed RFP and is advised that the NWT supports the proposed RFP.

Summary of the proposed RFP

38. The NWT Receiver has developed, in consultation with the GNWT, the proposed RFP with a view to facilitate the well abandonment work (the “**NWT Abandonment Work**”) with respect to any remaining NWT Property. In that regard, the NWT Receiver will invite qualified proponents to submit a competitive proposal for the planning, management and performance of the NWT Abandonment Work.
39. A copy of the proposed RFP is attached to this Report as Appendix ‘A’.
40. The following table sets out the key milestones under the RFP:

Milestone	Deadline
Issue RFP	July 18, 2022
Submission Time for Proposals	September 2, 2022
Selection of Preferred Proponent	September 19, 2022
Estimated Date Court Approval	September 26, 2022

41. The RFP will be advertised through a targeted email marketing campaign, as well as through advertisements, including advertisements placed in the *Daily Oil Bulletin* and the *BOE Report*.
42. The NWT Receiver believes that the proposed RFP is an elaborate and thorough broad-based marketing process that addresses the regulatory requirements of OROGO and the remaining regulators, including the concerns and requirements of GNWT, as primary stakeholder, who will be funding the abandonment process.
43. The NWT Receiver further believes that the proposed RFP provides a fair and transparent process which will be conducted in such a manner to give potential proponents equal access to the opportunity to become the successful proponent to plan, manage and perform the NWT Abandonment Work.
44. The NWT Receiver is therefore of the view that the proposed RFP is commercially reasonable in the circumstances and provides for a robust strategy to address the abandonment of a significant amount of end of life obligations and environmental issues in the NWT.

RECEIPTS AND DISBURSEMENTS – JULY 10, 2021 TO JUNE 17, 2022

45. The following is a statement of the NWT Receiver's receipts and disbursements ("**R&D**") in respect of the NWT Property from July 10, 2021 to June 17, 2022 (the "**Reporting Period**"), in addition to the receipts and disbursements since the Receivership Date.
46. The below chart reflects collections and payments made by the NWT Receiver in the NWT Receivership Proceedings and the R&D is reflected on a "cash basis".

Strategic - NWT Property NWT Receiver's Interim Statement of Receipts and Disbursements CAD \$, unaudited			
	Prior Reports Jan 28/20 to Jul 9/21	Reporting Period Jul 10/21 to Jun 17, 22	Total Jan 28/20 to Jun 17, 22
Opening cash balance	\$ -	\$ 37,249	\$ -
Receipts			
Government funding advanced	2,406,659	758,280	3,164,939
GST refunds	99,850	1,575	101,425
Working interest receipts	-	69,470	69,470
Total Receipts	2,506,509	829,325	3,335,834
Disbursements			
Suspension program	1,195,558	-	1,195,558
Contractor payments	603,308	415,585	1,018,893
Insurance premiums	111,250	112,705	223,955
NWT Receiver's fees and expenses	398,242	134,508	532,750
Legal fees and expenses	26,186	74,371	100,557
GST paid on disbursements	112,813	31,922	144,735
Sales Process	-	17,500	17,500
Other disbursements	21,903	4,708	26,611
	2,469,260	791,299	3,260,559
Closing cash balance	\$ 37,249	\$ 75,276	\$ 75,276

47. Opening cash during the Reporting Period was \$37,249. There was no opening cash available to the NWT Receiver as at the Receivership Date and the GNWT has provided funding to the NWT Receivership throughout the entire Receivership proceeding.
48. The NWT Receiver collected approximately \$829,325 during the Reporting Period, primarily relating to:
- a) approximately \$758,280 of funds advanced by the GNWT to the NWT Receiver based on an internal cash flow forecast prepared by the NWT Receiver; and
 - b) approximately \$69,470 of receipts from a working interest partner for their portion of the suspension program performed by the NWT Receiver in 2020.

49. The NWT Receiver paid approximately \$791,300, which consisted primarily of the following:
- a) contractor payments of approximately \$415,585 for regulatory compliance reporting support, site inspections and other care and maintenance activities;
 - b) professional fees and costs of the NWT Receiver and its legal counsel, BLG, of approximately \$208,880;
 - c) annual insurance premiums of \$112,705;
 - d) GST paid on disbursements of approximately \$31,920;
 - e) costs and disbursements related to the SSP of \$17,500; and
 - f) other disbursements of approximately \$4,710, relating primarily to database management fees and other care and maintenance activities.
50. Total cash on hand held by the NWT Receiver as at June 17, 2022 is \$75,276.
51. The GNWT continues to advance funds to the NWT Receiver based on an internal cash flow forecast prepared by the NWT Receiver and receipt of expenditures provided by the NWT Receiver to the GNWT.

APPROVAL OF PROFESSIONAL FEES AND EXPENSES

52. Pursuant to paragraphs 22 to 24 of the NWT Receivership Order, the NWT Receiver seeks approval from this Honourable Court of the respective professional fees and disbursements of the NWT Receiver and its legal counsel for the period of time from July 1, 2021 to May 31, 2022 (the “**Interim Taxation Period**”). The professional fees and costs of the NWT Receiver and its legal counsel from the Receivership Date to June 30, 2021 have been previously approved by this Honourable Court.
53. Professional fees and expenses rendered by the NWT Receiver during the Interim Taxation Period total \$161,281 (exclusive of GST) (the “**NWT Receiver’s Fees and Disbursements**”) and are summarized in Appendix ‘C’.

54. Professional fees and expenses rendered by the NWT Receiver's legal counsel, BLG, during the Interim Taxation Period total \$77,639 (exclusive of GST) (the "**NWT Receiver's Counsel's Fees and Disbursements**") and are summarized in Appendix 'C'.
55. The accounts of the NWT Receiver and its legal counsel outline the date of the work completed, the description of the work completed, the length of time taken to complete the work and the name of the individual who completed the work. Copies of the NWT Receiver's and BLG's invoices will be made available for the Court prior to the hearing of this Application.
56. The professional fees and disbursements of the NWT Receiver for July 1, 2021 to March 31, 2022 are reflected in the actual cash flow receipts and disbursements discussed above. The professional fees and disbursements of the NWT Receiver for April 1, 2022 to May 31, 2022 have been provided to the GNWT for funding and will be paid upon receipt.
57. The professional fees and disbursements of the NWT Receiver's Counsel for July 1, 2021 to April 30, 2022 are reflected in the actual cash flow receipts and disbursements discussed above. The professional fees and disbursements of the NWT Receiver's Counsel for May 1, 2022 to May 31, 2022 have been provided to the GNWT for funding and will be paid upon receipt.
58. The NWT Receiver respectfully submits that its professional fees and disbursements, and those of the NWT Receiver's legal counsel BLG, over the Interim Taxation Period, are fair and reasonable in the circumstance, and commensurate with the work performed to date. The NWT Receiver therefore respectfully requests that this Court approve the NWT Receiver's Fees and Disbursements and the NWT Receiver's Counsel's Fees and Disbursements.

NWT RECEIVER'S ACTIVITIES AND FUTURE COURSE OF ACTION

59. The NWT Receiver's next steps include, but are not limited to the following:

- a) monitoring the NWT Property and ensuring it is in compliance with the:
 - i. *Oil and Gas Operations Act* SNWT 2014, c.14, the terms and conditions of Operations Authorization OA-2018-003-SOG and other requirements of OROGO;
 - ii. the *Mackenzie Valley Resource Management Act*, the *Waters Act*, requirements of the MVLWB and related requirements, and all other applicable legal and regulatory requirements; and
- b) continued consultations with GNWT and OROGO, the CER, the AER (as required), the staff of the MVLWB, other GNWT stakeholders and the Indigenous communities, with respect to the NWT Property;
- c) continued discussions with the GNWT and the Sole Bidder respecting the SSP Offer;
- d) implementing the proposed RFP, if approved by this Honourable Court; and
- e) facilitating, as required, the current discussions between the GNWT and the AER regarding the priority to funds that existed as at the Receivership Date and utilized by the Alberta Receiver, in addition to any funds remaining upon the expected discharge of the Alberta Receiver.

NWT RECEIVER'S CONCLUSIONS AND RECOMMENDATIONS

60. For the foregoing reasons, the NWT Receiver respectfully recommends that this Honourable Court grant the following relief:
- a) approve the proposed RFP;
 - b) approve the conduct, actions and activities of the NWT Receiver as more particularly set forth in this Report;

- c) approve the NWT Receiver's interim statement of receipts and disbursements, as set-out in this Report; and
- d) approve the NWT Receiver's Fees and Disbursements and the NWT Receiver's Counsel's Fees and Disbursements.

All of which is respectfully submitted this 4th day of July, 2022.

**ALVAREZ & MARSAL CANADA INC.,
in its capacity as the Court-appointed Receiver of
the NWT Property and not its personal or corporate capacity**



Orest Konowalchuk, CPA, CA, CIRP, LIT
Senior Vice President



Duncan MacRae, CPA, CA, CIRP, LIT
Vice President

APPENDIX A

REQUESTS FOR PROPOSAL

INTRODUCTION

Purpose

On January 28, 2020, the Alberta Court of Queen's Bench (the "**Court**") made an order (the "**Receivership Order**") appointing Alvarez & Marsal Canada Inc. ("**A&M**") as receiver and manager (the "**NWT Receiver**") over all of Strategic Oil and Gas Ltd.'s and Strategic Transmission Ltd.'s (together "**Strategic**") current and future assets, undertakings and properties of every nature and kind whatsoever situated in the Northwest Territories, including all proceeds thereof and including, without limiting the generality of the foregoing, any letters of credit issued in respect of assets situated in the Northwest Territories (the "**NWT Property**").

Currently, the primary stakeholder of the NWT Property is the Government of the Northwest Territories (the "**GNWT**"). The GNWT is currently funding the NWT Receiver in the receivership proceedings, including the care, maintenance and individual abandonment programs relating to the NWT Property.

Additionally, Strategic Transmission Ltd. holds legal title to, and is the licensee of, a pipeline which crosses the border between Alberta and the Northwest Territories (the "**Interprovincial Pipeline**"). The NWT Receiver does not have possession of this Interprovincial Pipeline, nor is it in care and custody of such pipeline. The primary stakeholder of the Interprovincial Pipeline is the Canada Energy Regulator ("**CER**"), an agency of the Government of Canada under its Natural Resources Canada portfolio, which licenses, supervises, regulates and enforces all applicable Canadian laws as regards to interprovincial and international oil, gas and electric utilities.

The NWT Receiver, with the support of the GNWT, is issuing a Request for Proposals ("**RFP**") to facilitate the well abandonment work (the "**NWT Abandonment Work**") with respect to any remaining NWT Property (the "**Remaining NWT Property**"). In that regard, the NWT Receiver invites qualified proponents ("**Proponents**") to submit a competitive proposal ("**Proposal**") for the planning, management and performance of the NWT Abandonment Work, as further described in the Scope of Work section in this RFP. This NWT Abandonment Work will be performed pursuant to an abandonment contract ("**Abandonment Contract**") between the successful Proponent ("**Contractor**") and the NWT Receiver.

On July 19, 2021, the NWT Receiver obtained an order from the Court, permitting the NWT Receiver to conduct a sale solicitation process ("**SSP**") respecting the NWT Property and the Interprovincial Pipeline. The SSP was intended to solicit interest in a sale of certain or all of the assets of Strategic. Though the sale of all assets is no longer contemplated, the SSP is ongoing and the NWT Receiver is actively pursuing a sale of a limited number of wells, pipelines, the facility and the Interprovincial Pipeline (the "**Potential Sale Property**").

As a result, for purposes of this RFP:

- all references to NWT Property shall include all NWT Property but exclude the Interprovincial Pipeline; and
- all references to Remaining NWT Property shall refer to the remaining property at the

conclusion of the SSP (if the Potential Sale Property is sold, Remaining NWT Property shall exclude the Potential Sale Property).

As the outcome of the SSP remains outstanding, the RFP expressly contemplates both the abandonment work including the Potential Sale Property (if not sold) and excluding the Potential Sale Property (if sold). As a result, Proponents are encouraged to submit a Proposal under both scenarios (i.e., one in which the Potential Sale Property is included and one where the Potential Sale Property is excluded). In the event the SSP concludes during this RFP process, the NWT Receiver will issue a written addendum to the RFP with the requisite information.

No abandonment order has been issued related to the Interprovincial Pipeline. Should the Interprovincial Pipeline not be sold, and, at the wishes of the CER, an agreement may be considered with respect to the abandonment work related to the Interprovincial Pipeline. Nothing in this RFP binds any Proponent, the NWT Receiver or the CER as it relates to any work solely related to the Interprovincial Pipeline and for clarity, this RFP does not include the Interprovincial Pipeline.

This document (the “**RFP Procedure**”) outlines the RFP.

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DEFINITIONS

In this RFP, unless the context requires otherwise:

“Benefits” means:

- (a) employment opportunities;
- (b) training opportunities;
- (c) business opportunities, including contracts and the provision of goods and services; and
- (d) investment opportunities, including equity purchases;

“Collaborative Meetings” means a meeting as between the NWT Receiver, the GNWT, the Regulators (as applicable) and individual Proponents, or any combination of them, requested either by the Proponent, or accepted by a Proponent at the invitation of the GNWT, the Regulators (as applicable) or the NWT Receiver;

“Contact Person” means the NWT Receiver contact at dmacrae@alvarezandmarsal.com;

“Indigenous Group Firm” means an entity which complies with the legal requirements to carry on business in the NWT and which is:

- (a) a corporation with more than 50.0% of the corporation’s voting shares beneficially owned by an Indigenous Group member(s);
- (b) a co-operative controlled by an Indigenous Group member(s);
- (c) a partnership in which at least 50.0% of the partnership units are owned or controlled by an Indigenous Group member(s); or
- (d) any other legal entity more than 50.0% owned or controlled by an Indigenous Group member(s);

“Northern Business” means a business that meets some or all of the following criteria:

- (a) the business employs NWT resident(s);
- (b) the business owns, for purposes directly related to the operation of the business, real property in the NWT;
- (c) the business operates a year-round, locally staffed office in the NWT; and
- (d) the business is owned, or is a corporation that is owned, 50% or more by NWT residents;

“Northern Resident” means a resident of the NWT.

“Regulators” means any local, territorial or federal regulatory bodies as may be required to permit, license or otherwise approve of any purchase or development of the NWT Property or any management of environmental liabilities at the NWT Property, including any proposed abandonment plan for implementation of the NWT Abandonment Work pursuant to local, territorial or federal legislation or regulation;

“Scope of Work” is as outlined in sections 21 and 22 of the General Information section of this RFP Procedure;

Any words or phrases defined elsewhere in this RFP will have the particular meaning assigned to such word or phrase. Any capitalized words or phrases not defined in this RFP will have the particular meaning assigned to such words or phrases in the Appendices to this RFP, issued Addenda, if any, and issued Reference Information (including Q&As), if any.

Words importing the singular include the plural, and vice versa.

GENERAL INFORMATION

RFP Eligibility

1. Any interested party (each, a “**Proponent**”), excluding the Restricted Parties listed below, may submit a Proposal under this RFP. Proponents may be individuals, corporations, joint ventures, partnerships, or other legal entities. A&M is making this RFP known generally in the community by, among other things:
 - (a) posting this RFP to the NWT Receiver’s website, <https://www.alvarezandmarsal.com/sog>; and
 - (b) posting a notification of this RFP in local and national print media.
2. Proposals must comply with the requirements of the Form of Proposal, included as Schedule 1 to this RFP.
3. As a condition of participating in this RFP, each Proponent must sign and deliver to the Contact Person a Participation Agreement substantially in the form attached as Schedule 2 to this RFP, or otherwise acceptable to the NWT Receiver in its discretion.
4. Proponents will not be permitted to participate in Collaborative Meetings or participate further in the RFP unless and until the executed Participation Agreement has been submitted.

Property

5. Strategic holds an average 86% working interest in 86,223 acres (74,207 net acres) in the Cameron Hills area of the Northwest Territories just north of the border with Alberta.
6. The NWT Property is comprised of approximately 54 well licenses, 1 facility, and 30 pipeline segments.
7. As noted above, Strategic also holds legal title and is the licensee of a 100% interest in an Interprovincial Pipeline, which connects the gathering system at the central battery in Cameron Hills to a natural gas plant located in the Bistcho Lake area of Alberta at 06-32-122-02W6, owned by Tallahassee Exploration Inc.
8. Production has been shut-in since 2015, largely due to unfavorable commodity prices making the field unprofitable to operate. Production consisted primarily of oil and natural gas from the Keg River and Sulphur Point formations, and natural gas from the Slave Point Formation. Prior to being shut-in, average daily production for calendar 2014 net to Strategic from Cameron Hills was approximately 571 boe/d consisting of 2.2 MMcf/d of natural gas and 200 barrels of oil and natural gas liquids per day. Natural gas from Cameron Hills was processed at the Bistcho Lake facility in Alberta. The main compressor facility at Cameron Hills at H-03 60-10 117-30 is connected via pipeline to the sour natural gas plant and oil battery in the Bistcho area of Alberta at 06-32-122-02W6. There is also a water injection well at 300/A03 60-10 117-30/0.

9. Between May and November of every year, the NWT Property is accessed via helicopter. When conditions are suitable, construction of winter access roads allows for access to existing wells; thereby allowing travel over the land during the remaining months.

Regulators, Licenses, Permits and Approvals

10. The office of the Regulator of Oil and Gas Operations (“**OROGO**”) regulates oil and gas and related activities in the Northwest Territories, including wells, facilities, oil refineries, natural gas processing plants, pipelines and oil and gas roads, through licenses, authorizations, orders and regulations.
11. The CER is the agency of the Government of Canada under its Natural Resources Canada portfolio which licenses, supervises, regulates and enforces all applicable Canadian laws as regards to interprovincial and international oil, gas, and electric utilities.
12. The Mackenzie Valley Land and Water Board (“**MVLWB**” and together with CER and OROGO the “**Regulator(s)**”) is a regulatory authority whose role and responsibilities include reviewing and making decisions on transboundary projects and ensuring consistent application of the Mackenzie Valley Resource Management Act in the Mackenzie Valley.
13. The NWT Property has a valid water license until December 9, 2025 issued by the MVLWB. The NWT Receiver understands that water licenses may be transferred under the Mackenzie Valley Resource Management Act.
14. The NWT Receiver is in the process of applying for a land use permit, for the purposes of completing abandonment work, to be issued by the MVLWB. The NWT Receiver understands that land use permits may be transferred under the Mackenzie Valley Resource Management Act.
15. Strategic has a valid Operations Authorization (“**OA**”) until April 1, 2025, which enables an operator or contractor to perform the necessary abandonment activities contemplated under this RFP.
16. Any Contractor will be required to comply with all regulatory requirements of the applicable Regulator.
17. Should any licenses, permits or approvals be required to be transferred to a Contractor or to another third-party, nothing in the RFP shall constitute any “pre-approval” of any transfers of applicable licenses, permits or approvals by the applicable Regulator, nor shall it fetter the discretion of the Regulators in any way.
18. The Regulators shall in each instance retain their discretion to approve the transfer of any applicable licenses, permits or approvals required under any Contractor or applicable third-party pursuant to their governing legislation.

Abandonment Order

19. OROGO issued an order (the “**OROGO Order**”) requiring that 24 of Strategic’s wells be

brought back into production or abandoned no later than March 31, 2023 (the end of the winter 2023 work season), as required under the Well Suspension and Abandonment Guidelines and Interpretation Notes (Guidelines) and the Oil and Gas Operations Act (“**2023 Abandonment Work**”).

20. In addition, should any of the Remaining NWT Property not be brought back into production, the OROGO Order requires that by no later than March 31, 2025 (the end of the winter 2025 work season), all remaining wells be abandoned, and the gathering system and all other oil and gas infrastructure in place at Cameron Hills be decommissioned and removed in accordance with the Oil and Gas Operations Act (“**Final Abandonment & Decommissioning Work**”).

Scope of Work

21. As a result of the foregoing, the NWT Abandonment Work contemplated under this RFP may be categorized as the following:
 - (a) 2023 Abandonment Work; and
 - (b) Final Abandonment & Decommissioning Work,the foregoing constituting the Scope of Work under this RFP.
22. Work covered by subsection (a) and (b) of paragraph 21 includes, but is not necessarily limited to the following:
 - (a) Preparation of all planning documents and submittals as per the Contract terms;
 - (b) Responsibility for any and all activities related to mobilization and demobilization, site access, site security, well access, storage, accommodation, and subsistence of any and all required equipment, materials and/or personnel related to the completion of the specified work;
 - (c) Debris removal, abandonment and cut and cap of the wells listed in the OROGO Order; and
 - (d) Decommissioning and removal of oil and gas infrastructure listed in the OROGO Order.
23. The NWT Receiver may issue a written addendum to the RFP with any additional information as it relates to the scope of work covered.
24. For greater clarity the work does not include any work to address the environmental liabilities on site.
25. The Final Abandonment & Decommission Work may be undertaken in the winter 2023 work season, winter 2024 work season and/or winter 2025 work season. Proponents are encouraged to include in their Proposal an approach to performing the NWT Abandonment Work and a schedule for the Proponent’s anticipated approach to designing, implementing and performing the NWT Abandonment Work, including the engagement with Regulators and other stakeholders as it relates to any necessary approvals.

Relationship Between GNWT & OROGO

26. The GNWT advises all Proponents that there is a potential legal disagreement between the GNWT and OROGO regarding whether the GNWT is able to be an operator under the Oil and Gas Operations Act and, consequently, whether OROGO has the legal authority to issue an order to the GNWT relating to abandonment and reclamation. This potential legal disagreement would only be relevant for Proponents if the NWT Receiver is discharged before all work required under the Order issued by OROGO is completed and to the extent certain deadlines are set in the order. At this time, the GNWT takes the position that it is not able to be an operator under the Oil and Gas Operations Act and, consequently, that OROGO has no legal authority to issue an order to the GNWT relating to abandonment and reclamation. This RFP has been drafted on the premise that the GNWT is able to be an operator under the Oil and Gas Operations Act and, consequently, that OROGO has the legal authority to issue an order to the GNWT.

TIMELINE

27. The following table sets out the key milestones (“**Milestones**”) under the RFP:

Milestone	Deadline
RFP Issue Date	July 18, 2022
Submission Time for Proposals	September 2, 2022
Selection of Preferred Proponent	September 19, 2022

28. The NWT Receiver may amend the Milestones from time to time, by issuing a written addendum.

RFP DOCUMENTS

RFP Documents

29. The “**RFP Documents**” are as follows:
- (a) this RFP;
 - (b) the form of proposal, including its appendices and attachments, attached as Schedule 1 to this RFP (“**Form of Proposal**”);
 - (c) the participation agreement attached as Schedule 2 to this RFP (“**Participation Agreement**”);
 - (d) issued Addenda, if any; and
 - (e) issued Reference Information (including Q&As), if any.

Data Room

30. The NWT Receiver has created an electronic data room (“**Data Room**”) to contain all RFP Documents, including issued Addenda, Q&A’s and Reference Information, if any, relating to this RFP.

31. It is the sole responsibility of a Proponent to ensure it has received all RFP Documents before submitting a Proposal.
32. The NWT Receiver makes no representations or warranties regarding the accuracy or completeness of the information contained in the Data Room and the Proponents are required to satisfy themselves on the information, based on their own due diligence, for the purposes of developing and submitting a Proposal.

Completeness of RFP Documents

33. Proponents are responsible for reviewing the RFP Documents to verify they are complete and should immediately notify the Contact Person, in writing, if the RFP Documents appear to be incomplete or contain any discrepancies, inconsistencies, ambiguities, errors or omissions, or if conditions of the NWT Property differ from those described in the RFP Documents.
34. Each Proponent will investigate and satisfy itself of every condition that affects the preparation of its Proposal. Each Proponent acknowledges and represents that its investigations have been based on its own due diligence, examination, knowledge, information and judgment, and not upon any statement, representation or information made or given by the NWT Receiver, the GNWT, or any of them, the Contact Person or any advisor to the NWT Receiver, the GNWT or any of them, other than the information contained in this RFP. Submission of a Proposal is deemed to be conclusive evidence that the Proponent accepts the terms of this section. The NWT Receiver accepts no responsibility for any Proponent lacking any information.

ISSUANCE

35. As soon as reasonably practicable, but in any event by no later than July 18, 2022 (the “**Commencement Date**”) the NWT Receiver shall:
 - (a) arrange for a notice of the RFP (and such other relevant information as the NWT Receiver, in consultation with the GNWT, considers appropriate) (the “**Notice**”) to be published in Daily Oil Bulletin, the BOE Report and The Globe and Mail (National Edition); and any other newspaper or journals as the NWT Receiver, in consultation with the GNWT, considers appropriate, including publications in the Northwest Territories, Alberta and British Columbia, if any; and
 - (b) send this RFP and the Participation Agreement, to a list of potential contractors, including: (i) parties that have approached one or more of Strategic, the NWT Receiver or the GNWT indicating an interest in the NWT Remediation Work; (ii) local, national and international parties who the NWT Receiver believe may be interested in performing the NWT Abandonment Work; and (iii) any other party who responds to the Notice as soon as reasonably practicable after such identification or request, as applicable.
36. Requests for information and access to the Data Room will be directed to the Contact Person. All printed information shall remain the property of the NWT Receiver and, if requested by the NWT Receiver, shall be returned without further copies being made

and/or destroyed with an acknowledgement that all such material has either been returned and/or destroyed and no electronic information has been retained.

37. Any party that executed and delivered a Participation Agreement will obtain details of the Potential Sale Property, which remains strictly confidential and agrees to not disclose such information to any third party. Details of the Potential Sale Property will be disclosed strictly for the sole purposes of evaluating the Final Abandonment, Abandonment & Decommissioning Work, should the Potential Sale Property not be sold and remain within the Scope of Work for this RFP.

SUBMISSION INSTRUCTIONS

Closing

38. Proposals must be received at or before:
5:00 P.M. Calgary time September 2, 2022 (the “**Proposal Submission Deadline**”).

Delivery Address

39. Proposals must be received at or before the Proposal Submission Deadline by mail or email as follows:
Alvarez & Marsal Canada Inc.
Court-Appointed NWT Receiver
Attention: Mrs. Cassie Riglin / Mr. Duncan MacRae
Bow Valley Square 4, Suite 1110, 250 – 6th Ave SW, Calgary, AB, T2P 3H7
Email: criglin@alvarezandmarsal.com / dmacrae@alvarezandmarsal.com (the “**Delivery Address**”).

Number of Copies of Proposals

40. If a Proposal will be delivered to the Delivery Address by mail, the Proponent must submit two hard copies and one electronic (USB key) copy of their Proposal in a sealed envelope clearly marked on the outside outlining the RFP. If there is any discrepancy between the hard copy and the electronic copy, the hard copy will be considered the correct copy.
41. If a Proposal will be delivered to the Delivery Address by email, the Proposal must be clearly identified as a Proposal to this RFP and must be in PDF format.

Late Proposals

42. The NWT Receiver reserves the right not to consider Proposals received after the Proposal Submission Deadline.

Contact Person

43. All enquiries related to this RFP must be directed by email to the Contact Person at:
Name: Mr. Duncan MacRae

Email: dmacrae@alvarezandmarsal.com

Enquiries and Proposals

44. All enquiries regarding this RFP must be directed, by email, to the Contact Person, and the following will apply to any enquiry:
- (a) the NWT Receiver reserves the right to decline providing a response to an enquiry, considering fairness to all Proponents and the integrity of this RFP;
 - (b) subject to subsection (c), any response from the Contact Person to an enquiry will be circulated to any party that executed and delivered the Participation Agreement, and posted to the Data Room as either:
 - (i) a question and answer as part of a question and answer series for this RFP (“Q&As”); or
 - (ii) an Addendum;
 - (c) a Proponent should, for every enquiry submitted by it, indicate whether the enquiry and its response is commercially confidential to the Proponent. If the NWT Receiver determines that an enquiry and its response must be distributed to all Proponents, then the Contact Person will permit the enquirer to withdraw the enquiry rather than receive a response. If the Proponent fails to indicate whether or not an enquiry and its response is commercially confidential to the Proponent, then the enquiry and its response will be deemed to be non-confidential; and
 - (d) subject to subsection (a) and notwithstanding subsections (b) and (c), any enquiry and its response may, in the NWT Receiver’s sole and absolute discretion, be distributed to all Proponents, or the Contact Person may keep either or both the enquiry and its response confidential if, in the judgment of the NWT Receiver, it is fair and appropriate to do so.
45. Information obtained from any source other than the Contact Person will not form part of this RFP, and may not be used or relied on by a Proponent for the purpose of preparing its Proposal. Provided, however, neither the NWT Receiver nor the Contact Person makes any representations or warranties regarding the accuracy or completeness of the information provided and the Proponent agrees and acknowledges that any information provided shall be investigated by the Proponent and be subject to the Proponent’s own due diligence.
46. In preparing a response to any enquiry, the Contact Person may consult with the GNWT and/or other persons, including other employees, consultants and advisors of the NWT Receiver and the GNWT.

Electronic Transmission and Delivery of Documents

47. The NWT Receiver does not assume any risk or responsibility or liability, including in contract or tort (including negligence), whatsoever to any person that an electronic transmission or communication is received by the NWT Receiver, or within any time limit specified by this RFP.

48. All permitted email communications with, and delivery of documents to, the Contact Person will be deemed as having been received by the Contact Person on the dates and times indicated on the Contact Person's electronic equipment, and Proponents are responsible to confirm the receipt of such communication with the Contact Person.

Addenda

49. The NWT Receiver may, in its sole and absolute discretion, amend this RFP at any time by issuing a written addendum (an "**Addendum**", or "**Addenda**"). Written Addenda are the only means of amending or clarifying this RFP, and no other form of communication whether written or oral, including written Proposals to enquiries, will be included in or in any way amend this RFP. Only the NWT Receiver or its designee is authorized to amend or clarify this RFP by issuing an Addendum. It is the responsibility of each Proponent to ensure that it has received all issued Addenda.
50. The NWT Receiver will circulate any Addenda by email to any party that has executed and delivered the Participation Agreement, and will post any Addenda to the Data Room.

Reference Information Including Q&As

51. Any:
- (a) information included in Q&As issued by the Contact Person; and
 - (b) additional information made available to Proponents prior to the Proposal Submission Deadline by the NWT Receiver or GNWT, including any information contained in the Data Room,
- (collectively, "**Reference Information**") is provided for information only and may not be relied on by a Proponent for the purpose of preparing its Proposal. Such information is made available only for the reference and assistance of Proponents who must make their own judgment about its reliability, accuracy, completeness and relevance to the Draft Abandonment Term Sheet (as defined below), and nothing will be interpreted as meaning that any of A&M, Strategic or the GNWT gives any guarantee or representation that the Reference Information is reliable, accurate, complete or relevant.

Revisions Prior to the Proposal Submission Deadline

52. Submitted Proposals may be amended or withdrawn in writing, provided such written amendment or withdrawal is received by the NWT Receiver at the Delivery Address prior to, but not after, the Proposal Submission Deadline. Oral amendments or withdrawals will not be considered or accepted.

DUE DILIGENCE & MEETINGS

Site Conditions and Visits

53. Proponents are responsible for being knowledgeable of the NWT Property and the regulatory regime in the Northwest Territories before submitting a Proposal and to be

familiar with, and make allowance for, all factors relating to the performance of the NWT Abandonment Work, including the location, local conditions related to the NWT Property, access, local weather, availability of labor, equipment and materials, regulatory processes and any other relevant matters. By submitting a Proposal, a Proponent will be deemed to have undertaken any required due diligence activities and to have taken account of all such factors in the preparation of its Proposal, including relying on information that may or may not have been made available by the NWT Receiver.

54. The NWT Receiver may hold a general informational meeting for the NWT Property. If and when the NWT Receiver decides to hold an informational meeting, then the Contact Person will circulate to each Proponent's representative the details regarding such meeting. Attendance at a meeting will be at the discretion of the Proponents, but Proponents who do not attend will be deemed to have received all of the information made available to attendees.
55. Site visits may be held and arranged at the cost of the Proponent.
56. If or when the NWT Receiver permits a site visit, then as a condition of entering the NWT Property the Proponent must agree to:
 - (a) comply with, and cause all of its representatives, including its directors, officers, employees and agents, and members of the Proponent's Team, to comply with all rules and regulations, including any requirements to complete safety or other training, or any restrictions on access, as may be established by the NWT Receiver, the GNWT, or any of them;
 - (b) sign an acknowledgement, waiver and indemnity as may be required by NWT Receiver, the GNWT, or any of them; and
 - (c) accept full responsibility for any and all events arising from the Proponent's access to, and activities at, the site.
57. No NWT Property visits will be permitted without the written consent of the NWT Receiver, which such written consent may require further written acknowledgement of such visits from the GNWT, and in certain circumstances, the written consent of the applicable Regulators.

Comments on the Draft Abandonment Term Sheet

58. The Form of Proposal at Schedule 1, includes as Appendix 1, a summary of key terms expected to form the basis of the Abandonment Contract ("**Draft Abandonment Term Sheet**").
59. Each Proponent should review the Draft Abandonment Term Sheet, as attached to this RFP or as revised or issued by Addendum or Addenda, for the purpose of identifying any issues or provisions that the Proponent would like to see clarified or amended.
60. Prior to the Proposal Submission Deadline, the NWT Receiver may issue by Addendum one or more of the following:

- (a) revised versions of the Draft Abandonment Term Sheet;
 - (b) a draft Abandonment Contract;
 - (c) revised versions of the draft Abandonment Contract; and/or
 - (d) a final version of the Abandonment Contract (“**Final Abandonment Contract**”).
61. The NWT Receiver may further modify the Final Abandonment Contract by Addendum prior to the Proposal Submission Deadline. Should the Final Abandonment Contract be issued by Addendum by the Proposal Submission Deadline, it will be the common basis for the submission of all Proposals.

Collaborative Meetings

62. The NWT Receiver may, prior to the Proposal Submission Deadline, coordinate confidential Collaborative Meetings as follows:
- (a) the purpose of the Collaborative Meetings is to provide a process that will assist the Proponents to develop their Proposals while minimizing the risk that a Proponent’s Proposal is unresponsive to this RFP, subject to ensuring equal access to relevant and significant information for all Proponents, and in particular:
 - (i) to permit a Proponent to provide the NWT Receiver and the GNWT with comments and feedback on the technical and commercial terms proposed for, or contained within, the Draft Abandonment Term Sheet;
 - (ii) to permit a Proponent to provide the NWT Receiver and the GNWT with comments and feedback on the Reference Information with respect to its Proposal; and
 - (iii) to permit a Proponent to discuss with the NWT Receiver and the GNWT its proposed plans with respect to the NWT Abandonment Work as further set out in the Form of Proposal.
 - (b) by participating in the Collaborative Meetings a Proponent acknowledges that the meetings are an integral part of the RFP Procedure and are in the interests of all parties;
 - (c) by participating in the Collaborative Meetings a Proponent acknowledges and agrees that the Collaborative Meeting process is structured to provide all Proponents with equal access to significant information that may be relevant to the Proponent’s Proposal;
 - (d) in advance of each Collaborative Meeting:
 - (i) the NWT Receiver and the GNWT may request a Proponent to provide a list of matters or issues the Proponent would like to have discussed at the Collaborative Meeting, including a prioritized list of requested changes, if any, to the Draft Abandonment Term Sheet; and
 - (ii) a Proponent may, at its initiative, submit to the NWT Receiver and the GNWT written materials describing or relating to its draft NWT Abandonment Plan for review and comment by the NWT Receiver and the GNWT;
 - (e) except as may be expressly stated otherwise in this RFP, the NWT Receiver and the

- GNWT will treat all information received from a Proponent during a Collaborative Meeting(s) as strictly confidential, and will not disclose such information to the other Proponents or any third party, but the NWT Receiver and the GNWT may disclose such information to each other. The NWT Receiver and the GNWT may also disclose such information to their respective consultants and advisors who are assisting or advising each or any of them with respect to the NWT Abandonment Work or this RFP;
- (f) all discussions and communications at, arising from or relating to a Collaborative Meeting, including all written materials exchanged, will be without prejudice to the parties in attendance unless such information is included in an Addendum, and without limitation, comments provided by any of the representatives of the NWT Receiver and the GNWT, or any other party in attendance, such as positive or negative views, or encouragement or approvals, will not in any way:
 - (i) be interpreted or deemed to be an indication of a preference by the NWT Receiver or the GNWT;
 - (ii) bind the NWT Receiver or the GNWT, or the Evaluation Committee (defined below); and
 - (iii) be taken into account or acted upon by the NWT Receiver, the GNWT, or the Evaluation Committee (defined below);
 - (g) each participant at a Collaborative Meeting may make and retain its own notes of the discussions at the Collaborative Meeting but no minutes or other record of discussions will be exchanged between the participants and such meetings may be held on a “without prejudice” basis;
 - (h) if, in the course of, or arising out of a Collaborative Meeting, or in response to an enquiry or a request for clarification, a Proponent is provided with any relevant and significant information with respect to this RFP, then the NWT Receiver will promptly provide such information to all Proponents in the same form, except the NWT Receiver will, to the extent fairness to all Proponents permits, delete from any such distribution information that is commercially confidential to a Proponent;
 - (i) if, for the purposes of the preparation of its Proposal, a Proponent wishes to rely on any information or clarification given by a representative of the NWT Receiver or the GNWT, or any other party in attendance, at a Collaborative Meeting, or arising out of a Collaborative Meeting, that is not included in this RFP (which includes the Draft Abandonment Term Sheet, as attached to this RFP), then:
 - (i) the Proponent must submit a written enquiry to the Contact Person requesting the issuance of an Addendum to amend this RFP so as to include such information; and
 - (ii) no written or oral communication by a representative of the NWT Receiver and the GNWT or any other party in attendance as part of the Collaborative Meetings, will amend this RFP (including the Draft Abandonment Term Sheet, as attached to this RFP) or may be relied upon by a Proponent unless included in this RFP by way of written Addendum; and
 - (iii) notwithstanding this subsection (i), the NWT Receiver may, in its sole discretion, in consultation with the GNWT, upon written request of a Proponent, confirm in

writing that a specific portion of its draft NWT Abandonment Plan would not be rejected as unacceptable by the NWT Receiver or the GNWT if included in a Proposal, except that, for certainty, nothing in such confirmation will be interpreted as meaning that the NWT Receiver in any way commits to accepting any such proposal in advance of the evaluation of Proposals and the selection of a Preferred Proponent, other than as may be included in this RFP or the Draft Abandonment Term Sheet, as attached to this RFP, by way of Addendum; and

- (j) by participating in the Collaborative Meetings, the Proponents confirm their agreement with the procedures set out in this section.

SUBMISSION CONTENT

Proposal

- 63. Proponents must submit their Proposals in accordance with the Form of Proposal at Schedule 1 of this RFP, with all of the information requested or as otherwise required by this RFP. The NWT Receiver invites Proposals that are responsive to requests for information in the Form of Proposal, and is not inviting lengthy generalized submissions with respect to any issue referred to in the Form of Proposal.
- 64. Each Proposal must include a covering letter which is signed by a person authorized to sign on behalf of the Proponent and bind the Proponent to statements made in the Proposal and the following will apply:
 - (a) if the Proponent is a corporation then the full name of the corporation must be included, together with the name, title and signature of an authorized signatory;
 - (b) if the Proponent is a partnership or a joint venture, then the name of the partnership or joint venture and the name of each partner or joint venture party must be included and an authorized signatory of each partner or joint venture party must sign; or
 - (c) if a partner or joint venture party is a corporation then such corporation must sign as indicated in section (a).
- 65. Unsigned Proposals may be rejected in the NWT Receiver's sole and absolute discretion.
- 66. The Proponents must provide evidence of their financial ability in carrying out these duties and confirmation that they are able to fulfil the Mandatory Requirements (as defined below).
- 67. If the Proponent, in its Proposal, includes a number in both words and figures, then, in the event of a discrepancy, the lower number will govern. All dollar amounts must be expressed in Canadian dollars.

Pricing

- 68. By submitting a Proposal, the Proponent represents and agrees that its Proposal, including any prices or fees relating the performance of the NWT Abandonment Work will remain fixed and irrevocable from the Proposal Submission Deadline until 11:59:59 PM (Calgary

time) on the date that is 180 days after the Proposal Submission Deadline (the “**Proposal Validity Period**”).

69. A Proponent may indicate in its Proposal that its Proposal, including any prices or fees relating the performance of the NWT Abandonment Work, will remain fixed and irrevocable for a period of time that extends beyond the Proposal Validity Period.

PROPOSAL EVALUATION

Evaluation Committee

70. The evaluation of Proposals to identify a Preferred Proponent will be carried out by a committee comprised of the NWT Receiver (acting as chairperson) and two representatives nominated by the GNWT (the “**Evaluation Committee**”). The Evaluation Committee may be assisted by other persons as the Evaluation Committee may decide it requires, including technical, financial, legal and other advisors or employees of the NWT Receiver, the GNWT, or any of them.
71. The NWT Receiver may include other observers to sit on the Evaluation Committee, however, such person will not participate as an ‘evaluator’ but may assist the Evaluation Committee as described in this section.
72. The NWT Receiver will be responsible to make the ultimate selection of the Preferred Candidate; however, such selection will be heavily based on the outcome of the recommendations provided by the Evaluation Committee.

Mandatory Requirements

73. Subject to the terms of the RFP, the Evaluation Committee will evaluate each Proposal to determine whether the Proposal satisfies items that are indicated as mandatory in the Form of Proposal through the use of the word “must” or “shall” to describe the Proponent’s obligation with respect to the inclusion of a response to such item in its Proposal (“**Mandatory Requirements**”). Proponents are advised to expressly address each Mandatory Requirement.
74. Proposals that do not address every Mandatory Requirement may be rejected as non-compliant, however the Evaluation Committee reserves the right to continue evaluating and accept a Proposal that does not address every Mandatory Requirement.

Evaluation Criteria

75. The Evaluation Committee will compare and evaluate the Proposals to identify, by consensus, the Proposal which the Evaluation Committee judges, in its sole and absolute discretion, to be the most advantageous to the GNWT and the most likely to achieve the objectives of the RFP and the RFP Procedure generally, by applying the following evaluation criteria and weighting system:

1.	Project Team, Experience and Track Record <ul style="list-style-type: none"> • The Proponent's demonstrated ability to be a cost-effective project manager under the Draft Abandonment Term Sheet, including: <ul style="list-style-type: none"> • the Proponent's experience acting as project manager or general contractor for oil and gas abandonment and reclamation sites, including having reference to those sections of the Proposal response in Schedule 1; and • the Proponent's team of key personnel who would be responsible for project management under the Draft Abandonment Term Sheet, including having reference to those sections of the Proposal response in Schedule 1. 	40%
2.	Project Plans, Implementation and Ongoing Operations <ul style="list-style-type: none"> • The Proponent's Plan and timelines for the performance of the NWT Abandonment Work, including the Proponent's understanding of technical, financial and regulatory aspects of the Abandonment work, including having reference to those sections of the Proposal response in Schedule 1. • The Proponent's proposed revisions to the Draft Abandonment Term Sheet, having reference to those sections of the Proposal response in Schedule 1. • The Proponent's permitting and regulatory plan, including having reference to those sections of the Proposal response in Schedule 1. • The Proponent's proposed management fee under the Draft Abandonment Term Sheet, having reference to those sections of the Proposal response in Schedule 1. • The Proponent's timing for completion of each stage of the work, including the sequencing, timing and duration of each step in Gantt Chart format as referenced in Schedule 1. 	40%
3.	Indigenous & Local Benefits <ul style="list-style-type: none"> • The Proponent's demonstrated ability to engage with and provide benefits to local Indigenous groups, Indigenous organizations and remote communities, including: <ul style="list-style-type: none"> • the track record of the Proponent with respect to the positive engagement with and the provision of benefits to Indigenous groups, Indigenous organizations, and remote communities, including having reference to those sections of the Proposal response in Schedule 1; • the socio-economic plan portion of the NWT Abandonment Plan, including having reference to those sections of the Proposal response in Schedule 1; and • the Proponent's team of key personnel who would deliver on the socio-economic plan portions of the NWT Abandonment Plan, including having reference to those sections of the Proposal response in Schedule 1. <p>Proposals with greater engagement with and benefits for the most proximate Indigenous Groups, will receive a more favorable evaluation.</p>	20%

76. The Evaluation Committee will consider each of the factors in each of the three criteria indicated in the table above. The Evaluation Committee will ascribe a score of between zero (0) being deficient and one hundred (100) being excellent to each of the three criteria,

which will then have the weighting factor applied to such score. The three weighted scores will be added together to provide a total score for each Proposal.

77. It is anticipated that the Proponent that is determined to have the highest weighted score will be recommended and selected as the Preferred Proponent, but the Evaluation Committee may decline to recommend any Proponent which it determines would, if selected, result in greater overall cost or material risk to the estate as compared to another Proponent, considering any relevant factors.

Detailed Evaluation Process

78. To assist in the evaluation of Proposals and the selection of a Proponent as the Preferred Proponent, the Evaluation Committee may, in its sole and absolute discretion,:
- (a) conduct reference checks and background investigations of the Proponent, key personnel and other members of the Proponent's Team, with internal and/or external sources, and consider and rely on any relevant information received from the references and from any background investigations in the evaluation of Proposals;
 - (b) seek clarification or additional information from any, some, or all Proponents with respect to their Proposal, including with respect to their proposed NWT Abandonment Plan, and consider and rely on such supplementary information in the evaluation of Proposals;
 - (c) request interviews/presentations with any, some, or all Proponents to clarify any questions or considerations based on the information included in Proposals, and consider and rely on any supplementary information received from interviews/presentations in the evaluation of Proposals; and
 - (d) seek confirmation that the inclusion of any personal information about an individual in a Proposal has been consented to by that individual.

Rejection of Proposals

79. In conducting an evaluation:
- (a) the Evaluation Committee may, after completing a preliminary review of all Proposals, identify and reject any Proposals submitted by Proponents who the Evaluation Committee considers are not in contention to be selected as the Preferred Proponent, based on the evaluation criteria; and
 - (b) the Evaluation Committee may reject a Proposal which the Evaluation Committee judges to contain material proposed amendments that do not offer sufficient benefits or will result in prejudice to either the GNWT.

Reservation of Rights

80. The NWT Receiver, in consultation with the GNWT or the Evaluation Committee, as the case may be, reserves the right, in its sole and absolute discretion, to:
- (a) at any time, and for any reason, reject any or all Proposals and terminate the process

- under this RFP, and proceed with the NWT Abandonment Work as described in this RFP in some other manner, including reissuing a request for proposals or undertaking another process for the performance of the same or similar scope of some or all of the NWT Abandonment Work;
- (b) accept the Proposal which the Evaluation Committee, applying the evaluation criteria and weighing the residual evaluation rights as set out this section, determines is most advantageous to the GNWT, and, without limitation, select a Proposal which may not have the lowest net cost to perform the NWT Abandonment Work or any part of it; and
 - (c) if only one Proposal is received, reject that Proposal and terminate the process under this RFP, and proceed with the performance of the NWT Abandonment Work as described in this RFP in some other manner, including entering into negotiations with that Proponent with respect to any matter, including price.

Recommendation of Preferred Proponent

81. Subject to the provisions of this section, the Evaluation Committee will recommend a Proponent to be selected by the NWT Receiver as the Preferred Proponent.

SELECTION

Notice to Preferred Proponent

82. If a Preferred Proponent is identified, the NWT Receiver will issue a written notice to such Proponent stating that it is the Preferred Proponent.

Negotiations of Contracts and Award

83. The NWT Receiver and the GNWT may enter into negotiations with the Preferred Proponent. The Preferred Proponent will use good faith commercial efforts to negotiate and enter into the relevant Abandonment Contract. During negotiations the NWT Receiver and the GNWT, as applicable, may:
- (a) negotiate any aspect of a Preferred Proponent's Proposal, including adjustments to the prices as set out in the Preferred Proponent's Proposal;
 - (b) negotiate the incorporation of the Preferred Proponent's suggested amendments to the Abandonment Contract as may be included in its Proposal;
 - (c) negotiate terms and conditions different than those contained in the RFP Documents, the Proposal or both; and
 - (d) if at any time the NWT Receiver, in consultation with the GNWT, reasonably forms the opinion that mutually acceptable Abandonment Contracts are not likely to be reached within a reasonable time, give the Preferred Proponent written notice to terminate discussions, in which event the NWT Receiver and the GNWT may then either open discussions with another Proponent or terminate this RFP in whole or in part and procure the performance of the NWT Abandonment Work, or any part of it, in some other manner, or not at all.

Notification to Unsuccessful Proponents

84. After the execution of the Abandonment Contract, the NWT Receiver will notify unsuccessful Proponents that the RFP Procedure has been concluded by sending a written notice to the applicable Proponent's representative.

RFP TERMS AND CONDITIONS

Ownership of Proposals

85. Upon delivery to the NWT Receiver, all Proposals (and all their contents) become the property of the GNWT and will not be returned to the Proponents except as the NWT Receiver and the GNWT, in their sole and absolute discretion, may determine.

Reservation of Rights

86. The NWT Receiver, in its sole discretion and in consultation with the GNWT and/or the Evaluation Committee, reserves the right to exercise any or all of the following rights:
- (a) amend the scope of the RFP, modify, cancel or suspend the RFP process, at any time for any reason;
 - (b) accept or reject any Proposal based on the evaluation criteria specified in this RFP as evaluated by the Evaluation Committee;
 - (c) disqualify a Proposal that fails to meet the Mandatory Submission Requirements specified in this RFP, or for any other reason the NWT Receiver, in consultation with the GNWT, determines appropriate;
 - (d) waive a defect, irregularity, non-conformity or non-compliance in or with respect to a Proposal or failure to comply with the requirements of this RFP (including a Mandatory Submission Requirement) and accept that Proposal even if such a defect, irregularity, non-conformity or non-compliance or failure to comply with the requirements of this RFP would otherwise render the Proposal null and void;
 - (e) not accept any or all Proposals;
 - (f) reject or disqualify any or all Proposal(s) for any reason without any obligation, compensation or reimbursement to any Proponent or any of its team members;
 - (g) re-advertise for new Proposals, call for quotes, proposals or tenders, or enter into negotiations for the Draft Abandonment Term Sheet (or Abandonment Contract, as the case may be) or any part of the NWT Abandonment Work;
 - (h) make any changes to the terms of the business opportunity described in this RFP, including by way of Addendum or Addenda;
 - (i) negotiate any aspects of a Preferred Proponent's Proposal; and
 - (j) amend, from time to time, any date, any time period or deadline provided in this RFP, upon notice to all Proponents.

Cost of Preparing a Proposal

87. Each Proponent is solely responsible for its own costs and expenses incurred in preparing and submitting its Proposal and for participating in this RFP, including but not limited to all costs of providing information requested by the NWT Receiver, attending meetings and conducting due diligence (such as potential travel to site locations), negotiations or discussions with any of the NWT Receiver, the GNWT, or any of them, or their respective representatives and consultants, relating to or arising from this RFP.

No Claims

88. Each Proponent, by submitting a Proposal, irrevocably:
- (a) agrees that it will not bring any claim, demand, action, cause of action, suit or proceeding, whether arising in contract, tort (including negligence) or otherwise (a "**Claim**") against the NWT Receiver, the GNWT or any of their respective employees, directors, officers, advisors or representatives, or any one of them, for any costs, damages or other compensation in excess of an amount equivalent to the actual and reasonable costs directly and demonstrably incurred by the Proponent in preparing its Proposal for any matter relating directly or indirectly to this RFP (including, without limitation, in the event that the NWT Receiver rejects or disqualifies or for any other reason fails to accept a Proposal, accepts a noncompliant Proposal or otherwise breaches, or fundamentally breaches, the terms of this RFP or any duties arising from this RFP); and
 - (b) waives any Claim against the NWT Receiver, the GNWT or any of their respective employees, directors, officers, advisors or representatives for any compensation of whatsoever nature or kind, including, without limitation, for loss of anticipated profits, loss of opportunity, indirect, incidental or consequential damages or losses if no contract is entered into between the Proponent and the NWT Receiver and/or the GNWT (or any of them) for any reason whatsoever, including, without limitation, in the event that the NWT Receiver rejects or disqualifies or for any other reason fails to accept a Proposal, accepts a non-compliant Proposal or otherwise breaches, or fundamentally breaches, the terms of this RFP or any duties arising from this RFP.

Relationship Disclosure: Conflict of Interest and Unfair Advantage

89. A Proponent shall complete and submit a disclosure statements that fully discloses the following relationships:
- (a) all members of the Proponent's Team who were employees of the NWT Receiver, the GNWT or any of the Regulators at any time during the previous two year period from the date of the disclosure; and
 - (b) all known relationships the Proponent and each member of the Proponent's Team has, or has had, with the NWT Receiver, the GNWT, or any of them, a Restricted Party, or any other person providing advice or services to the NWT Receiver, the GNWT, or any of them with respect to this RFP or the design, planning or implementation of a Abandonment Contract or any other matter that gives rise, or might give rise, to:

- (i) a conflict of interest; or
 - (ii) an unfair advantage,
- with the knowledge and intention that the NWT Receiver and the GNWT may rely on any such disclosure.
- 90. At the time of such disclosure, the Proponent should include sufficient information and documentation to demonstrate that appropriate measures have been, or will be, implemented to mitigate, minimize or eliminate the actual, perceived or potential conflict of interest or unfair advantage, as applicable. The Proponent will provide such additional information and documentation and implement such additional measures as the NWT Receiver may require in its discretion in connection with the NWT Receiver's consideration of the disclosed relationship and proposed measures.
- 91. If, at any time before award of the Abandonment Contract, the Proponent becomes aware of any such relationship that was not disclosed in its Proposal, then the Proponent will, by written notice addressed to the Contact Person, promptly disclose such relationship.
- 92. The NWT Receiver reserves the right to disqualify any Proponent that in the NWT Receiver's opinion has a conflict of interest or an unfair advantage (including access to any confidential information not available to all Proponents), whether actual, perceived, or likely to arise in the future. In the alternative, the NWT Receiver may permit any such Proponent to continue in this RFP Procedure and reserves the right to impose such conditions as the NWT Receiver may consider to be in the public interest or otherwise required by the NWT Receiver.
- 93. A Proponent that has any concerns regarding:
 - (a) whether a current or prospective employee, advisor or member of the Proponent's Team is or may be a Restricted Party; or
 - (b) whether the Proponent or any member of the Proponent's Team has a relationship that may give rise to a conflict of interest or unfair advantage,is encouraged to request an advance ruling on the matter, by submitting to the Contact Person, not less than fifteen days prior to the Proposal Submission Deadline:
 - (c) a description of the relevant relationship; and
 - (d) the measures that have been, or will be, implemented to mitigate, minimize or eliminate any actual, perceived or potential conflict of interest or unfair advantage.
- 94. Subject to the terms of this RFP, all requests for advance rulings will be treated in confidence.
- 95. The following non-exhaustive list of parties (the "**Restricted Parties**") and any entity directly or indirectly controlled by any of the Restricted Parties, and any advisors of any of the Restricted Parties, are restricted from participating as a member of a Proponent's team:
 - A&M;

- GNWT and the Regulators;
 - Alberta Energy Regulator;
 - KPMG Inc., in its capacity as receiver of Strategic’s assets situated in Alberta;
 - Borden Ladner Gervais LLP (“**BLG**”) (external legal advisors to A&M);
 - Cassels Brock & Blackwell LLP (“**Cassels**”) (external legal advisors to GNWT); and
 - Torys LLP (external legal advisor to the KPMG).
96. The above may not be an exhaustive list of Restricted Parties. Additional persons may be added to the list at any stage of the RFP for the performance of the NWT Abandonment Work by issuance by the NWT Receiver of an Addendum, as the NWT Receiver becomes aware of additional persons who should be restricted.

Legal Advisors

97. BLG is a Restricted Party. By submitting a Proposal, the Proponent expressly consents to BLG continuing to represent A&M for all matters in relation to this RFP, including any matter that is adverse to the Proponent, despite any information of the Proponent and any solicitor-client relationship that the Proponent may have had, or may have, with BLG in relation to matters other than this RFP and anything contemplated by the RFP. This Section is not intended to waive any of the Proponent’s rights of confidentiality or solicitor-client privilege. A&M reserves the right at any time to waive any provision of this Section.
98. Cassels is a Restricted Party. By submitting a Proposal, the Proponent expressly consents to Cassels continuing to represent GNWT for all matters in relation to this RFP, including any matter that is adverse to the Proponent, despite any information of the Proponent and any solicitor-client relationship that the Proponent may have had, or may have, with Cassels in relation to matters other than this RFP and anything contemplated by the RFP. This Section is not intended to waive any of the Proponent’s rights of confidentiality or solicitor-client privilege. GNWT reserves the right at any time to waive any provision of this Section.

Publicity

99. Proponents must not make any public releases or announcements or issue any advertising pertaining to the performance of the NWT Abandonment Work or their involvement with this RFP. All media enquiries should be referred to the Contact Person.

No Representation or Warranty

100. Each Proponent will investigate and satisfy itself of every condition that affects the preparation of its Proposal. Each Proponent acknowledges and represents that its investigations have been based on its own examination, knowledge, information and judgment, and not upon any statement, representation or information made or given by the NWT Receiver, the GNWT, or any of them, the Contact Person or any advisor to the NWT Receiver, the GNWT or any of them, other than the information contained in this RFP.

Submission of a Proposal is deemed to be conclusive evidence that the Proponent accepts the terms of this section. The NWT Receiver accepts no responsibility for any Proponent lacking any information.

Use of RFP Documents

101. No person may, without the express prior written consent of the NWT Receiver, use, copy or disclose any information contained in the RFP Documents for any purpose other than for the purpose of preparing a Proposal.

Access to Information and Protection of Personal Information

102. Proponents must be aware that the NWT Receiver and the GNWT are subject to applicable access to information legislation and privacy legislation, which may include:
- (a) *Personal Information Protection Act* (Alberta);
 - (b) *Personal Information Protection and Electronic Documents Act* (Canada);
 - (c) *Access to Information and Protection of Privacy Act* (NWT);
 - (d) *Privacy Act* (Canada); and
 - (e) *Access to Information Act* (Canada).
103. Subject to all applicable access to information legislation, privacy legislation and this RFP, the NWT Receiver and the GNWT will endeavor to keep all Proposals (and their contents) confidential.
104. Each Proponent is responsible for compliance with all privacy legislation applicable to the collection, use and disclosure of "personal information" (as defined in each applicable privacy legislation), including the Acts set out above. If a Proponent includes personal information (including resumes) in a Proposal, then by submitting a Proposal, a Proponent will be deemed to represent to the NWT Receiver and the GNWT that the Proponent has obtained written consent from the applicable individual(s), including the consent to the indirect collection of personal information by the NWT Receiver and the GNWT, and that the personal information may be forwarded to the NWT Receiver and the GNWT for the purposes of responding to this RFP and may be used by the NWT Receiver and the GNWT for the purposes set out in this RFP. The NWT Receiver reserves the right to require proof of such consent and to reject a Proposal if such consent is not provided as required by applicable law.

No Collusion or Solicitation

105. By submitting a Proposal, the Proponent, for and on behalf of the Proponent and the Proponent's Team, represents and confirms to the NWT Receiver that (i) the Proponent has prepared its Proposal without any connection, knowledge, comparison of figures, arrangement or collusion with any other person or persons participating in this RFP or preparing and submitting a Proposal; and (ii) the Proponent has not been provided with any of the content of this RFP, in whole or in part, by any person other than the GNWT or

the NWT Receiver and pursuant to the RFP Procedure, except as expressly disclosed by the Proponent to the NWT Receiver.

106. Each Proponent may not make any representations, solicitations or other communications to any elected or appointed official, director, officer or employee of the NWT Receiver, the GNWT, or any of them, or to a member of the Evaluation Committee with respect to its Proposal, either before or after submission of its Proposal, except as expressly provided in this RFP. If any representative of a Proponent communicates improperly contrary to this paragraph, then the NWT Receiver may, in its sole and absolute discretion, regardless of the nature of the communication, reject the Proposal submitted by the Proponent.

Governing Law

107. This RFP shall be construed in accordance with the laws of Alberta and the laws of Canada applicable therein. The parties hereby attorn exclusively to the jurisdiction of the Court and agree that all disputes relating to this RFP shall, if possible, be brought in the Court of Queen's Bench of Alberta under Court File Number 2001-01210.

SCHEDULE 1: PROPOSAL REQUIREMENTS

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PART 2	PROPOSAL CONTENTS: NWT ABANDONMENT PLAN
APPENDIX 1	ABANDONMENT CONTRACT TERM SHEET

PART 1 – PROPOSAL CONTENTS: GENERAL INFORMATION

General

1. For ease of reference, Proposals should follow the order and organization suggested below. All Proposals must be in English.

Mandatory Submission Requirements

2. All Proponents who wish to be considered for evaluation must submit, in accordance with the requirements of this RFP:
 - (a) an executed Participation Agreement; and
 - (b) a Proposal that includes any other mandatory requirements set out below (together, the “**Mandatory Submission Requirements**”).

Cover Letter

3. A Proposal must include a cover letter, signed by an authorized representative of the Proponent, providing:
 - (a) confirmation that the signatory has the authority to sign on behalf of the Proponent; and
 - (b) the name and contact details of the Proponent’s representative (the “**Proponent’s Representative**”) who can receive, on behalf of the Proponent, information and communications from the Contact Person.

General Proposal Contents

4. A Proposal must include the following (if the Proponent is a joint venture or partnership, information for each member of the joint venture or partnership must be included):

- (a) Information about the Proponent

The name of the Proponent, the name of each of its directors and officers, and each shareholder that owns more than 5% of the shares of the Proponent. For each director or officer, provide the name of any oil and gas related company of which they have been a director or officer, whether such company is private or public and indicate whether the director or officer has been a director or officer of an entity that has breached or defaulted on any regulatory or environmental obligations, or of an entity that has been involved in formal insolvency proceedings in any jurisdiction in Canada.

- Whether the Proponent is a member of or associated with an Indigenous Group (including an entity partly owned, owned or controlled by an Indigenous Group Firm or Indigenous Group member.
- Whether the Proponent, or a member of joint venture partner of a Proponent, is a Northern Business, or is owned or controlled in part or whole by one or more Northern Businesses or Northern Residents.

A Proposal should include the information set out in the following sections, as appropriate and relevant.

(b) Past Projects

A brief description of the relevant projects (including the management of environmental liabilities of oil and gas assets or other property, progressive remediation and closure plans) the Proponent has undertaken and the role the Proponent undertook in those projects in the past ten years, to give an indication of the nature of the Proponent's business and activities.

The Proponent may submit printed information from the Proponent's website describing their past projects.

(c) Qualifications, Experience, Expertise or Knowledge

A description of the Proponent's qualifications, experience, expertise or knowledge that is relevant to the performance of the NWT Abandonment Work, having regard to considerations such as:

- The Proponent's experience with performing work in remote areas and northern climates similar to the climate in the NWT.
- The Proponent's experience in completing regulatory processes including Environmental Assessments and the working under relevant licenses, permits and approvals.
- The Proponent's recent and relevant safety record.
- The Proponent's experience in Indigenous engagement and consultation including any benefit or participation/partnership agreements or negotiations.
- The Proponent's experience and knowledge in oil and gas properties.
- The Proponent's experience in the closure, abandonment and remediation of oil and gas properties.
- The Proponent's experience with fixed price contracts.

(d) Engagement of and Benefits to Indigenous Groups, Northern Businesses and Northern Residents

A description of the Benefits, if any, previously provided by the Proponent to Indigenous organizations (including the Indigenous Groups, if applicable), Northern Residents and Northern Businesses.

A description of the Proponent's anticipated approach for engaging and providing Benefits to the Indigenous Groups, Northern Residents and Northern Businesses, including with respect to the formation of joint ventures or partnerships, the engagement of subcontractors or subconsultants, the engagement of employees and the provision of apprenticeship/training opportunities during the development of the Assets and the performance of the NWT Abandonment Work.

(e) Technical and Management Team

A list of any key individuals, including consultants and subcontractors, who will be responsible for obtaining approvals and overseeing the performance of the NWT Abandonment Work, including:

- (1) responsible executive;
- (2) senior management team;
- (3) the project manager;
- (4) the individuals responsible for managing permits and engaging with the Indigenous Groups, communities and Regulators; and

together with a summary of their qualifications, expertise, experience and knowledge relevant to the performance of the NWT Abandonment Work, including resumes and references. If any of the key individuals have been involved in remediation projects with the GNWT, the Proposal must indicate which projects.

(f) Financial Strength

An indication of the financial strength and capability of the Proponent to generally undertake the performance of the NWT Abandonment Work, including but not limited to the Proponent's annual unaudited financial statements for each of the last three fiscal years (if audited financial statements for the last three fiscal years are available, these should be submitted), and any interim financial statements issued since the latest annual financial statements.

The Proponent should also include their bonding capacity, and any other information that is relevant to their ability to perform the NWT Abandonment Work.

(g) Claims and Litigation

A list of significant claims that are or could be material to the financial strength of the Proponent made by or against the Proponent and a list of litigation the Proponent has been involved in over the past three years, including a brief description of the nature of the claim or litigation and the Proponent's role in such claims or litigation.

(h) References

A list of relevant references for:

- (1) past projects including the abandonment and remediation of oil and gas properties;
and
- (2) Benefits previously provided by the Proponent to Indigenous communities, including the Indigenous Groups, Indigenous Group Firms, Northern Residents and Northern Businesses, including a contact person for each reference, and address, telephone number and email for each contact person.

PART 2 – PROPOSAL CONTENTS: NWT ABANDONMENT PLAN

Abandonment Contract

5. Proponents must provide comments on and revised versions of the Abandonment Contract (the “**Abandonment Contract**”). The term sheet for the Abandonment Contract (the “**Abandonment Contract Term Sheet**”) is included as Appendix 1. During the RFP period, the NWT Receiver may issue a draft Abandonment Contract, which is expected to be substantially based on the current Abandonment Contract Term Sheet.
6. Proponents must indicate the Management Fee (as a percentage of the Cost Estimate), as further described in the Abandonment Contract Term Sheet that the Proponent will require from GNWT to perform the duties set out in the Abandonment Contract Term Sheet with respect to the management of the NWT Abandonment Plan.

NWT Abandonment Plan

7. Proponents must provide a plan for developing and obtaining the regulatory approval of the NWT Abandonment Plan. Proponents should clearly state any assumptions underlying elements of their respective NWT Abandonment Plan.
8. Proponents should provide a level of detail in their respective NWT Abandonment Plan for the 2023 Abandonment Work and the Final Abandonment & Decommissioning Work that is consistent with the level of detail of the information provided in the Data Room, the RFP and this Schedule.
9. Proponents must include the following elements in their respective NWT Abandonment Plan: a permitting and regulatory plan, NWT Abandonment Plan implementation, a socio-economic plan, key personnel, and development schedule. These elements are described further below in this section.

Permitting and Regulatory Plan

10. In this element, Proponents must demonstrate their understanding of and describe their approach towards the renewal of the existing water license and any additional licenses, permits or approvals that may be required throughout the duration of the NWT Abandonment Work. Proponents must include, at a minimum, the following:
 - (a) the key regulatory and permitting milestones;
 - (b) the expected timing and duration of each permitting stage;
 - (c) major studies required by regulators; and
 - (d) significant reviews and approvals required.

NWT Abandonment Plan Implementation

11. For this element, Proponents must demonstrate their ability and capacity to design, implement and execute the NWT Abandonment Plan, in the context of the Abandonment

Contract Term Sheet, once it has achieved regulatory approval, including their expected approach with respect to procuring and overseeing field contractors and to managing the remediation work required by the NWT Abandonment Plan.

Socio-Economic Plan

12. Proponents must provide a socio-economic plan, in accordance with the Benefits Plan Guidelines for Northwest Territories Petroleum Lands, which describes their overall approach to providing, measuring and reporting on socio-economic impacts (including benefits) that will accrue to the communities proximate to the NWT Property. This element must include at a minimum, the following items:
 - (a) a training plan that contains a firm commitment to the delivery of on-the- job training and apprenticeships for Indigenous Group members and Northern Residents, with a quantification of the training proposed (# of hours/year), a description of the training areas, a description of how the training will be delivered, and who in the Proponent's organization will be responsible for delivering on the training plan and the qualifications of this person;
 - (b) a labor recruitment plan that contains a firm commitment to use Indigenous Group members and Northern Residents in work involved in performance of the NWT Abandonment Work (this can include the staff of contractors and subcontractors), a quantification of the levels proposed as a percentage of the annual site labor hours, a description of how the recruitment of Indigenous Group members and Northern Residents will occur, as well as the person in the Proponent's organization who will be responsible for delivering on the recruitment plan and the qualifications of that person;
 - (c) a contracting plan that contains a firm commitment to Indigenous Group Firms and Northern businesses to supply goods, services and equipment for the performance of the NWT Abandonment Work, a quantification of the proposed level of contracting with, and a description of the goods, services and equipment to be supplied by Indigenous Group Firms and Northern businesses, a description of how the contracting plan will be implemented, as well as the person in the Proponent's organization responsible for the delivery of the subcontracting plan and the qualifications of that person;
 - (d) estimates of economic benefits to Northern Residents, Indigenous Group Firms and Indigenous Groups, including:
 - (i) specific benefits to the NWT; and
 - (ii) the percentage of employment and contracting opportunities during the development and operational phases that are expected to be available for Indigenous Group members, Indigenous Group Firms, Northern Residents and Northern businesses;
 - (e) proposed approach to entering into impact benefit agreements or similar agreements with Indigenous Groups; and
 - (f) proposed approach to entering into a socio-economic benefits agreement with the GNWT.

Key Personnel

13. For this element, Proponents must provide a list of their expected key personnel and key resources, as well as an organizational chart showing who would be primarily responsible for:
 - (a) The development and execution of the NWT Abandonment Plan;
 - (b) The development and execution of the socio-economic plan; and
 - (c) The development and execution of the permitting and regulatory plan.

Development Schedule

14. For this element, Proponents must provide a schedule in Gantt chart form showing the expected sequencing, timing and duration of the major items in permitting and regulatory plan (as applicable), the NWT Abandonment Plan and the socio-economic plan.

APPENDIX 1

ABANDONMENT CONTRACT TERM SHEET

1.	Parties	<p>Government of Northwest Territories (“GNWT”)</p> <p>Court-Appointed NWT Receiver (“NWT Receiver”)</p> <p>Strategic NWT Contractor (“Contractor”)</p>
2.	Overview	<p>The NWT Abandonment Plan will be developed by the Contractor, with the NWT Receiver initially responsible to obtain its regulatory approval.</p> <p>The Contractor may break the NWT Abandonment Plan down into Work Packages, which shall be specific scopes of work to be performed.</p> <p>The Contractor may submit a proposal to perform the Work Packages for a fixed price (which may provide for self-performance). If the NWT Receiver does not accept that proposal, or if the Contractor does not submit the proposal, the NWT Receiver will require the Contractor to enter into the Abandonment Contract (“Abandonment Contract”) for the performance of the Work Packages to achieve completion of the NWT Abandonment Plan.</p> <p>Under the Abandonment Contract, the Contractor will be responsible for the procurement of and performance of the Work Packages.</p> <p>Each Work Package must be substantially completed by a stipulated date (“Work Package Completion Date”), with the final date for all Work Packages being the “Substantial Completion Date”.</p> <p>The Contractor must comply with due dates as provided for by OROGO or any other Regulator.</p> <p>The Contractor must subcontract the Work Packages to approved contractors (“Subcontractors”).</p> <p>The Contractor will earn a fixed fee, will be compensated for the direct costs associated with the performance of the Work Packages by the Subcontractors and will also be entitled to reimbursement of certain costs.</p> <p>In the event the NWT Receiver is discharged prior to the Substantial Completion Date, all rights and obligations of the NWT Receiver under the Abandonment Contract shall be assigned to the GNWT.</p>

3.	Work Package Procurement	<p>The Contractor must develop and obtain approval by the NWT Receiver and GNWT of a procurement process for the procurement of Subcontractors for each Work Package on a competitive basis, which will allow for the NWT Receiver and the GNWT's satisfactory involvement in the selection of Subcontractors ("Procurement Plan") and develop a cost estimate for the performance of each of the Work Packages ("Cost Estimate").</p> <p>The Contractor must implement the Procurement Plan on a schedule approved by the NWT Receiver and GNWT and the Regulators.</p> <p>NWT Receiver and GNWT will jointly own the Procurement Plan and Cost Estimate and will be entitled to all associated documentation, including correspondence with potential Subcontractors and consultants.</p> <p>The Contractor must recommend to the NWT Receiver and GNWT the Subcontractor who will perform each Work Package based on the Procurement Plan and the Cost Estimate, and subject to the NWT Receiver and the GNWT's approval, enter into subcontracts for the performance of the Work Packages.</p>
4.	Performance of Work Packages	<p>The Contractor will be responsible to ensure that each Work Package is performed in accordance with:</p> <ul style="list-style-type: none"> (a) the standard of care of a professional contractor specializing in oil and gas abandonment and remediation work; (b) all applicable law, including the NWT Abandonment Plan; (c) any specifications and technical requirements stipulated for the Work Package by the NWT Receiver, the GNWT or the Regulators; (d) the Contractor's Quality Plan (approved by the NWT Receiver and the GNWT); and (e) in accordance with all terms of the Abandonment Contract. <p>The Contractor will remain responsible for the performance of the Abandonment Contract and for the acts, omissions and defaults of the Subcontractor and its personnel as if they were acts, omissions or defaults of the Contractor.</p>

5.	Schedule and Substantial Completion	<p>Contractor must perform the Work Packages in accordance with the schedule (in format and with a level of detail to be approved by the NWT Receiver) that is approved at the time of the execution of the Abandonment Contract.</p> <p>Contractor must update the schedule on a monthly basis, with a report explaining any divergence from the previously approved schedule.</p> <p>The NWT Receiver may require Contractor to accelerate the performance of the Work Packages to maintain the schedule.</p> <p>Contractor must complete each of the Work Packages by the specified Work Package Completion Date.</p>
6.	Defects and Warranty Work	<p>The Contractor must ensure that each Subcontractor provides a warranty to repair any defects or deficiencies that appear in such Subcontractor's Work Package up until 24 months after the relevant Work Package Completion Date ("Defects Period").</p> <p>The Contractor must repair (or cause the relevant Subcontractor to repair) any defects or deficiencies that appear in a Work Package during the Defects Period at no cost to the NWT Receiver or the GNWT. Obligation of the Contractor to remedy defects and deficiencies in connection with a Work Package includes cut and cover work of other Work Packages.</p> <p>The Contractor must ensure the repair of any defects or deficiencies that appear in the completed Work Packages for a period of 24 months following the Substantial Completion Date.</p> <p>The NWT Receiver will reimburse the Contractor for the costs of repairing defects or deficiencies if the cost of the repair is not covered under a Subcontractor warranty, except to the extent that the defects or deficiencies were caused by the failure of the Contractor to act in accordance with the standard of care.</p> <p>The Defects Period shall be extended for latent defects that are not readily ascertainable at the Substantial Completion Date.</p>

7.	Key Individuals	<p>The Contractor must commit specific named individuals in lead roles (“Key Personnel”).</p> <p>Key Personnel must remain assigned to project as long as they are in the employ of Contractor to the end of the Defects Period (subject to release of certain Key Personnel at the Substantial Completion of the Date.</p> <p>The NWT Receiver may request removal and replacement of Key Personnel.</p> <p>If Key Personnel leave the employ of the Contractor, or if the NWT Receiver or the GNWT requires their removal, any replacement Key Personnel must have equivalent qualifications and be approved by the NWT Receiver and the GNWT.</p>
8.	Indigenous and Northern Benefits	The Indigenous Opportunities Considerations must be included in the Procurement Plan.
9.	Security	<p>Subcontractors may be required to provide a performance bond(s) for certain Work Packages.</p> <p>Contractor must assign any payment under such bond(s) (and must ensure each Subcontractor gives consent to such assignment) to the GNWT in event of termination of Abandonment Contract for default.</p>
10.	Compensation	<p>The NWT Receiver will compensate the Contractor by paying the Contract Price, which may consist of:</p> <ol style="list-style-type: none"> 1. a fixed management fee (“Management Fee”), which will be calculated as an agreed percentage of the aggregate Cost Estimate for all Work Packages, based on the final approved estimate at the time all of the Work Packages have been procured by the Contractor pursuant to the Procurement Plan, which fee will include the total compensation to the Contractor for all costs relating to the administration and management of the Work Packages, plus an allowance for overhead and profit; 2. reimbursement of direct personnel and administration costs related to project administration and management associated with the development of the Procurement Plan - subject to advance approval of personnel and cost categories by the GNWT (“Administration Costs”); 3. the actual cost that the Contractor incurs with respect to the Subcontractors (performance of Work Packages) (“Cost of the Work”); and 4. any other approved disbursements or expenses in connection with the performance of the Work Packages. 5. The NWT Receiver may agree to performance incentives such as an early completion fee.

11.	Payment	<p>Payment of the Management Fee will be paid to the Contractor pro rata on the completion of each of the Work Packages.</p> <p>NWT Receiver will retain a holdback of a portion of the Management Fee to be released upon total completion of all of the Work Packages and any deficiencies.</p> <p>Payment for the Cost of the Work will be based on a combination of progress of the Work Packages and achievement of milestones to be determined by the NWT Receiver.</p> <p>Payment will be conditional on the Contractor providing appropriate documentation to support the costs incurred and the progress of the Work Packages and any other approved disbursements or expenses.</p> <p>Payment will be conditional upon certification by NWT Receiver's consultant.</p> <p>Independent Engineer will adjudicate disputes over progress, certification and payment.</p>
12.	Permits	<p>The NWT Receiver is initially responsible for all permits relating to every Work Package, however, in the event the NWT Receiver is discharged prior to completion of the NWT Abandonment, such permits will be transferred to the GNWT.</p> <p>The Contractor may become responsible for any amendments or renewals as it relates to the permits, approvals and licenses.</p> <p>The Contractor is responsible for ensuring that all Subcontractors have the necessary permits, approvals and licenses for the performance of each Work Package.</p>
13.	Reporting, Books and Record and Audit	<p>The Contractor must submit periodic reports and, where appropriate, survey reports demonstrating progress and compliance with the NWT Abandonment Plan to the NWT Receiver and GNWT.</p> <p>The Contractor must submit final Work Package completion reports as required by GNWT for each Work Package.</p> <p>Submission of completion reports will be a pre-requisite for payment.</p> <p>The Contractor must maintain books and records in relation to the work that may be audited by GNWT on request (including after completion).</p> <p>Upon termination of the Abandonment Contract, the Contractor must deliver to the NWT Receiver, with copies to the GNWT all books and records associated with the project including documents relating to the Procurement Plan and the Cost Estimate.</p>

14.	Independent Engineer	<p>GNWT and the Contractor must jointly select a neutral professional engineer (“Independent Engineer”) who will have primary responsibility for adjudicating technical disputes between the parties, including with respect to the development of the Procurement Plan, change orders, the validation of progress on Work Packages and disagreements regarding the scope of Work Packages.</p> <p>The Independent Engineer may retain sub-consultants for specialized decisions or evaluations.</p> <p>The Independent Engineer’s findings and decision will be final for all such disputes.</p>
15.	Changes	<p>The NWT Receiver may make changes to the scope of Work Packages, to be agreed on pursuant to Change Order, or directed pursuant to Change Directive (“Changes”).</p> <p>The Contractor is also entitled to Change Order (also hereinafter defined as “Changes”) for: different conditions at the NWT Property than what was described in the contract documents; and changes to applicable laws or regulatory requirements (except changes to tax related legislation or government policy).</p> <p>The Contractor will be entitled to compensation for the additional Cost of the Work associated with Changes.</p> <p>In the event that additional direct costs are incurred as a result of the Changes, the Contractor shall only be entitled to an increase in Management Fee and Administration Costs arising as a result of such Changes.</p>
16.	Force Majeure	<p>The Contractor will be entitled to an extension of the Work Package Completion Date or Substantial Completion Date for events beyond the Contractor’s control (with exclusions for economic conditions, Contractor’s own labor issues and other events that could have been foreseen or are risks allocated to the Contractor in the Abandonment Contract).</p>
17.	Safety	<p>The Contractor will act as “Field Manager” and be responsible for all safety at the site pursuant to applicable health and safety legislation.</p> <p>The Contractor must remain in good standing with the relevant Workers Compensation Board and provide a clearance letter on request and ensure the same for all Subcontractors.</p>

18.	Title and Risk	<p>The Work Packages remain under the care, custody and control of the Contractor and at the risk of the Contractor at all times.</p> <p>The NWT Receiver nor the GNWT have any liability for compliance with the NWT Abandonment Plan or any other regulatory requirement.</p> <p>No approval or consent by the NWT Receiver, the GNWT, the Independent Engineer or any other consultant of GNWT or governmental authority relieves the Contractor from its obligations to achieve the performance of the Work Packages.</p>
19.	Default and Termination	<p>The following events shall be acts of default by Contractor (“Contractor Default”):</p> <p>Specified insolvency events;</p> <p>Non-compliance with NWT Abandonment Plan or other legal requirement;</p> <p>Material non-compliance with any other requirement of Abandonment Contract.</p> <p>Upon Contractor Default and failure to cure within 30 days (except with respect to insolvency events which has no cure) and upon proper notice by GNWT, GNWT may do one or more of the following:</p> <p>Terminate the relevant agreements;</p> <p>Take over the performance of the Work Packages by taking assignment of all agreements with Subcontractors;</p> <p>Enter onto the NWT Property and take such remedial action it considers necessary, including through its own contractors;</p> <p>Call on any security;</p> <p>Pursue any other legal remedies against the Contractor.</p>
20.	Insurance	<p>The Contractor to obtain and maintain “builders risk” insurance for value of Work Packages up until the time of the end of the Defects Period and ensure that Subcontractors carry appropriate insurance and are covered under the Contractor’s policies.</p> <p>Contractor to obtain and maintain CGL policy in minimum amount of two million dollars (\$2,000,000.00). Contractor to obtain sudden and accidental pollution coverage.</p> <p>Contractor to obtain aircraft risk insurance.</p>

21.	Contractor Indemnity	The Contractor must indemnify the NWT Receiver and the GNWT for any costs, expenses and third-party claims arising from any breach of the Abandonment Contract or the negligence of the Contractor.
22.	Dispute Resolution	<p>If a dispute arises during the performance of the Work Packages, each party must continue to perform its obligations under the Abandonment Contract.</p> <p>If the dispute relates to something in the jurisdiction of the Independent Engineer, then Independent Engineer will make a decision in the first instance in respect of the dispute.</p> <p>Each party must provide all relevant information and documents to the Independent Engineer in relation to any dispute that the Independent Engineer is resolving.</p> <p>In the case of a dispute that is outside the jurisdiction of the Independent Engineer, then the parties will each nominate a senior management representative to attempt to resolve the dispute through good faith negotiations. Failing negotiations, either party may refer the dispute to arbitration. Any arbitration shall occur in the City of Calgary, in the Province of Alberta and the arbitrator shall be selected by agreement between the parties. If no agreement can be reached, the Independent Engineer may select the arbitrator.</p>

SCHEDULE 2: PARTICIPATION AGREEMENT

[Insert Date]

Alvarez & Marsal Canada Inc.
in its capacity as Court-Appointed Receiver of Strategic Oil & Gas Ltd. NWT Property
Suite 1110, 250 6th Ave SW
Calgary, AB T2P 3H7

Attention: Duncan MacRae – Contact Person

Dear Mr. MacRae:

Re: RFP – NWT Property – NWT Abandonment Plan - Participation Agreement in respect of the Request for Proposals issued by Alvarez & Marsal Canada Inc. (the “**NWT Receiver**”) on July 18, 2022, as amended or otherwise clarified from time to time, including by all Addenda (the “**RFP**”)

This letter agreement sets out the terms and conditions of the Participation Agreement between [Insert Proponent Name] (the “**Proponent**”) and the NWT Receiver, pursuant to which the Proponent agrees with the NWT Receiver as follows:

1. **Defined Terms.** Capitalized terms not otherwise defined in this Participation Agreement have the meanings given to them in the RFP.
2. **Participation.** The Proponent agrees that as a condition of participating in the RFP Procedure, including the RFP, Collaborative Meetings and obtaining access to the Data Room, the Proponent will comply with the terms of this Participation Agreement and the terms of the RFP.
3. **Confidentiality.** The Proponent will comply with, and will ensure that all of the Proponent’s Team members and others associated with or engaged by the Proponent also comply with, the Confidentiality Conditions attached as Schedule 1 to this Participation Agreement, all of which conditions are expressly included as part of this Participation Agreement.
4. **Terms of RFP.** The Proponent will comply with and be bound by, and will ensure that all of the Proponent’s Team members and others associated with the Proponent also comply with and are bound by, the provisions of the RFP, all of which are incorporated into this Participation Agreement by reference. Without limiting the foregoing, the Proponent agrees:
 - (a) that the terms of this Participation Agreement do not limit the Proponent’s obligations and requirements under the RFP, or any other document or requirement of the NWT Receiver; and
 - (b) to be bound by the disclaimers, limitations and waivers of liability and Claims and any indemnities contained in the RFP or this Participation Agreement.

5. **Amendments.** The Proponent acknowledges and agrees that:
- (a) the NWT Receiver may in its discretion amend the RFP at any time and from time to time; and
 - (b) by submitting a Proposal the Proponent accepts, and agrees to comply with, all such amendments and, if the Proponent does not agree to any such amendment, the Proponent's sole recourse is to not submit a Proposal.
6. **General.**
- (a) *Capacity to Enter Agreement.* The Proponent hereby represents and warrants that:
 - (i) it has the requisite power, authority and capacity to execute and deliver this Participation Agreement;
 - 1. this Participation Agreement has been duly and validly executed by it, or on its behalf by the Proponent's duly authorized representatives; and
 - 2. this Participation Agreement constitutes a legal, valid and binding agreement enforceable against it in accordance with its terms.
 - (b) *Survival following cancellation of the RFP.* Notwithstanding anything else in this Participation Agreement, if the NWT Receiver, for any reason, cancels the RFP, the Proponent agrees that it continues to be bound by, and will continue to comply with, Section 3 of this Participation Agreement.
 - (c) *Severability.* If any portion of this Participation Agreement is found to be invalid or unenforceable by law by a court of competent jurisdiction, then that portion will be severed and the remaining portion will remain in full force and effect.
 - (d) *Enurement.* This Participation Agreement enures to the benefit of the NWT Receiver and binds the Proponent and its successors.
 - (e) *Applicable Law.* This Participation Agreement is deemed to be made pursuant to the laws of the Province of Alberta and the laws of Canada applicable therein and will be governed by and construed in accordance with such laws. The parties hereby attorn exclusively to the jurisdiction of the Court of Queen's Bench of Alberta and agree that all disputes relating to this Participation Agreement shall, if possible, be brought in the Court of Queen's Bench of Alberta under Court File Number 2001-01210.
 - (f) *Headings.* The use of headings is for convenience only and headings are not to be used in the interpretation of this Participation Agreement.
 - (g) *Gender and Number.* In this Participation Agreement, words imputing any gender include all genders, as the context requires, and words in the singular include the plural and vice versa.
 - (h) *Including.* The word "including" when used in this Participation Agreement is not to be read as limiting.

Yours truly,

Name of Proponent

Authorized Signatory

SCHEDULE 1

Confidentiality Conditions

1. **Definitions.** In these confidentiality conditions:

- (a) **Confidential Information** means all documents, knowledge and information provided by the Disclosing Party to, or otherwise obtained by, the Receiving Party, whether before or after the date of the RFP, whether orally, in writing or other visual or electronic form (including through the Data Room) in connection with or relevant to the NWT Abandonment Work or the RFP, including, without limitation, all design, operational and financial information, together with all analyses, compilations, data, studies, photographs, specifications, manuals, memoranda, notes, reports, maps, documents, computer records or other information in hard copy, electronic or other form obtained from the Disclosing Party or prepared by the Receiving Party containing or based upon any such information, as well as the existence of and subject matter of any commercial negotiations in relation to the NWT Abandonment Work. Notwithstanding the foregoing, Confidential Information does not include information that:
- (i) is or subsequently becomes available to the public, other than through a breach by the Receiving Party of the terms of this Schedule 1;
 - (ii) is subsequently communicated to the Receiving Party by an independent third party, other than a third party introduced to the Receiving Party by the Disclosing Party or connected with the NWT Abandonment Work, without breach of this Schedule 1 and which party did not receive such information directly or indirectly under obligations of confidentiality;
 - (iii) was rightfully in the possession of the Receiving Party or was known to the Receiving Party before the date of the RFP and did not originate, directly or indirectly, from the Disclosing Party;
 - (iv) was developed independently by the Receiving Party without the use of any Confidential Information; or
 - (v) is required to be disclosed pursuant to any statute, enactment or judicial, regulatory or governmental order validly issued under applicable law;
- (b) **Disclosing Party** means the NWT Receiver or any of its Representatives of the GNWT;
- (c) **GNWT** means the Government of the Northwest Territories;
- (d) **Permitted Purposes** means evaluating the NWT Abandonment Work, preparing a Proposal, and any other use permitted by the RFP or this Participation Agreement;
- (e) **Potential Team Member** means any person or entity with whom a Proponent enters into discussions for the purpose of potentially engaging that person or entity to act as a consultant, subcontractor, joint venture co-member, partner or co-participant with respect to the RFP;
- (f) **Receiving Party** means the Recipient or any of its Representatives;
- (g) **Recipient** means a Proponent or any other interested party who receives information from the Disclosing Party; and

- (h) **Representative** means a director, officer, employee, agent, accountant, lawyer, consultant, financial advisor, subcontractor, key individual, Potential Team Member or any other person or entity contributing to or involved with the preparation of Proposals or otherwise retained by the Recipient in connection with the NWT Abandonment Work.
2. **Confidentiality.** The Recipient will keep all Confidential Information strictly confidential and will not without the prior written consent of the NWT Receiver, which may be unreasonably withheld, disclose, or allow any of its Representatives to disclose, in any manner whatsoever, in whole or in part, or use, or allow any of its Representatives to use, directly or indirectly, the Confidential Information for any purpose other than the Permitted Purposes. The Recipient will make all reasonable, necessary, and appropriate efforts to safeguard the Confidential Information from disclosure to any other person except as permitted in this Schedule 1, and will ensure that each of its Representatives agrees to keep such information confidential and to act in accordance with the terms contained herein. In addition, before sharing any Confidential Information with a Potential Team Member, the Recipient will require the Potential Team Member to enter into a confidentiality agreement with terms at least as stringent as these Confidentiality Conditions. In no event will the Receiving Party use lesser efforts to safeguard Confidential Information than it uses to protect its own confidential information.
 3. **Ownership of Confidential Information.** The NWT Receiver and the GNWT, as the case may be, own all right, title and interest in the Confidential Information and, subject to any disclosure requirements under applicable law, and except as permitted by this Schedule 1, the Recipient will keep all Confidential Information that the Recipient receives, has access to, or otherwise obtains strictly confidential for a period of five years after the date of issuance of the RFP, and will not, without the prior express written consent of an authorized representative of the NWT Receiver, which may be unreasonably withheld, use, divulge, give, release or permit or suffer to be used, divulged, given or released, any portion of the Confidential Information to any other person for any purpose whatsoever.
 4. **Limited Disclosure.** The Recipient may disclose Confidential Information only to those of its Representatives who need to know the Confidential Information for the purpose of evaluating the NWT Abandonment Work and preparing its Proposal as applicable and on the condition that all such Confidential Information be retained by each of those Representatives as strictly confidential. The Recipient will notify the NWT Receiver, on request, of the identity of each Representative to whom any Confidential Information has been delivered or disclosed.
 5. **Disclosure to GNWT.** The Proponent acknowledges that the NWT Receiver will disclose Proposals and other correspondence with Proponents to the GNWT, who will be involved in the evaluation of Proposals and other aspects of the RFP. The Proponent acknowledges that the GNWT are subject to applicable access to information and privacy laws and will comply with such laws in their dealings with material, including Confidential Information, that they obtain during the RFP.
 6. **Disclaimer.** The NWT Receiver provides proprietary information through the Data Room

solely on an “as is” basis. THE RECEIVER AND THE GNWT SHALL NOT BE LIABLE IN DAMAGES, OF WHATEVER KIND, AS A RESULT OF THE RECEIVING PARTY’S RECEIPT OR USE OF, OR RELIANCE ON, ANY SUCH INFORMATION OR DATA FURNISHED HEREUNDER, EXCEPT AS PROVIDED FOR IN ANY DEFINITIVE AGREEMENTS ENTERED INTO AT THE CONCLUSION OF THE RFP.

In furnishing any information or data hereunder, the NWT Receiver makes no warranty, guarantee, or representation, either expressed or implied:

- (a) as to its adequacy, accuracy, sufficiency, or freedom from defects; or
- (b) that use or reproduction of any information or data shall be free from any patent, trade secret, trademark or copyright infringement.

7. **Destruction on Demand.** On written request, the Recipient will promptly deliver to the NWT Receiver or destroy all documents and copies thereof in its possession or control constituting or based on the Confidential Information and the Recipient will confirm that delivery or destruction to the NWT Receiver in writing, all in accordance with the instructions of the NWT Receiver (for this purpose information stored electronically will be deemed destroyed upon removal from all storage systems and devices); provided, however, that the Receiving Party may retain one copy of any Confidential Information that it may be required to retain or furnish to a court or regulatory authority, pursuant to applicable law. Any such copy will remain subject to the terms of this Schedule 1.
8. **Acknowledgment of Irreparable Harm.** The Recipient acknowledges and agrees that the Confidential Information is proprietary and confidential and that the NWT Receiver and the GNWT may be irreparably harmed if any provision of this Schedule 1 were not performed by the Recipient or any party to whom the Recipient provides Confidential Information in accordance with its terms, and that any such harm could not be compensated reasonably or adequately in damages. The Recipient further acknowledges and agrees that the NWT Receiver and the GNWT will be entitled to injunctive and other equitable relief to prevent or restrain breaches of any provision of this Schedule 1 by the Recipient or any of its Representatives, or to enforce the terms and provisions hereof, by an action instated in a court of competent jurisdiction, which remedy or remedies are in addition to any other remedy to which the NWT Receiver and the GNWT may be entitled at law or in equity. The Recipient further agrees to indemnify and hold harmless the NWT Receiver and the GNWT from any and all harm, damages or losses of any kind whatsoever that may be occasioned by the Recipient’s (or its Representative’s) breach of this Schedule 1, to include reasonable legal fees incurred in the enforcement of this Schedule 1.
9. **Waiver.** No failure to exercise, and no delay in exercising, any right or remedy under this Schedule 1 by the NWT Receiver will be deemed to be a waiver of that right or remedy.

APPENDIX B

Strategic - NWT Property NWT Receiver's Fees and Expenses Incurred in Reporting Period CAD \$, unaudited			
	Fees and expenses	GST	Total
NWT Receiver's fees and expenses			
July 1 to July 31, 2021	30,058	1,503	31,560
August 1 to August 31, 2021	9,587	479	10,066
September 1 to September 30, 2021	12,249	612	12,861
October 1 to October 31, 2021	12,087	604	12,692
November 1 to December 31, 2021	16,634	832	17,465
January 1 to January 31, 2022	8,061	403	8,464
February 1 to March 31, 2022	23,219	1,161	24,380
April 1 to April 30, 2022	24,526	1,226	25,753
May 1 to May 31, 2022	24,862	1,243	26,105
Total	\$ 161,281	\$ 8,064	\$ 169,345

Strategic - NWT Property NWT Receiver's Counsel's Fees and Expenses Incurred CAD \$, unaudited			
	Fees and expenses	GST	Total
Legal fees and expenses			
July 1 to July 31, 2021	22,835	1,136	23,971
August 1 to August 31, 2021	19,381	969	20,350
September 1 to September 30, 2021	5,107	255	5,362
October 1 to October 31, 2021	5,891	295	6,186
November 1 to November 30, 2021	1,396	70	1,466
December 1 to December 31, 2021	931	47	978
January 1 to January 31, 2022	1,160	58	1,218
February 1 to February 28, 2022	4,873	244	5,116
March 1 to March 31, 2022	2,953	148	3,100
April 1 to April 30, 2022	3,689	184	3,874
May 1 to May 31, 2022	9,425	471	9,896
Total	\$ 77,639	\$ 3,877	\$ 81,516