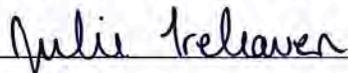


This is **Exhibit "V"** to the Affidavit of Daryl Stepanic  
sworn before me this 29<sup>th</sup> day of January 2024.

  
\_\_\_\_\_

Notary Public/Commissioner for Oaths in and for Alberta

**Julie Laura Treleaven**  
Barister & Solicitor

B201-979735

COURT FILE NUMBER 25-2979735  
COURT COURT OF KING'S BENCH OF ALBERTA  
JUDICIAL CENTRE CALGARY



IN THE MATTER OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c B-3, AS AMENDED

AND IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF GRIFFON PARTNERS OPERATION CORPORATION, GRIFFON PARTNERS HOLDING CORPORATION, GRIFFON PARTNERS CAPITAL MANAGEMENT LTD., STELLION LIMITED, 2437801 ALBERTA LTD., 2437799 ALBERTA LTD., 2437815 ALBERTA LTD., and SPICELO LIMITED

APPLICANTS GRIFFON PARTNERS OPERATION CORPORATION, GRIFFON PARTNERS HOLDING CORPORATION, GRIFFON PARTNERS CAPITAL MANAGEMENT LTD., STELLION LIMITED, 2437801 ALBERTA LTD., 2437799 ALBERTA LTD., 2437815 ALBERTA LTD., and SPICELO LIMITED

DOCUMENT **ORDER**  
(Sales and Investment Solicitation Process)

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT **OSLER, HOSKIN & HARCOURT LLP**  
Suite 2700, Brookfield Place  
255 – 6th Avenue SW  
Calgary, AB T2P 1N2

Solicitors: Randal Van de Mosselaer / Emily Paplawski  
Phone: 403.260.7000 / 7071  
Email: [rvandemosselaer@osler.com](mailto:rvandemosselaer@osler.com) / [epaplawski@osler.com](mailto:epaplawski@osler.com)  
Matter: 1247318

**DATE ON WHICH ORDER WAS PRONOUNCED:** October 18, 2023

**LOCATION WHERE ORDER WAS PRONOUNCED:** Edmonton, Alberta

**NAME OF JUSTICE WHO MADE THIS ORDER:** The Honourable Justice Dunlop

**UPON THE APPLICATION** of Griffon Partners Operation Corporation, Griffon Partners Holding Corporation, Griffon Partners Capital Management Ltd., Stellion Limited,

2437801 Alberta Ltd., 2437799 Alberta Ltd., 2437815 Alberta Ltd., and Spicelo Limited (collectively, the “**Applicants**”) for an order, among other things, approving the Sales and Investment Solicitation Process (“**SISP**”) attached as **Appendix “A”** hereto; **AND UPON** having reviewed the Affidavit of Daryl Stepanic, sworn October 10, 2023, and the Second Report of Alvarez & Marsal Canada Inc. in its capacity as proposal trustee of the Applicants (the “**Proposal Trustee**”) under the Notices of Intention to Make a Proposal of the Applicants, filed August 25, 2023; **AND UPON** hearing the submissions of counsel for the Applicants, counsel for the Proposal Trustee and any other counsel or other interested parties present; **AND UPON** noting that capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the SISP;

**IT IS HEREBY ORDERED AND DECLARED THAT:**

1. Service of notice of this Application and supporting materials is hereby declared to be good and sufficient, and no other person is required to have been served with notice of this Application, and time for service of this Application is abridged to that actually given.
2. The SISP (subject to any amendments thereto that may be made in accordance therewith and with this Order) is hereby approved, and the Applicants, the Proposal Trustee, and Alvarez & Marsal Canada Securities ULC (the “**Transaction Agent**”) are hereby authorized and directed to implement the SISP in accordance with the terms thereof and do all things as may be reasonably necessary to conduct and give full effect to the SISP and implement and carry out the terms thereof.
3. The Proposal Trustee and the Transaction Agent (and their respective affiliates, partners, directors, employees, agents, consultants, advisors, experts, accountants, counsel and controlling persons) shall have no liability whatsoever for any and all losses, claims, damages or liabilities, of any nature or kind to any person or party for any act or omission related to the SISP, except to the extent such act or omission is the result of gross negligence or wilful misconduct of the Proposal Trustee or the Transaction Agent.
4. The Applicants shall serve by courier, fax transmission, email transmission or ordinary post, a copy of this Order on all parties present at this Application and on all parties who

are presently on the service list established in these proceedings and such service shall be deemed good and sufficient for all purposes.

A handwritten signature in black ink, appearing to be 'R. H.', written in a cursive style.

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Justice of the Court of King's Bench of Alberta

**Appendix “A”**

**Sales and Investment Solicitation Process**

## SALE AND INVESTMENT SOLICITATION PROCESS

### **Introduction**

Griffon Partners Operation Corp. (“**GPOC**”), Griffon Partners Holding Corp. (“**GPHC**”), Griffon Partners Capital Management Ltd. (“**GPCM**”, and together with GPOC and GPHC, the “**Griffon Entities**”), Spicelo Limited (“**Spicelo**”), Stellion Limited, 2437799 Alberta Ltd., 2437801 Alberta Ltd. and 2437815 Alberta Ltd. (collectively with the Griffon Entities, the “**Debtors**”) filed Notices of Intention to Make a Proposal (the “**NOI Proceedings**”) with the Office of the Superintendent of Bankruptcy Canada pursuant to section 50.4(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the “**BIA**”) on August 25, 2023. Alvarez and Marsal Canada Inc. was appointed as the trustee under the proposal (the “**Proposal Trustee**”) of the Debtors.

On September 22, 2023, the Alberta Court of King’s Bench (the “**Court**”) granted an Order, among other things, approving of the Debtors’ engagement of Alvarez & Marsal Canada Securities ULC (the “**Transaction Agent**”).

On October 18, 2023, the Court granted an Order (the “**SISP Order**”) approving the sale and investment solicitation procedures set forth herein (the “**SISP Procedures**”). The SISP Order and these SISP Procedures shall exclusively govern the sale and investment solicitation process (the “**SISP**”) for soliciting and selecting bids for the sale of shares or assets of the Griffon Entities (or any one of them), or of a refinancing, reorganization, recapitalization, restructuring or other business transaction involving the Debtors, or any one of them.

### **SISP Procedures**

These SISP Procedures describe, among other things: (a) the manner and timelines by which any interested party may gain access to due diligence materials concerning the Debtors and their business; (b) the manner and timelines by which potential bidders may submit an offer for an investment in the Debtors or an offer to purchase some or all of the Griffon Entities’ assets, property, undertakings and/or shares; (c) the manner in which potential bidders and bids become Qualified Bidders and Qualified Bids (as defined below), respectively; (d) the receipt and negotiation of bids received; and (e) the ultimate selection of one or more bids, and the approval thereof by the Court.

The Debtors and the Proposal Trustee, with the assistance of the Transaction Agent, shall implement these SISP Procedures in accordance with the terms hereof and the SISP Order. Interested parties who wish to have their bids considered shall participate in the SISP in accordance with these SISP Procedures.

In the event that there is a disagreement or a clarification is required as to the interpretation or application of these SISP Procedures or the responsibilities of any person hereunder, the Court will have the jurisdiction to resolve such dispute or provide such clarification, and provide any advice

or directions as are necessary, upon application of the Debtors, the Proposal Trustee or any other interested person.

In the event of the conversion of the NOI Proceedings to other insolvency or restructuring proceedings, the SISP will continue under those proceeding, subject to any changes proposed to and confirmed by the Court.

### **Opportunity**

The SISP Procedures are intended to solicit interest in, and opportunities for: (a) the purchase of some or all of the assets of the Griffon Entities (each, an “**Asset Transaction**”); (b) an investment in the Griffon Entities, including through the purchase or acquisition of the shares of some or all of the Griffon Entities (each, a “**Share Transaction**”); (c) a refinancing of the Debtors through the provision of take out or additional financing in the Debtors (each, a “**Refinancing Transaction**”), or some combination thereof (each, a “**Transaction**”). All interested parties are encouraged to submit a Non-Binding LOI (as defined below) and a Qualified Bid based on any configuration they wish, provided, however, that in no cases shall an Asset Transaction or a Share Transaction include the shares or assets of Spicelo. In all cases, the shares and/or assets of Spicelo shall be limited in this SISP to a Refinancing Transaction.

### **SISP Timeline**

The SISP shall be conducted subject to the terms hereof and the following key milestones:

Milestone	Date	Date
Transaction Agent shall advertise SISP and distribute Teaser and NDA	Within 7 calendar days of SISP Order	October 25, 2023
Due diligence period (NDAs signed, access to VDR granted and site visits organized)	12 calendar days after SISP Order until Final Bid Deadline	October 30, 2023 – January 8, 2024
Non-Binding LOI Deadline	56 calendar days after SISP Order	December 12, 2023
Final Bid Deadline	End of due diligence period	January 8, 2024
Bid assessment	Within 5 business days of Final Bid Deadline	January 15, 2024
Notification of Auction Date (if applicable)	Within 5 business days of completion of bid assessment	January 22, 2024
Auction Date (if applicable)	2 business days after notification of Auction Date	January 24, 2024

Milestone	Date	Date
Period of time to finalize definitive documents for Successful Bid (if applicable)	Within 10 calendar days of acceptance of the Successful Bid	~January 26, 2024 (if no Auction) ~February 5, 2024 (if Auction)
Court approval of Successful Bid (if applicable)	Within 14 calendar days of acceptance of the Successful Bid (subject to Court availability)	~January 30, 2024 (if no Auction) ~February 9, 2024 (if Auction)

The Debtor and the Proposal Trustee, with the assistance of the Transaction Agent, will use reasonable efforts to complete the SISP Procedures in accordance with the foregoing. The Proposal Trustee may make such adjustments to the timeline that it determines are reasonably necessary in order to accommodate unforeseen circumstances and/or best facilitate the SISP to maximize the value of the Debtors for the benefit of stakeholders, in all cases upon notice to all interested parties actively participating in the SISP at the applicable time.

**“As Is, Where Is”**

Any Asset Transaction or Share Transaction completed hereunder will be on an “as is, where is” basis and without surviving representations, warranties, covenants or indemnities of any kind, nature, or description by the Debtors, or any one of them, or their respective agents, except to the extent set forth in the Definitive Agreement (as defined below) with the Successful Bidder (as defined below).

Neither the Proposal Trustee, the Transaction Agent, the Debtors, nor any of their respective affiliates, advisors, agents or representatives makes any representation or warranty as to title, description, fitness for purpose, merchantability, quantity, conditions or quality of any of the property or the accuracy or completeness of the information contained in any of the Teaser, Confidential Information Memorandum or in the VDR, except to the extent otherwise provided by the Debtors under a Definitive Agreement (as defined below) with a Successful Bidder executed and delivered by the Debtors. The Debtors are not required to inspect or count, or provide any inspection or counting, of the property or any part thereof and each Qualified Bidder shall be deemed, at its own expense, to have relied entirely on its own inspection and investigation with respect to the property. It shall be the Successful Bidder’s sole responsibility to obtain, at its own expense, any consents to such transfer and any further documents or assurances which are necessary or desirable in the circumstances.

**Free of Any and All Claims and Interests**

All of the right, title and interest of the Griffon Entities in and to any assets sold or transferred within the SISP will, at the time of such sale or transfer, be sold or transferred free and clear of

any security, charge or other restriction (collectively, the “**Claims and Interests**”) pursuant to any approval and vesting order(s) or reverse vesting order(s) made by the Court and section 65.13 of the BIA. Contemporaneous with such approval and vesting order(s) or reverse vesting order(s) being made, all such Claims and Interests shall attach to the net proceeds of the sale of such assets (without prejudice to any claims or causes of action regarding the priority, validity or enforceability thereof), except to the extent otherwise set forth in the Definitive Agreement with the Successful Bidder (each as defined below) and as approved by the Court.

### **Solicitation of Interest**

As soon as reasonably practicable after the granting of the SISP Order, the Transaction Agent, in consultation with the Debtors and the Proposal Trustee, will prepare:

- a) a list of prospective bidders. Such list will include both strategic and financial parties who, in the reasonable business judgment of the Transaction Agent and the Debtors, and in consultation with the Proposal Trustee, may be interested in and have the financial capacity to make a Qualified Bid (“**Prospective Bidders**”); and
- b) an initial offering summary (the “**Teaser**”) describing and outlining the SISP and inviting Prospective Bidders to make a Qualified Bid.

Within 7 calendar days of the issuance of the SISP Order, the Transaction Agent shall, in consultation with the Debtors and the Proposal Trustee:

- a) cause a notice regarding the SISP and such other relevant information which the Transaction Agent, in consultation with the Debtors and the Proposal Trustee, considers appropriate to be published in the BOE Report / Daily Oil Bulletin, and Globe & Mail; and
- b) distribute to Prospective Bidders the Teaser and a draft confidentiality and nondisclosure agreement (the “**NDA**”) in a form satisfactory to the Debtors, in consultation with the Proposal Trustee.

### **Participation Requirements and Due Diligence**

Unless otherwise ordered by the Court, any Prospective Bidder or other interested party who wishes to participate in the SISP must deliver the following to the Transaction Agent prior to the distribution of any confidential information by the Debtors and/or the Transaction Agent to such Prospective Bidder or interested party (including access to the confidential virtual data room (the “**VDR**”)):

- a) an executed NDA; and
- b) an executed letter acknowledging receipt of a copy of the SISP Order (including these SISP Procedures) and agreeing to accept and be bound by the provisions contained therein and herein.

A Prospective Bidder or other interested party that has complied with each of the foregoing requirements, and who the Transaction Agent, in consultation with the Debtors and the Proposal Trustee, determines has a reasonable prospect of completing an Asset Transaction, a Sale Transaction or a Refinancing Transaction contemplated herein, will be deemed a “**Qualified Bidder**” and will be promptly notified of such classification by the Transaction Agent. For greater certainty, a “Qualified Bidder” will only continue to be deemed a “Qualified Bidder” for purposes of this SISF after the Non-Binding LOI Deadline if the Qualified Bidder submits a Non-Binding LOI in accordance with these SISF Procedures.

The Transaction Agent shall provide any person deemed to be a Qualified Bidder with access to the VDR. Each Qualified Bidder shall have such access in the VDR to materials and financial and other information relating to the shares, the assets, the property and the business of the Debtors as the Debtors, in their reasonable business judgment and in consultation with the Proposal Trustee and the Transaction Agent, deem appropriate for Qualified Bidders to conduct their due diligence.

At the discretion of the Debtors, in consultation with the Proposal Trustee and the Transaction Agent, due diligence access may also include presentations by the Debtors, or any one of them, access to on-site inspections and such other items as a Qualified Bidder may reasonably request. None of the Debtors, the Proposal Trustee, nor the Transaction Agent, or any of their respective professionals and advisors are responsible for, or have any liability with respect to, any information obtained by any Qualified Bidder. None of the Debtors, Proposal Trustee or the Transaction Agent or their respective professionals and advisors make any representations or warranties whatsoever as to the information or the materials provided, including as to the accuracy of same.

#### **Submission of Non-Binding LOI and Qualified Bid**

A Qualified Bidder that desires to propose a Transaction must:

- a) deliver a non-binding letter of intent that identifies the potential purchaser(s)/financier(s) and a general description of the assets, business and/or refinancing terms that would be the intended subject of a Qualified Bid (each, a “**Non-Binding LOI**”) to the Proposal Trustee at the address specified herein (including by email transmission) so as to be actually received by the Proposal Trustee not later than 4:00 p.m. (Calgary time) on December 12, 2023, or such later date as may be agreed by the Debtors and the Proposal Trustee, and communicated in writing to all Qualified Bidders (the “**Non-Binding LOI Deadline**”).
- b) deliver a final, written, binding offer (each, a “**Final Bid**”) to the Proposal Trustee at the address specified herein (including by email transmission) so as to be actually received by the Proposal Trustee not later than 4:00 p.m. (Calgary time) on January 8, 2024, or such later date as may be agreed by the Debtors and the Proposal Trustee, and communicated in writing to all Qualified Bidders (the “**Final Bid Deadline**”).

### **Requirements for Qualified Bid**

A Final Bid will only be considered a Qualified Bid if it is submitted by a Qualified Bidder and complies with the following conditions (each, a “**Qualified Bid**”):

- a) it has been received by the Proposal Trustee by the Final Bid Deadline;
- b) it includes either:
  - a. a fully binding and definitive agreement, duly authorized and executed, setting out the terms and conditions of the proposed Transaction, including the aggregate amount of the proposed equity and/or debt investment, assumption of debt, if any, and details of the proposed financing (a “**Definitive Refinancing Agreement**”); or,
  - b. a fully binding and definitive purchase and sale agreement, substantially in the form provided for in the VDR, duly authorized and executed, together with all exhibits and schedules thereto, and such ancillary agreements as may be required with all exhibits and schedules thereto (a “**Definitive Purchase Agreement**”); or
  - c. some combination of a Definitive Refinancing Agreement and a Definitive Purchase Agreement, provided that such agreement is a fully binding definitive agreement that is duly authorized and executed (a “**Definitive Hybrid Agreement**”),(each a “**Definitive Agreement**”);
- c) it includes:
  - a. a statement that the Final Bid is submitted in good faith, is binding and is irrevocable until there is a Successful Bid; provided, however, that if such bid is selected as the Successful Bid, it shall remain irrevocable until the closing of the Successful Bid;
  - b. a statement that the Qualified Bidder will bear its own costs and expenses (including legal and advisor fees) in connection with the proposed transaction, and by submitting its bid is agreeing to refrain from and waive any assertion or request for reimbursement on any basis; and
  - c. full disclosure regarding the identity of each person that is bidding or that will otherwise be sponsoring or participating in the Qualified Bid, including the identification of the Qualified Bidder’s direct and indirect owners and their principals and the full and complete terms of any such participation;
- d) it provides evidence, in form and substance reasonably satisfactory to the Debtors and the Proposal Trustee, of compliance or anticipated compliance with any and all applicable

regulatory approvals, the anticipated time frame for such compliance and any anticipated impediments for obtaining such approvals;

- e) it provides evidence, satisfactory to the Debtors and the Proposal Trustee, of a firm, irrevocable financial commitment for all required funding or financing or evidence of the Qualified Bidder's financial wherewithal to close the bid using unencumbered funds on hand;
- f) it does not include any request for or entitlement to any break fee, expense reimbursement or similar type of payment and is not conditional upon:
  - a. approval from the Qualified Bidder's board of directors (or comparable governing body) or equityholder(s);
  - b. the outcome of unperformed due diligence by the Qualified Bidder; and/or
  - c. the bidder obtaining financing;
- g) it includes an acknowledgement and representation that the Qualified Bidder: (i) has relied solely upon its own independent review, investigation and/or inspection of any documents and/or the assets to be acquired and liabilities to be assumed in making its Qualified Bid; (ii) did not rely upon any written or oral statements, representations, promises, warranties or guaranties whatsoever, whether express or implied (by operation of law or otherwise), regarding the assets to be acquired or liabilities to be assumed or the completeness of any information provided in connection therewith, including by the Proposal Trustee or the Transaction Agent, or any of their advisors, except as expressly stated in the Definitive Agreement; (iii) is a sophisticated party capable of making its own assessments in respect of making its Qualified Bid; and (iv) has had the benefit of independent legal advice in connection with its Qualified Bid;
- h) it is accompanied by a refundable deposit (the "**Deposit**") in the form of a wire transfer (to a trust account specified by the Proposal Trustee), payable to the Proposal Trustee, in trust, in an amount equal to ten percent (10%) of the cash consideration or other consideration to be paid pursuant to the Qualified Bid, to be held and dealt with in accordance with these SISP Procedures; and
- i) provides such further or other information as may be reasonably requested by the Debtors and/or the Proposal Trustee.

The Proposal Trustee may, in its reasonable discretion, and in consultation with the Debtors, waive compliance with any one or more of the Non-Binding LOI and/or Qualified Bid requirements specified herein, and deem such non-compliant letter of intent or bid to be a Non-Binding LOI or Qualified Bid, as applicable, in accordance with these SISP Procedures.

If the Proposal Trustee is not satisfied with the number or terms of the Non-Binding LOIs or Qualified Bids, the Proposal Trustee, in consultation with the Debtors, may extend the Non-Binding LOI Deadline or Final Bid Deadline, as applicable, without Court approval and, unless otherwise provided for by the Proposal Trustee, all subsequent deadlines provided in these SISP Procedures shall be extended by the same time period.

### **Assessment of Qualified Bids**

The Proposal Trustee and the Debtors will assess the Qualified Bids received, if any, and will determine whether it is likely that the transactions contemplated by such Qualified Bids are likely to be consummated. Such assessments will be made as promptly as practicable but no later than five (5) business days after the Final Bid Deadline.

If the Debtors and the Proposal Trustee determine in their reasonable discretion that one or more Qualified Bids were received and it is likely that the transactions contemplated by one or more of such Qualified Bids will be consummated:

- a) the Proposal Trustee, with the consent of the Debtors, may advise all Qualified Bidders that an auction (the “**Auction**”) will be held and that such Qualified Bidders are entitled to participate in the Auction; or
- b) the Debtors, in consultation with the Proposal Trustee, may select the superior Qualified Bid (the “**Successful Bid**” and the bidder thereof, the “**Successful Bidder**”) and file an application to the Court to approve such Successful Bid within ten (10) calendar days of acceptance thereof, and seek a hearing of such application as soon as practicable thereafter.

To the extent that Trafigura Canada Limited and/or Signal Alpha C4 Limited (together, the “**Lenders**” and each, a “**Lender**”) either: (a) provide written confirmation to the Proposal Trustee that the Lenders or a specific Lender will not participate in the SISP as a Qualified Bidder or submit a Non-Binding LOI, Final Bid or a Qualified Bid within the SISP, or (b) fail to submit a Final Bid which has been deemed a Qualified Bid, from and after such date, the Proposal Trustee may consult with such Lenders or Lender, as applicable, as to developments in the SISP and/or selection of a Successful Bid.

### **Auction**

If an Auction is to be held, the Proposal Trustee will conduct the Auction commencing at 10:00 a.m. (Calgary time) on January 24, 2024 (the “**Auction Date**”) at the offices of the Proposal Trustee’s legal counsel, Torys LLP, Calgary, AB, or such other location as shall be timely communicated to all entities entitled to attend at the Auction, subject to such adjournments as the Proposal Trustee may consider appropriate.

The Auction shall run in accordance with the following procedures:

- c) prior to 4:00 p.m. (Calgary time) on January 22, 2024, each Qualified Bidder that has made a Qualified Bid must inform the Proposal Trustee whether it intends to participate in the Auction (the parties who so inform the Proposal Trustee that they intend to participate are hereinafter referred to as the “**Auction Bidders**”);
- d) the identity of each Auction Bidder participating in the Auction will be disclosed, on a confidential basis, to each other Auction Bidder participating in the Auction;
- e) only representatives of the Auction Bidders, the Proposal Trustee, the Transaction Agent, the Debtors and such other persons as permitted by the Proposal Trustee, and the advisors to each of the foregoing entities, are entitled to attend the Auction in person (and the Proposal Trustee shall have the discretion to allow such persons to attend by video- or tele-conference);
- f) the Proposal Trustee may employ and announce at the Auction additional procedural rules that are reasonable under the circumstances for conducting the Auction provided that such rules are (i) not inconsistent with these SISP Procedures or general practice in insolvency proceedings, and (ii) disclosed to each Auction Bidder at the Auction;
- g) all Auction Bidders must have at least one individual representative with authority to bind such Auction Bidder present in person at the Auction;
- h) the Proposal Trustee shall arrange to have a court reporter attend at the Auction;
- i) each Auction Bidder participating in the Auction must confirm on the record, at the commencement of the Auction and again at the conclusion of the Auction, that it has not engaged in any collusion with any other person regarding the SISP without the express written consent of the Proposal Trustee and on disclosure to all other Auction Bidders;
- j) prior to the Auction, the Proposal Trustee will provide unredacted copies of the Qualified Bid(s) which the Proposal Trustee believes are the highest or otherwise best Qualified Bid(s) (the “**Starting Bid**”) to all Qualified Bidders that have made a Qualified Bid;
- k) prior to the Auction, the Proposal Trustee and the Transaction Agent shall develop a financial comparison model (the “**Comparison Model**”) which will be used to compare the Starting Bid and all Subsequent Bids (as defined herein) submitted during the Auction, if applicable;
- l) prior to the Auction, the Proposal Trustee and the Transaction Agent shall make themselves available to meet with each of the Auction Bidders to review the procedures for the Auction, the mechanics of the Comparison Model, and the manner by which Subsequent Bids (as defined below) shall be evaluated during the Auction;

- m) bidding at the Auction will begin with the Starting Bid and continue, in one or more rounds of bidding, so long as during each round at least one subsequent bid is submitted by an Auction Bidder (a “**Subsequent Bid**”) that the Proposal Trustee, utilizing the Comparison Model, determines is (i) for the first round, a higher or otherwise better offer than the Starting Bid, and (ii) for subsequent rounds, a higher or otherwise better offer than the then current highest and best bid (the “**Leading Bid**”), in each case by at least CAD\$250,000, or such amount as may be determined by the Proposal Trustee prior to, and announced at, the Auction;
- n) to the extent not previously provided (which shall be determined by the Proposal Trustee), an Auction Bidder submitting a Subsequent Bid must submit, at the Proposal Trustee’s discretion, as part of its Subsequent Bid, written evidence (in the form of financial disclosure or credit- quality support information or enhancement reasonably acceptable to the Proposal Trustee), demonstrating such Auction Bidder’s ability to close the transaction proposed by the Subsequent Bid;
- o) only the Auction Bidders will be entitled to make a Subsequent Bid at the Auction; provided, however, that in the event that any Qualified Bidder elects not to attend and/or participate in the Auction, such Qualified Bidder’s Qualified Bid shall nevertheless remain fully enforceable against such Qualified Bidder if it is selected as the Successful Bid;
- p) all Auction Bidders shall have the right to, at any time, request that the Proposal Trustee announce the then-current Leading Bid and, to the extent requested by any Auction Bidder, use reasonable efforts to clarify any and all questions such Auction Bidder may have regarding the Leading Bid;
- q) the Proposal Trustee reserves the right, in its reasonable business judgment, to make one or more adjournments in the Auction to, among other things (i) facilitate discussions between the Proposal Trustee and the Auction Bidders; (ii) allow the individual Auction Bidders to consider how they wish to proceed; (iii) consider and determine the current highest and best offer at any given time in the Auction; and (iv) give Auction Bidders the opportunity to provide the Proposal Trustee with such additional evidence as the Proposal Trustee, in its reasonable business judgment, may require that that Auction Bidder has sufficient internal resources to consummate the proposed transaction at the prevailing overbid amount;
- r) if, in any round of bidding, no new Subsequent Bid is made, the Auction shall be closed; and
- s) no bids (from Qualified Bidders or otherwise) shall be considered after the conclusion of the Auction.

At the end of the Auction, the Proposal Trustee shall announce the Successful Bid and the Successful Bidder. Upon selection of a Successful Bidder, the Successful Bidder shall deliver as

soon as practicable and, in any event, by no later than five (5) calendar days, an executed Definitive Agreement, which reflects its Successful Bid and any other modifications submitted and agreed to during the Auction, prior to the filing of the application material for the hearing to consider the Approval Application (as defined below).

If an Auction is conducted, the Auction Bidder and/or Qualified Bidder, as applicable, with the next highest or otherwise best Qualified Bid at the Auction or, if such Qualified Bidder did not participate in the Auction, submitted in this SISP, as determined by the Debtors and the Proposal Trustee, will be designated as the backup bidder (the “**Backup Bidder**”). The Backup Bidder shall be required to keep its Qualified Bid (or if the Backup Bidder submitted one or more overbids at the Auction, the Backup Bidder’s final overbid) (the “**Backup Bid**”) open until the earlier of (a) two (2) business days after the date of closing of the Successful Bid; and (b) February 16, 2024 (the “**Outside Date**”).

The Debtors, in consultation with the Proposal Trustee, shall have selected the final Successful Bid(s) and the Backup Bid(s) as soon as reasonably practicable after the Auction Date and the Definitive Agreement finalized and executed by no later than February 5, 2024, which Definitive Agreement shall be conditional only upon the receipt of the Approval Order (as defined below) and the express conditions set out therein and shall provide that the Successful Bidder shall use all reasonable efforts to close the Successful Bid by no later than February 9, 2024, or such longer period as may be agreed to in writing by the Proposal Trustee. In any event, the Successful Bid must be closed by no later than the Outside Date, or such other date as may be agreed to in writing by the Proposal Trustee.

### **Approval of Successful Bid**

All Qualified Bids and Subsequent Bids, including the Successful Bid and/or the Backup Bid, may be submitted by the Proposal Trustee to the Alberta Energy Regulator (“**AER**”) and/or the Saskatchewan Ministry of Energy and Resources (“**MER**”), on appropriate confidentiality undertakings, for review and approval by the AER and/or the MER.

The Debtors shall apply to the Court (the “**Approval Application**”) for an order approving the Successful Bid and the Backup Bid (as applicable) and/or the mechanics to authorize the Debtors to complete the transactions contemplated thereby, as applicable, and authorizing the Debtors to (i) enter into any and all necessary agreements and related documentation with respect to the Successful Bid, (ii) undertake such other actions as may be necessary to give effect to such Successful Bid, and (iii) implement the transaction(s) contemplated in such Successful Bid (the “**Approval Order**”).

The Approval Application will be held on a date to be scheduled by the Debtors and confirmed by the Court. The Debtors shall use best efforts to schedule the Approval Application on or before February 9, 2024 subject to Court availability. The Approval Application may be adjourned or rescheduled by the Debtors on notice to the service list prior to the Approval Application. The

Debtors shall consult with the Successful Bidder and the Backup Bidder regarding the application material to be filed by the Debtors for the Approval Application, which material shall be acceptable to the Successful Bidder, acting reasonably.

If, following approval of the Successful Bid by the Court, the Successful Bidder fails to consummate the transaction for any reason, then such Successful Bidder will forfeit its Deposit and the Backup Bid, if there is one, will be deemed to be the Successful Bid hereunder and the Debtors shall effectuate a transaction with the Backup Bidder subject to the terms of the Backup Bid, without further order of the Court.

All Qualified Bids (other than the Successful Bid) shall be deemed rejected on and as of the date of the closing of the Successful Bid.

### **Deposits**

All Deposits shall be retained by the Proposal Trustee in a bank account specified by the Proposal Trustee. If there is a Successful Bid, the Deposit paid by the Successful Bidder whose bid is approved at the Approval Application shall be applied to the purchase price to be paid by the Successful Bidder upon closing of the approved transaction and will be non-refundable. The Deposit paid by the Backup Bidder shall be retained by the Proposal Trustee until two (2) business days after the date of closing of the Successful Bid or the Outside Date, whichever is later, or, if the Backup Bid becomes the Successful Bid, shall be released by the Proposal Trustee and applied to the purchase price to be paid upon closing of the Backup Bid.

All Deposits of all Qualified Bidders not selected as the Successful Bidder or Backup Bidder shall be returned to such bidders within five (5) business days of the date upon which the Successful Bid and any Backup Bid is approved by the Court. If the Auction does not take place or these SISP Procedures are terminated in accordance with the provisions hereof, all Deposits shall be returned within five (5) business days of the date upon which it is determined that the Auction will not take place or these SISP Procedures are terminated, as applicable.

If an entity selected as the Successful Bidder or Backup Bidder breaches its obligations to close the applicable transaction, it shall forfeit its Deposit to the Debtors; provided, however, that the forfeit of such Deposit shall be in addition to, and not in lieu of, any other rights in law or equity that the Debtors have against such breaching entity.

### **Approvals and Reservation of Rights**

For greater certainty, the approvals required pursuant to the terms hereof are in addition to, and not in substitution for, any other approvals required by any other statute or are otherwise required at law in order to implement a Successful Bid or Backup Bid, as the case may be.

The Debtors may, at any time, and in consultation with the Proposal Trustee, reject or choose not to accept any Transaction, Non-Binding LOI, Final Bid, Qualified Bid or Successful Bid. In the

event the Proposal Trustee disagrees with the Debtors' rejection or choice not to accept a Transaction, Non-Binding LOI, Final Bid, Qualified Bid or Successful Bid, the Proposal Trustee may file an application to the Court and upon two days' notice seek such relief as the Proposal Trustee may deem necessary.

These SISP Procedures do not, and shall not be interpreted to, create any contractual or other legal relationship between the Debtors, Proposal Trustee, the Transaction Agent and any potential bidder, Qualified Bidder, Auction Bidder, Successful Bidder or Backup Bidder, other than as specifically set forth in any Definitive Agreement.

### **Notice**

The addresses used for delivering documents to the Debtors and the Proposal Trustee as required by the terms and conditions of these SISP Procedures are set out below.

To the Debtors:

Osler, Hoskin & Harcourt LLP  
Suite 2700, Brookfield Place  
225 – 6th Avenue S.W.  
Calgary AB T2P 1N2

Attention: Randal Van de Mosselaer / Emily Paplawski  
Phone: (403) 260-7060 / (403) 260-7071  
Email: [Rvandemosselaer@osler.com](mailto:Rvandemosselaer@osler.com) / [Epaplawski@osler.com](mailto:Epaplawski@osler.com)

To the Transaction Agent:

Alvarez & Marsal Canada Securities ULC  
Bow Valley Square IV  
Suite 1110, 250 – 6<sup>th</sup> Avenue SW  
Calgary, AB T2P 3H7

Attention: Scott Asplund / Chad Ellison  
Phone: (403) 538-7530 / (403) 538-7540  
Email: [sasplund@alvarezandmarsal.com](mailto:sasplund@alvarezandmarsal.com) / [cellison@alvarezandmarsal.com](mailto:cellison@alvarezandmarsal.com)

To the Proposal Trustee:

Alvarez & Marsal Canada Inc.  
Bow Valley Square IV  
Suite 1110, 250 – 6<sup>th</sup> Avenue SW  
Calgary, AB T2P 3H7

Attention: Orest Konowalchuk / Duncan MacRae  
Phone: (403) 538-4736 / (403) 538-7514  
Email: [okonowalchuk@alvarezandmarsal.com](mailto:okonowalchuk@alvarezandmarsal.com) / [dmacrae@alvarezandmarsal.com](mailto:dmacrae@alvarezandmarsal.com)

with a copy to:

Torys LLP  
525 – 8<sup>th</sup> Avenue SW, 46<sup>th</sup> Floor, Eighth Avenue Place East  
Calgary, AB T2P 1G1

Attention: Kyle Kashuba  
Phone: (403) 403-776-3744  
Email: [kkashuba@torys.com](mailto:kkashuba@torys.com)

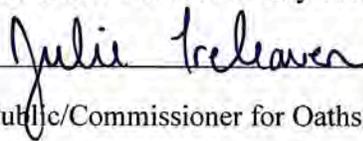
### **No Amendment**

There shall be no amendments to these SISF Procedures without the prior written consent of the Proposal Trustee, or further order of the Court obtained on reasonable notice to the Debtors and the Proposal Trustee.

### **Further Orders**

At any time during the SISF, the Debtors and/or Proposal Trustee may apply to the Court for advice and directions with respect to the discharge of its powers and duties hereunder.

This is **Exhibit "W"** to the Affidavit of Daryl Stepanic  
sworn before me this 29<sup>th</sup> day of January 2024.



Notary Public/Commissioner for Oaths in and for Alberta

**Julie Laura Troleaven**  
Barrister & Solicitor

COURT FILE NUMBER B201 979735  
25-2979735

COURT COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY



IN THE MATTER OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c B-3, AS AMENDED

AND IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF GRIFFON PARTNERS OPERATION CORPORATION, GRIFFON PARTNERS HOLDING CORPORATION, GRIFFON PARTNERS CAPITAL MANAGEMENT LTD., STELLION LIMITED, 2437801 ALBERTA LTD., 2437799 ALBERTA LTD., 2437815 ALBERTA LTD., and SPICELO LIMITED

APPLICANTS GRIFFON PARTNERS OPERATION CORPORATION, GRIFFON PARTNERS HOLDING CORPORATION, GRIFFON PARTNERS CAPITAL MANAGEMENT LTD., STELLION LIMITED, 2437801 ALBERTA LTD., 2437799 ALBERTA LTD., 2437815 ALBERTA LTD., and SPICELO LIMITED

DOCUMENT **ORDER**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT **OSLER, HOSKIN & HARCOURT LLP**  
Suite 2700, Brookfield Place  
255 – 6th Avenue SW  
Calgary, AB T2P 1N2

Solicitors: Randal Van de Mosselaer / Emily Paplawski  
Phone: 403.260.7000 / 7071  
Email: [rvandemosselaer@osler.com](mailto:rvandemosselaer@osler.com) / [epaplawski@osler.com](mailto:epaplawski@osler.com)  
Matter: 1247318

**DATE ON WHICH ORDER WAS PRONOUNCED:** November 8, 2023

**LOCATION WHERE ORDER WAS PRONOUNCED:** Calgary, Alberta

**JUSTICE WHO MADE THIS ORDER:** The Honourable Justice Sidnell

**UPON THE APPLICATION** of Griffon Partners Operation Corporation, Griffon Partners Holding Corporation, Griffon Partners Capital Management Ltd., Stellion Limited, 2437801 Alberta Ltd., 2437799 Alberta Ltd., 2437815 Alberta Ltd., and Spicelo Limited (collectively, the “**Applicants**”); **AND UPON** reviewing the Affidavit of Daryl Stepanic, sworn October 30, 2023 (the “**Third Stepanic Affidavit**”); **AND UPON** reviewing the Third Report of Alvarez & Marsal Canada Inc. (the “**Third Report**”) in its capacity as proposal trustee of the Applicants (in such capacity, the “**Proposal Trustee**”); **AND UPON** reviewing the Affidavit of Dave Gallagher sworn November 6, 2023; **AND UPON** noting that each of the Applicants filed a Notice of Intention to Make a Proposal under subsection 50.4(1) of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3 (the “**BIA**”) on August 25, 2023, which have been administratively consolidated pursuant to the Order of Madam Justice B. Johnston granted on September 22, 2023; **AND UPON** hearing from counsel for the Applicants, counsel for the Proposal Trustee and any other counsel or other interested parties present; **IT IS HEREBY ORDERED AND DECLARED THAT:**

#### **SERVICE**

1. The time for service of the notice of Application for this Order is hereby abridged and deemed good and sufficient and this Application is properly returnable today, and no other person apart from those persons served is entitled to service of the Application.

#### **EXTENSION OF TIME TO FILE A PROPOSAL**

2. The time within which the Applicants are required to file a proposal to their creditors with the Official Receiver under section 50.4(9) of the BIA is hereby extended to December 23, 2023.

#### **KEY EMPLOYEE RETENTION PLAN**

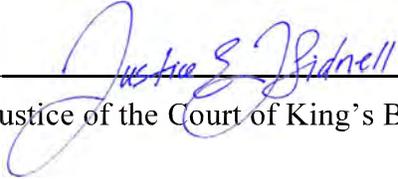
3. The application for approval of a key employee retention and related charge as described in the Third Report is hereby dismissed.

#### **APPROVAL OF PROPOSAL TRUSTEE FEES & DISBURSEMENTS**

4. The fees and disbursements of the Proposal Trustee and its counsel, Torys LLP, as set out in the Third Report are hereby approved for payment. Trafigura Canada Limited, Signal Alpha C4 Limited, and Tamarack Valley Energy Ltd. (collectively, the “**Lenders**”) are hereby given leave to bring an application challenging the quantum of such fees and disbursements, provided that such application is brought within 6 months of the date of this Order, failing which the Lenders shall be foreclosed from making such a challenge.

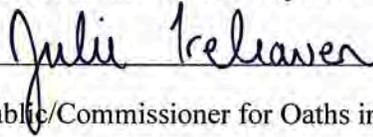
**MISCELLANEOUS**

5. Parties shall bear their own costs of this Application. Service of this Order may be effected by facsimile, electronic mail, personal delivery or courier. Service is deemed to be effected the next business day following transmission or delivery of this Order.

  
\_\_\_\_\_  
Justice of the Court of King’s Bench of Alberta

This is **Exhibit "X"** to the Affidavit of Daryl Stepanic

sworn before me this 29<sup>th</sup> day of January 2024.



Notary Public/Commissioner for Oaths in and for Alberta

**Julie Laura Troleaven**  
Barrister & Solicitor

B201 979735



COURT FILE NUMBER 25-2979735  
COURT COURT OF KING'S BENCH OF ALBERTA  
JUDICIAL CENTRE CALGARY

ig

IN THE MATTER OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c B-3, AS AMENDED

AND IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF GRIFFON PARTNERS OPERATION CORPORATION, GRIFFON PARTNERS HOLDING CORPORATION, GRIFFON PARTNERS CAPITAL MANAGEMENT LTD., STELLION LIMITED, 2437801 ALBERTA LTD., 2437799 ALBERTA LTD., 2437815 ALBERTA LTD., and SPICELO LIMITED

APPLICANTS GRIFFON PARTNERS OPERATION CORPORATION, GRIFFON PARTNERS HOLDING CORPORATION, GRIFFON PARTNERS CAPITAL MANAGEMENT LTD., STELLION LIMITED, 2437801 ALBERTA LTD., 2437799 ALBERTA LTD., 2437815 ALBERTA LTD., and SPICELO LIMITED

DOCUMENT **ORDER**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT **OSLER, HOSKIN & HARCOURT LLP**  
Suite 2700, Brookfield Place  
255 – 6th Avenue SW  
Calgary, AB T2P 1N2

Solicitors: Randal Van de Mosselaer / Emily Paplawski  
Phone: 403.260.7000 / 7071  
Email: [rvandemosselaer@osler.com](mailto:rvandemosselaer@osler.com) / [epaplawski@osler.com](mailto:epaplawski@osler.com)  
Matter: 1247318

**DATE ON WHICH ORDER WAS PRONOUNCED:** December 15, 2023

**LOCATION WHERE ORDER WAS PRONOUNCED:** Calgary, Alberta

**JUSTICE WHO MADE THIS ORDER:** The Honourable Justice Jeffrey

**UPON THE APPLICATION** of Griffon Partners Operation Corporation, Griffon Partners Holding Corporation, Griffon Partners Capital Management Ltd., Stellion Limited, 2437801 Alberta Ltd., 2437799 Alberta Ltd., 2437815 Alberta Ltd., and Spicelo Limited (collectively, the “**Applicants**”); **AND UPON** reviewing the Affidavit of Daryl Stepanic, sworn December 4, 2023; **AND UPON** reviewing the Affidavit of Ken Morris, sworn December 11, 2023; **AND UPON** reviewing the Fourth Report of Alvarez & Marsal Canada Inc. in its capacity as proposal trustee of the Applicants (in such capacity, the “**Proposal Trustee**”); **AND UPON** noting that each of the Applicants filed a Notice of Intention to Make a Proposal under subsection 50.4(1) of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3 (the “**BIA**”) on August 25, 2023, which have been administratively consolidated pursuant to the Order of Madam Justice B. Johnston granted on September 22, 2023; **AND UPON** hearing from counsel for the Applicants, counsel for the Proposal Trustee and any other counsel or other interested parties present; **IT IS HEREBY ORDERED AND DECLARED THAT:**

#### **SERVICE**

1. The time for service of the notice of Application for this Order is hereby abridged and deemed good and sufficient and this Application is properly returnable today, and no other person apart from those persons served is entitled to service of the Application.

#### **EXTENSION OF TIME TO FILE A PROPOSAL**

2. The time within which the Applicants are required to file a proposal to their creditors with the Official Receiver under section 50.4(9) of the BIA is hereby extended to February 6, 2024.

#### **MISCELLANEOUS**

3. Service of this Order may be effected by facsimile, electronic mail, personal delivery or courier. Service is deemed to be effected the next business day following transmission or delivery of this Order.

\_\_\_\_\_  
Justice of the Court of King’s Bench of Alberta



This is **Exhibit "Y"** to the Affidavit of Daryl Stepanic

sworn before me this 29<sup>th</sup> day of January 2024.

*Julie Treleaven*

Notary Public/Commissioner for Oaths in and for Alberta

**Julie Laura Treleaven**  
Barrister & Solicitor

B201-979735  
 COURT FILE NUMBER 25-2979735  
 COURT COURT OF KING'S BENCH OF ALBERTA  
 JUDICIAL CENTRE CALGARY



IN THE MATTER OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c B-3, AS AMENDED

NB  
C120844

AND IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF GRIFFON PARTNERS OPERATION CORPORATION, GRIFFON PARTNERS HOLDING CORPORATION, GRIFFON PARTNERS CAPITAL MANAGEMENT LTD., STELLION LIMITED, 2437801 ALBERTA LTD., 2437799 ALBERTA LTD., 2437815 ALBERTA LTD., and SPICELO LIMITED

APPLICANTS GRIFFON PARTNERS OPERATION CORPORATION, GRIFFON PARTNERS HOLDING CORPORATION, GRIFFON PARTNERS CAPITAL MANAGEMENT LTD., STELLION LIMITED, 2437801 ALBERTA LTD., 2437799 ALBERTA LTD., 2437815 ALBERTA LTD., and SPICELO LIMITED

DOCUMENT **AFFIDAVIT OF KENNETH MORRIS**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT **OSLER, HOSKIN & HARCOURT LLP**  
 Suite 2700, Brookfield Place  
 255 – 6th Avenue SW  
 Calgary, AB T2P 1N2

Solicitors: Randal Van de Mosselaer / Emily Paplawski  
 Phone: 403.260.7000 / 7071  
 Email: [rvandemosselaer@osler.com](mailto:rvandemosselaer@osler.com) / [epaplawski@osler.com](mailto:epaplawski@osler.com)  
 Matter: 1247318

**AFFIDAVIT OF KENNETH MORRIS**

✓ December 11 ✓  
 Sworn on ~~November 30~~, 2023

I, Kenneth Morris, of Eatontown, New Jersey, United States, **SWEAR AND SAY THAT:**

1. I am an investment banker with over 40 years of experience in energy related transactions and financings. I am currently a Managing Director – Corporate Finance and Energy Investment

Banking at Imperial Capital, Inc. ("**Imperial**"), a full service investment bank offering a uniquely integrated platform of comprehensive services to middle market companies and institutional investors. Imperial has primary offices in New York, Los Angeles, London, Houston and elsewhere in the United States and internationally. I hold a Bachelor of Science in Finance and Economics from the University of Delaware and a Master of Arts in Economics from Rutgers University. A copy of my curriculum vitae is attached hereto as **Exhibit "A"**.

2. Both Imperial and I have significant experience with, and knowledge of, the business and capital structure of Greenfire Resources Inc. ("**Greenfire**"). Among other things:
  - a. in 2019, Greenfire retained Imperial to assist it in sourcing a USD \$50,000,000 term loan, commodity risk management facility, and facility for future growth and operations to refinance Greenfire's then existing debt portfolio. The transaction was successfully closed in December of 2019;
  - b. in 2020, Greenfire retained Imperial to assist it in undertaking a strategic process to locate an investor or strategic buyer to alleviate certain working capital and liquidity constraints being experienced by Greenfire in early 2020 during the initial stages of the COVID-19 pandemic and a CCAA process;
  - c. in 2021, Imperial and Pareto Securities acted as financial advisors and co-placement agents with Imperial as Sole Book Runner for Greenfire regarding the issuance of USD \$312.5 million of 12% Senior Secured Bonds with use of proceeds for the acquisition (through a special purpose acquisition vehicle, Greenfire Acquisition Corporation) of all issued and outstanding shares of Japan Canada Oil Sands Limited; and
  - d. in September 2023, Imperial served as co-manager to Greenfire in connection with the issuance of USD \$300 million 12.00% senior secured notes. Proceeds from the offering allowed Greenfire to fully fund its development plan concerning the Hangingstone Expansion Project acquired from Japan Canadian Oil Sands Limited and refinance its existing credit facility

CB

3. I supervised each of these mandates on behalf of Imperial. I accordingly have personal knowledge of the matters set out in this Affidavit, except where stated to be upon information and belief, in which case I verily believe the same to be true.

4. Based on my significant and long term involvement with Greenfire, I was requested to provide my professional opinion regarding the fundamental value of the Greenfire shares held by Spicelo Limited. My opinion regarding the foregoing is set out in my report dated November 30, 2023, attached hereto as **Exhibit "B"**.

5. I was not physically present before the commissioner, but was linked with the commissioner using two-way video technology, and the process for remote commissioning affidavits, as described in the *Notice to the Profession & Public: Remote Commissioning of Affidavits for use in Civil and Family Proceedings During the Covid-19 Pandemic*, was used.

SWORN BEFORE ME by two-way video )  
conference at Eatontown, New Jersey, this 30<sup>th</sup> )  
day of November, 2023 )  
)  
)  
)  
)  
)  
)  
)  
)  
)

*Cassandra Betts*

**CASSANDRA JEAN BETTS**  
**Student-at-Law**

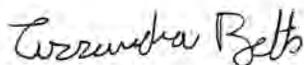
\_\_\_\_\_  
Commissioner for Oaths in and for the  
Province of Alberta

\_\_\_\_\_  
KENNETH MORRIS

### Certificate of Execution

1. I, Cassandra Betts, being a Commissioner for Oaths in and for Alberta:
  - a. witnessed the signature of Kenneth Morris, named in the attached Affidavit, in a single session during which I was able at all times to see and hear the person swearing the Affidavit by two-way videoconferencing;
  - b. saw Kenneth Morris, who, on the basis of the government-issued photo identification shown to me, I reasonably believe to be the person named in the Affidavit, duly sign and execute the Affidavit;
  - c. am reasonably satisfied that this process was necessary because it was impossible or unsafe, for medical reasons, for Kenneth Morris and I to be physically present together; and
  - d. have complied with the requirements established by the Law Society of Alberta with respect to this type of witnessing in effect at the date of the Affidavit.
2. The Affidavit was signed at the City of Calgary, in the Province of Alberta, and I am the subscribing witness thereto.
3. I believe that the person whose signature I witnessed is at least eighteen (18) years of age.
4. I am executing this document separate and apart from any other person.

The attached Affidavit was sworn before me, an Articling Student-at-Law in and for the Province of Alberta, at the City of Calgary, in the Province of Alberta, by two-way videoconferencing with the deponent, who was at the City of Eatontown, in the state of New Jersey this 11th day of December 2023, on the basis of evidence provided to me that enabled me to verify the deponent's identity and confirm the contents of the document being executed.



**CASSANDRA JEAN BETTS**  
Student-at-Law

---

A Commissioner for Oaths in and for Alberta

COURT FILE NUMBER 25-2979735  
 COURT COURT OF KING'S BENCH OF ALBERTA  
 JUDICIAL CENTRE CALGARY

IN THE MATTER OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c B-3, AS AMENDED

AND IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF GRIFFON PARTNERS OPERATION CORPORATION, GRIFFON PARTNERS HOLDING CORPORATION, GRIFFON PARTNERS CAPITAL MANAGEMENT LTD., STELLION LIMITED, 2437801 ALBERTA LTD., 2437799 ALBERTA LTD., 2437815 ALBERTA LTD., and SPICELO LIMITED

APPLICANTS GRIFFON PARTNERS OPERATION CORPORATION, GRIFFON PARTNERS HOLDING CORPORATION, GRIFFON PARTNERS CAPITAL MANAGEMENT LTD., STELLION LIMITED, 2437801 ALBERTA LTD., 2437799 ALBERTA LTD., 2437815 ALBERTA LTD., and SPICELO LIMITED

DOCUMENT **AFFIDAVIT OF KENNETH MORRIS**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT **OSLER, HOSKIN & HARCOURT LLP**  
 Suite 2700, Brookfield Place  
 255 – 6th Avenue SW  
 Calgary, AB T2P 1N2

Solicitors: Randal Van de Mosselaer / Emily Paplawski  
 Phone: 403.260.7000 / 7071  
 Email: [rvandemosselaer@osler.com](mailto:rvandemosselaer@osler.com) / [epaplawski@osler.com](mailto:epaplawski@osler.com)  
 Matter: 1247318

**AFFIDAVIT OF KENNETH MORRIS**

✓ December 11, 2023 ✓

Sworn on ~~November 30, 2023~~

I, Kenneth Morris, of Eatontown, New Jersey, United States, **SWEAR AND SAY THAT:**

- I am an investment banker with over 40 years of experience in energy related transactions and financings. I am currently a Managing Director – Corporate Finance and Energy Investment

KRM

Banking at Imperial Capital, Inc. (“**Imperial**”), a full service investment bank offering a uniquely integrated platform of comprehensive services to middle market companies and institutional investors. Imperial has primary offices in New York, Los Angeles, London, Houston and elsewhere in the United States and internationally. I hold a Bachelor of Science in Finance and Economics from the University of Delaware and a Master of Arts in Economics from Rutgers University. A copy of my curriculum vitae is attached hereto as **Exhibit “A”**.

2. Both Imperial and I have significant experience with, and knowledge of, the business and capital structure of Greenfire Resources Inc. (“**Greenfire**”). Among other things:
  - a. in 2019, Greenfire retained Imperial to assist it in sourcing a USD \$50,000,000 term loan, commodity risk management facility, and facility for future growth and operations to refinance Greenfire’s then existing debt portfolio. The transaction was successfully closed in December of 2019;
  - b. in 2020, Greenfire retained Imperial to assist it in undertaking a strategic process to locate an investor or strategic buyer to alleviate certain working capital and liquidity constraints being experienced by Greenfire in early 2020 during the initial stages of the COVID-19 pandemic and a CCAA process;
  - c. in 2021, Imperial and Pareto Securities acted as financial advisors and co-placement agents with Imperial as Sole Book Runner for Greenfire regarding the issuance of USD \$312.5 million of 12% Senior Secured Bonds with use of proceeds for the acquisition (through a special purpose acquisition vehicle, Greenfire Acquisition Corporation) of all issued and outstanding shares of Japan Canada Oil Sands Limited; and
  - d. in September 2023, Imperial served as co-manager to Greenfire in connection with the issuance of USD \$300 million 12.00% senior secured notes. Proceeds from the offering allowed Greenfire to fully fund its development plan concerning the Hangingstone Expansion Project acquired from Japan Canadian Oil Sands Limited and refinance its existing credit facility



This is **Exhibit "Z"** to the Affidavit of Daryl Stepanic  
sworn before me this 29<sup>th</sup> day of January 2024.

  
\_\_\_\_\_

Notary Public/Commissioner for Oaths in and for Alberta

**Julie Laura Treleaven**  
Barrister & Solicitor

---

**From:** Dave Gallagher <[Dave.Gallagher@signalcapital.com](mailto:Dave.Gallagher@signalcapital.com)>  
**Sent:** Friday, August 11, 2023 7:08 PM  
**To:** Jonathan Klesch <[jk@griffon-partners.com](mailto:jk@griffon-partners.com)>; Daryl Stepanic <[DS@griffon-partners.com](mailto:DS@griffon-partners.com)>; Tammy Main <[tammy.main@griffon-partners.com](mailto:tammy.main@griffon-partners.com)>  
**Cc:** Matthieu Milandri <[Matthieu.Milandri@trafigura.com](mailto:Matthieu.Milandri@trafigura.com)>; Javier Montero <[Javier.Montero@trafigura.com](mailto:Javier.Montero@trafigura.com)>  
**Subject:** RE: Updated Forbearance Agreement

Jonathan,

Thanks for the note. Unfortunately, this proposal will not work for Signal and Trafigura. Addressing some of the specific aspects of your proposal:

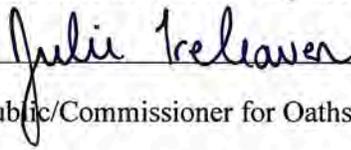
1. **Spicelo/Greenfire Dividend** – Under the existing terms of the senior loan facility, the lenders are already entitled to a 75% sweep of this dividend.
2. **\$20mm Greenfire Shares** – The lenders already have 1<sup>st</sup> lien security over 100% of Spicelo’s Greenfire shares. We bear very limited market risk on the value of these shares because of the over-collateralized nature of the security pledge. Accepting \$20mm worth of shares as payment in kind for \$20mm of loan exposure would materially weaken the lenders’ position.
3. **Refinance GPOC for Balance of the Current Loan** – The GPOC team has already spent 6+ months speaking to potential financiers and acquirors for the company/assets, with limited traction other than the ongoing BSR discussions. So, asking the lenders to extend more time for GPOC to identify a refinancing solution without any additional compensation is a non-starter. The lenders are already entitled to a 1.40x MOIC make-whole under the senior loan facility so a slightly higher IRR is not meaningful.

Matthieu, Javier, and I have all had extensive discussions with our respective investment committees and senior management and their position is clear. We have demonstrated patience while the loan facility has been in default for 8 months. The only way that we are prepared to extend more time is if the Forbearance Agreement is executed in its current form by close of business today. Otherwise, we will be initiating enforcement proceedings with Stikeman next week.

Regards,

Dave

This is **Exhibit "AA"** to the Affidavit of Daryl Stepanic  
sworn before me this 29<sup>th</sup> day of January 2024.



Notary Public/Commissioner for Oaths in and for Alberta

**Julie Laura Treleaven**  
Barrister & Solicitor

Form 49  
Rule 13.19

Clerk's stamp



COURT FILE NUMBERS 25-2979735, 25-2979737, 25-2979736, 25-2979738, 25-2979739, 25-2979725, 25-2979721, 25-2979732

COURT COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

MATTERS **IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL UNDER THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c. B-3, AS AMENDED, OF GRIFFON PARTNERS OPERATION CORP., GRIFFON PARTNERS HOLDING CORP., GRIFFON PARTNERS CAPITAL MANAGEMENT LTD., SPICELO LIMITED, STELLION LIMITED, 2437799 ALBERTA LTD., 2437801 ALBERTA LTD. and 2437815 ALBERTA LTD.**

APPLICANTS TRAFIGURA CANADA LIMITED and SIGNAL ALPHA C4 LIMITED

RESPONDENTS GRIFFON PARTNERS OPERATION CORP., GRIFFON PARTNERS CAPITAL MANAGEMENT LTD., GRIFFON PARTNERS HOLDING CORP., SPICELO LIMITED, STELLION LIMITED, 2437801 ALBERTA LTD., 2437799 ALBERTA LTD., and 2437815 ALBERTA LTD.

DOCUMENT **AFFIDAVIT**

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Lawyers for the Applicants,  
Trafigura Canada Limited and Signal Alpha C4 Limited

File No.: 137093.1011

**AFFIDAVIT OF DAVE GALLAGHER**

**Sworn on September 19, 2023**

I, Dave Gallagher, of the City of London, in the United Kingdom, SWEAR AND SAY THAT:



1. I am Managing Director, Credit Investments, of Signal Alpha C4 Limited ("**Signal**"), and as such, I have personal knowledge of the facts and matters stated herein, except where stated to be based on information and belief, and, where so informed, I believe such matters to be true.
2. I am duly authorized to swear this Affidavit on behalf of Signal and Trafigura Canada Limited ("**Trafigura**" and with Signal, the "**Lenders**").

### **The Parties**

3. The Applicant, Trafigura, is a corporation incorporated pursuant to the federal laws of Canada and extra-provincially registered in the Province of Alberta.
4. The Applicant, Signal, is a corporation incorporated pursuant to the laws of Jersey. The Lenders provide capital to Canadian businesses, including lending within the oil and gas industry in Western Canada.
5. The Respondents, Griffon Partners Operation Corp. ("**GPOC**"), Griffon Partners Capital Management Ltd. ("**GPCM**") and Griffon Partners Holding Corp. ("**GPHC**") (collectively, the "**Griffon Entities**"), are each corporations incorporated pursuant to the laws of the Province of Alberta.
6. GPOC carries on the business of exploration and production of oil and gas and holds related assets in the Viking formation in western Saskatchewan and eastern Alberta (the "**GPOC Assets**"). GPHC and GPCM are each holding companies, have no assets other than their direct or indirect ownership in GPOC, and does not carry on any active business operations. None of the Griffon Entities have employees.
7. Each of the Griffon Entities (other than GPHC) had four directors: Elliott Choquette ("**Choquette**"), Jonathan Klesch ("**Klesch**"), Trevor Murphy ("**Murphy**"), and Daryl Stepanic ("**Stepanic**"). On or about September 15, 2023, Choquette and Murphy resigned as directors from the Griffon Entities. I was a director of GPHC as a nominee of Signal until my resignation on September 19, 2023. To the best of my knowledge, Klesch and Stepanic are the last two remaining directors of the Griffon Entities.
8. The Respondents, Stellion Limited ("**Stellion**"), 2437801 Alberta Ltd. ("**2437801**"), 2437799 Alberta Ltd. ("**2437799**"), 2437815 Alberta Ltd. ("**2437815**") (collectively, the "**Shareholder Corporations**"), are each wholly owned by one of the four directors of GPOC. Other than Stellion, which is a corporation incorporated pursuant to the laws of the Republic of Cyprus, the Shareholder Corporations are corporations incorporated pursuant to the laws of the Province of Alberta. The Shareholder Corporations are each holding companies, have no assets other than their indirect ownership in GPOC, and do not have employees or carry on any active business operations.

9. The Respondent, Spicelo Limited ("**Spicelo**"), is an investment corporation incorporated pursuant to the laws of the Republic of Cyprus. Spicelo's only asset is the Greenfire Securities (described below). Spicelo is unrelated to the Griffon Entities and Shareholder Entities, is a holding corporation for the Greenfire Securities, and does not have employees or carry on any active business operations. Further, unlike the rest of the Guarantors (as defined below), Spicelo is not a direct or indirect shareholder of GPOC.
10. GPCM, GPHC, Spicelo, Stellion, 2437801, 2437799, and 2437815 are collectively referred to herein as the "**Guarantors**" and each as a "**Guarantor**".

### **Background**

11. In May 2022, Trafigura was contacted by Klesch for and on behalf of GPCM in respect of a potential transaction pursuant in which GPCM would acquire certain oil and gas assets from Tamarack Valley Energy Ltd. ("**Tamarack**") for aggregate consideration of CAD\$70,000,000, subject to adjustment (the "**Tamarack Acquisition**"), of which CAD\$2,000,000 was to be payable by deposit (the "**Deposit**"). At the time, GPCM was also contemplating an additional two acquisitions of oil and gas assets, neither of which were concluded.
12. GPCM ultimately entered into an asset purchase and sale agreement to give effect to the Tamarack Acquisition on June 9, 2022 (the "**Tamarack Acquisition Agreement**"). GPCM requested, and Trafigura agreed, to provide financing to fund the Deposit payable pursuant to the Tamarack Acquisition and the other acquisitions, to the extent enforceable agreements of purchase and sale were entered into, pursuant to a deposit credit agreement dated June 22, 2022 (the "**Deposit Credit Agreement**").
13. Trafigura funded the Deposit on June 22, 2022. The Tamarack Acquisition Agreement was amended on June 30, 2022, and subsequently assigned by GPCM to GPOC on July 15, 2022.
14. Prior to the funding of the Deposit, Trafigura was also approached by GPCM with respect to the potential to finance not only the Deposit, but also a portion of the acquisition purchase price in relation to the Tamarack Acquisition. Given the size of the credit commitment and Trafigura's lending limitations, Trafigura introduced Signal to the potential financing opportunity to syndicate the proposed financing. GPOC had also approached several other potential lenders but ultimately decided to work with Trafigura and Signal.
15. Ultimately, Trafigura and Signal agreed to provide such financing in the aggregate amount of USD\$35,869,565.21 (the "**Commitment**") (allocated as to Trafigura in the amount of USD\$10,869,565.21 and allocated as to Signal in the amount of USD\$25,000,000), with the remainder of the purchase price being satisfied by the issue by GPCM to Tamarack of a

CAD\$20,000,000 promissory note bearing interest at 12% per annum. The Tamarack Acquisition was completely funded by the Lenders and Tamarack, with GPOC contributing no cash equity.

16. The parties formalized the financing pursuant to a loan agreement dated July 21, 2022, among GPOC, as borrower, GPCM and GPHC, as guarantors, Trafigura and Signal, as lenders, and GLAS USA LLC and GLAS Americas LLC, as administrative agent and collateral agent (collectively, the "**Collateral Agent**"), respectively (the "**Credit Agreement**"). The Credit Agreement is attached as Exhibit "H" to the Affidavit of Daryl Stepanic, sworn September 14, 2023 (the "**Stepanic Affidavit**").
17. Pursuant to the Credit Agreement, GPOC agreed to monthly amortization payments of USD\$1,328,502.415 starting on October 1, 2022 and ending on January 31, 2025, at which point the Commitment was to be repaid in full, along with all accrued unpaid interest, fees, and all other obligations in connection with the Credit Agreement (including, *inter alia*, any applicable MOIC Amount owing to the Lenders). The MOIC Amount is defined in the Credit Agreement as an amount sufficient to achieve a 1.4 multiple on each Lender's ratable portion of the outstanding principal less the original issue discount of USD\$2,869,565.21 (the "**OID**").
18. The Commitment advanced under the Credit Agreement (after netting the OID) was made on July 21, 2022, and was used to (a) finance a portion of the Tamarack Acquisition and (b) repay the Deposit.
19. The Tamarack Acquisition closed on July 21, 2022.
20. As security for payment of the Commitment, GPOC executed a fixed and floating term debenture over all GPOC's present and future real and personal property (the "**GPOC Debenture**"), a copy of which is appended as Exhibit "I" to the Stepanic Affidavit. The GPOC Debenture was filed as a security interest in the Alberta and Saskatchewan PPRs.
21. Pursuant to the GPOC Debenture, in the event of a default under the Credit Agreement, GPOC is required to repay the Commitment on demand, and to pay interest thereon at the greater of the Prime Rate in the United States in effect from time to time and 3.50% per annum, plus 9.50% per annum, plus 2.00% per annum. Additionally, in the event of default in the payment of any principal or interest, GPOC is required to pay interest on the amount in default both before and after demand, default, and judgment, with interest on overdue interest at the same rate. The GPOC Debenture further grants the Collateral Agent certain rights and remedies upon default by GPOC, including, *inter alia*, the right to appoint a receiver or receiver and manager, the identity of which shall be within the sole discretion of the Collateral Agent and the remuneration of which shall be the sole responsibility of GPOC.

22. Concurrent with the execution of the Credit Agreement and the GPOC Debenture, a total of seven secured guarantees were provided to the Lenders. The Guarantors each executed guarantees along with supporting security in favour of the Collateral Agent, whereby they guaranteed the obligations of GPOC under the Credit Agreement. The various guarantees and security agreements are as follows:
- (a) Unconditional Guarantee dated July 21, 2022 between GPHC and the Collateral Agent (attached as Exhibit "J" to the Stepanic Affidavit);
  - (b) Fixed and Floating Charge Debenture between GPHC and the Collateral Agent dated July 21, 2022 (attached as Exhibit "I" to the Stepanic Affidavit);
  - (c) Securities Pledge Agreement dated July 21, 2022 between GPHC and the Collateral Agent (attached as Exhibit "K" to the Stepanic Affidavit);
  - (d) Unconditional Guarantee dated July 21, 2022 between GPCM and the Collateral Agent, as amended by a first amending agreement dated August 31, 2022 (attached as Exhibit "J" to the Stepanic Affidavit);
  - (e) Fixed and Floating Charge Debenture between GPCM and the Collateral Agent dated July 21, 2022, as amended by a first amending agreement dated August 31, 2022 (attached as Exhibit "I" to the Stepanic Affidavit);
  - (f) Securities Pledge Agreement dated July 21, 2022 between GPCM and the Collateral Agent, as amended by a first amending agreement dated August 31, 2022 (attached as Exhibit "K" to the Stepanic Affidavit);
  - (g) Limited Recourse Guarantee and Securities Pledge Agreement dated July 21, 2022 between Stellion Limited, 2437801 Alberta Ltd, 2437799 Alberta Ltd., and 2437815 Alberta Ltd. and the Collateral Agent, as amended by a first amending agreement dated August 31, 2022 (attached as Exhibit "L" to the Stepanic Affidavit); and
  - (h) Limited Recourse Guarantee and Securities Pledge Agreement dated July 21, 2022 between Spicelo and the Collateral Agent, as amended by a first amending agreement dated August 31, 2022, attached hereto as **Exhibit "A"** (the "**Spicelo Guarantee**", collectively the "**Guarantees**"), the collateral of which was all of the common shares in the capital of Greenfire Resources Inc. ("**Greenfire**") owned by Spicelo (the "**Greenfire Securities**").
23. The GPOC Debenture and the Guarantees are collectively referred to herein as the "**Security**".

24. The GPOC Debenture and Guarantees were registered with the Alberta and Saskatchewan Personal Property Registries. True copies of the Alberta security registrations are attached as Exhibit "G" to the Stepanic Affidavit and true copies of the Saskatchewan security registrations are attached hereto as **Exhibit "B"**.

### **Defaults and Demands for Payment**

25. Pursuant to the Credit Agreement, GPOC was required to adhere to certain terms concerning repayment of the Commitment and other financial matters, including, *inter alia*, the following:

#### **Section 2.5 Repayments**

- (2) On the first (1<sup>st</sup>) day of each calendar month commencing on October 1, 2022 [GPOC] shall pay (subject to Section 7.2 and Section 8.1) to the Collateral Agent, for the benefit of and remittance to the Lenders in accordance with their Rateable Portion:
- (a) a monthly installment of Outstanding Principal which is equal to the amount set forth in the Amortization Schedule for the applicable month [which is USD\$1,328,502.42 per month starting from October 1, 2022 and through to the maturity date of January 31, 2025]; and
  - (b) all interest accrued on the Outstanding Principal in accordance with this Agreement which is then unpaid.

#### **Section 6.1 Affirmative Covenants**

So long as any amount owing under this Agreement remains unpaid, and unless consent is given by the Lenders in accordance with the provisions of this Agreement, each of the [GPOC], GPCM and GPHC shall:

- (c) **Payments.** [GPOC] shall duly and punctually pay or cause to be paid to the Administrative Agent and the Lenders all principal, interest, fees and other amounts payable hereunder and under the Credit Documents on the dates, at the places, and in the amounts and manner set forth in such documents.
- (p) **LMR.** [GPOC] shall, and shall cause each of the Credit Party to, maintain an LMR of not less than 2.00 in each Applicable LMR Jurisdiction, as applicable.
- (y) **Use of Available Cash to Comply with Liquidity Covenant.** At all times [GPOC] shall use any and all available Excess Cash Flow (in this instance, calculated without reduction contemplated in paragraph (b)(v) of the definition Excess Cash Flow) in order to retain the amount of cash required to satisfy the covenant set forth in Section 6.3(d).

#### **Section 6.3 Financial Covenants**

So long as any amount owing under this Agreement remains unpaid and unless consent is given in accordance with Section 10.1:

- (a) **PDP Coverage Ratio.** [GPOC] shall, as of the last day of each Financial Quarter, maintain a PDP Coverage Ratio, calculated as of the last day of each Financial Quarter commencing with the Financial Quarter ending on December 31, 2022, of at least:

- (i) for the period ending on December 31, 2022, 1.43:1; and
  - (ii) for the period ending on June 30, 2023 and for each period thereafter, 1.82:1.
- (b) **Current Ratio.** [GPOC] shall, as of the last day of each calendar month, maintain a Current Ratio, calculated as of the last day of each calendar month commencing on September 30, 2022, of at least 1:1;
- (c) **Total Leverage Ratio.** [GPOC] shall, as of the last day of each Financial Quarter, maintain a Total Leverage Ratio, calculated as of the last day of each Financial Quarter for the four Financial Quarters then ended, that does not exceed 2.5:1.
- (d) **Minimum Liquidity.** Maintain, as soon as reasonably possible following the Closing Date (but, in any event, within 6 months following the Closing Date) and at all times thereafter, Liquidity of not less than \$4,000,000.
26. On November 1, 2022, GPOC defaulted on the Credit Agreement by failing to meet mandatory principal amortization payments as required under section 2.5(2) of the Credit Agreement. On November 15, 2022, GPOC made a principal amortization payment of USD\$1,281,056 but continued to default on the Credit Agreement when, on December 1, 2022, it again failed to meet mandatory principal amortization payments. Furthermore, GPOC has breached the above-noted Sections 6.1(c), 6.1(p) 6.1(y), and 6.3 (collectively, the “**Defaults**”), details of which are as follows:
- (a) as of December 31, 2022, GPOC has failed to maintain a PDP Coverage Ratio of 1.43:1;
  - (b) as of December 31, 2022, GPOC has failed to maintain a Total Leverage Ratio that does not exceed 2.5:1;
  - (c) as of December 31, 2022, GPOC has failed to maintain Liquidity of not less than \$4,000,000; and
  - (d) as of December 31, 2022, GPOC has failed to maintain an LMR of not less than 2.00 in Alberta.
27. On December 31, 2022, GPOC entered into a waiver agreement with the Lenders (the “**Waiver Agreement**”) whereby the Lenders agreed to waive the Defaults as of year-end 2022. The Lenders reserved their right to declare default in 2023 for ongoing defaults. A copy of the Waiver Agreement is appended as Exhibit “P” to the Stepanic Affidavit.
28. However, since the Waiver Agreement, GPOC has continued to default on the Credit Agreement, as follows:
- (a) aside from a USD\$400,000 payment made on February 1, 2023, GPOC has failed to make any monthly principal amortization payments since December 31, 2022; and

(b) beginning in August 2023, GPOC has failed to make any interest payments on the principal amount pursuant to the terms of the Credit Agreement.

(collectively, the “**Continued Defaults**”).

### ***Failed Capital Raising Attempts***

29. Following GPOC’s Continued Defaults, the Lenders have been patient and reasonable, giving GPOC ample time (more than 7 months since the first payment default) and opportunity to cure the Continued Defaults. GPOC, however, has to date failed to put forward a viable solution to resolve the Continued Defaults or plan for how it will remain in good standing with the terms of the Credit Agreement in the future.
30. In March of 2023, GPOC engaged Imperial Capital, LLC (“**Imperial**”) to identify M&A and/or capital-raising alternatives that would enable GPOC to cure the Continued Defaults on the Credit Agreement. Imperial’s efforts ultimately proved unsuccessful with no credible proposals coming forward that would raise sufficient capital to cure the Continued Defaults.
31. GPOC subsequently retained ARCO Capital Partners Inc. (“**ARCO**”) in April of 2023 to further explore M&A and/or capital-raising alternatives. Despite contacting multiple parties, ARCO received limited feedback from prospective buyers or capital providers.
32. The only potentially viable offer to transpire was an acquisition offer from Blue Sky Resources Ltd. (“**Blue Sky**”), which was focused on GPOC’s potential acquisition of a company called Harvest Operations Corp. (“**Harvest**”), a company owned by Korean National Oil Company (“**KNOC**”), which GPOC did not have the requisite financial resources to fund. At the time, Blue Sky indicated its interest in providing funding for GPOC’s acquisition of Harvest and, as part of the acquisition proposal, Blue Sky offered to acquire GPOC’s existing assets and Harvest once a share purchase agreement could be agreed to with KNOC. However, by August of 2023, it became evident that an acquisition by Blue Sky was unlikely to proceed.

### ***Rejected Forbearance Agreement***

33. Following the Continued Defaults, the Lenders also attempted to negotiate a forbearance agreement with GPOC and the Guarantors. On May 18, 2023, the Lenders sent an initial draft of a forbearance agreement to GPOC and the Guarantors. GPOC and the Guarantors failed to provide any meaningful feedback on the draft forbearance agreement.
34. On August 8, 2016, the Lenders sent an updated forbearance agreement to GPOC and the Guarantors and communicated that if the document was not signed by August 11, 2023, then the

Lenders would pursue enforcement measures. GPOC and the Guarantors failed to execute the forbearance agreement. Attached and marked as **Exhibit "C"** are copies of correspondence related to the proposed forbearance agreement.

35. As a result, on August 16, 2023, the Lenders issued formal demands for repayment from the Debtor and the Guarantors (the "**Demands**") concurrently with notices to enforce security pursuant to section 244 of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3 (the "**BIA**"). Copies of the Demands are attached as Exhibit "Q" to the Stepanic Affidavit.
36. As at the date hereof, the Debtor and the Guarantors have refused, failed, neglected, or been unable to pay the amounts pursuant to the Demands.
37. Without notice to the Lenders, the Debtor and Guarantors filed Notices of Intention to File a Proposal ("**NOI**") on August 25, 2023.

### **Amounts Outstanding**

38. As of August 16, 2023, the Lenders are owed the following amounts:
  - (a) the original principal amount plus 1.4x MOIC equaling USD\$37,938,054.69 owing under the Credit Agreement, plus interest accruing thereon; and
  - (b) legal fees, costs, expenses and other charges which are due and payable pursuant to the Credit Agreement (collectively, the "**Indebtedness**").
39. The Lenders, collectively, are by far the largest creditors of GPOC and represent 68% (\$51,413,652.14 of \$75,681,542.85) of the claims set forth in GPOC's Notice to Creditors.
40. The second secured creditor of GPOC is Tamarack, who is owed \$CAD 22,279,188.08. Based on the information available to the Lenders, Tamarack's only source of security is the collateral pledged to them by GPOC, and unlike the Lenders, Tamarack does not have recourse to additional security in the form of a Guarantee and Share Pledge over the Greenfire Securities.
41. Further, the Lenders represent all or substantially all of the claims set forth in the NOI List of Creditors of the remaining Respondents:
  - (a) GPCM – \$51,413,652.14 of \$52,345,701.62 (98.21%);
  - (b) GPHC – \$51,413,652.14 of \$51,434,615.09 (99.96%);
  - (c) Stellion – \$51,413,652.14 of \$51,432,917.64 (99.96%);

- (d) 2437801 – 100% of all creditor claims;
  - (e) 2437799 – 100% of all creditor claims;
  - (f) 2437815 – 100% of all creditor claims; and
  - (g) Spicelo – \$51,413,652.14 of \$52,603,740.74 (97.73%).
42. In the case of GPCM, the remaining creditors are two law firms (Stikeman Elliott LLP and Burnet, Duckworth & Palmer LLP) related to outstanding legal fees incurred from the Tamarack Acquisition and one nominal shareholder or intercompany loan owing to GPOC.
43. In the case of GPHC, Stellion and Spicelo the remaining creditors appear to be nominal intercompany or shareholder loans.
44. The Notice to Creditors setting forth the List of Creditors of the respective Respondents is attached hereto as **Exhibit “D”**.

***The Statutory Requirements for a Stay Extension under s. 50.4(9) are not met***

45. It is the Lenders' belief that the filing of NOIs by GPOC and the Guarantors, and specifically Spicelo, is purely a delay tactic designed to restrict the Lenders' ability to enforce their right of repayment and, as a result, each have failed to act in good faith.
46. GPOC appears to have sufficient cash flow to meet operational needs and is forecasting \$1.2 million in professional fees over the course of the next 13 weeks, which is excessive and only serves to prime the existing creditors. Attached and marked as **Exhibit “E”** is a true copy of the cash flow projections prepared by the Proposal Trustee and filed with the Office of Superintendent of Bankruptcy.
47. The Lenders further believe that GPOC and the Guarantors will not be able to put forward any viable proposal as the Lenders, the primary secured creditors, do not support the process. The Lenders were not consulted prior to the NOI process, nor has any viable alternative been proposed to the Lenders. Additionally, GPOC and the Guarantors have been working with financial advisors since March 2023 to identify potential capital and financing solutions, with no success.
48. If GPOC and the Guarantors cannot file a Proposal which will be acceptable to the Lenders, they will be deemed bankrupt upon expiry of the stay. At that time the Lenders intend on pursuing their rights under the Share Pledge by way of appointment or Receiver, or otherwise dealing with the Trustee to obtain a waiver of interest in the face of their secured interest.

49. Through this NOI proceeding, the Lenders' position as primary secured creditor is being unnecessarily primed by various professional fees, administrative charges, levies and potentially DIP charges. Additionally, GPOC, an oil and gas company, has seen declining production across its assets. Attached hereto as **Exhibit "F"** is a GPOC Production Operations Report from July 12, 2023, demonstrating GPOC's declining production numbers.
50. As a result of this continued decline, the value of the Lenders' collateral is steadily shrinking, and the Lenders believe that they will be materially prejudiced if an extension of the initial stay is granted.

***Spicelo is Not Insolvent***

51. Furthermore, it is the Lenders' belief that Spicelo is not insolvent and, therefore, its filing of an NOI is improper and an abuse of process.
52. Like the other Guarantors, Spicelo guaranteed GPOC's obligations under the Credit Agreement, and was issued a formal demand for payment on August 16, 2023. As of the date hereof, Spicelo has refused, failed, neglected, or has been unable to pay the Demand.
53. Pursuant to the terms of the Spicelo Guarantee, which is a limited recourse guarantee and securities pledge agreement, Spicelo granted, *inter alia*, all of the Greenfire Securities as collateral for its commitment. The collateral also includes all substitutions and replacements of, increases and additions, consolidations, or reclassifications of the Greenfire Securities.
54. In the event of a default on the Credit Agreement by GPOC, the Lenders are entitled to seek repayment from Spicelo as a separate and distinct obligation and, in the event of non-payment by Spicelo, are entitled to seek enforcement via the Greenfire Securities and the Special Dividend (as defined below). The Spicelo Guarantee allows the Lenders to, *inter alia*, assume control, sell, transfer, use or otherwise deal with the Greenfire Securities. Additionally, the Spicelo Guarantee also allows the Lenders to appoint a receiver over the Greenfire Securities and Special Dividend.
55. The Greenfire Securities will imminently participate in an initial public offering pursuant to a Plan of Arrangement whereby, *inter alia*, Greenfire and certain Greenfire subsidiaries will merge (the "**New Greenfire**") pursuant to a Business Combination Agreement dated December 14, 2022 (as amended on April 21, 2023 and June 15, 2023) (the "**Transaction**"). The Transaction was approved by shareholders on September 11, 2023. It is anticipated that the Transaction will close on September 20, 2023 (the "**Closing Date**").
56. After the Closing Date, the New Greenfire Shares will be listed on the New York Stock Exchange and publicly available for purchase.

57. As part of the Transaction, Spicelo is set to receive a dividend valued at USD\$6,600,000 before withholding tax estimated at 15%, for a total of \$5,610,000 (the “**Special Dividend**”). Furthermore, as part of the Transaction, Spicelo will receive 5,506,833 common shares in the capital of New Greenfire (the “**New Greenfire Securities**”) in exchange for the Greenfire Securities. According to the Greenfire Proxy Statement for Special Meeting of Stockholders (the “**Proxy**”), the New Greenfire Securities will have an estimated market value of USD\$10.10 per share (based on certain assumptions reflected in the Proxy), resulting in a total of USD\$55,600,000. **Exhibit “G”** contains excerpts of the Proxy.
58. Pursuant to Section 37(s) of the Spicelo Guarantee, the Lenders are entitled to automatic payment of 75% of the Special Dividend – or \$4,207,500 after withholding taxes – to be used as repayment of GPOC’s obligations under the Credit Agreement. However, in the event of default, the Lenders are entitled to enforce their security over 100% of the Special Dividend.
59. The aggregate gross value of the consideration that Spicelo is to receive at closing of the Transaction by virtue of the Special Dividend and New Greenfire Securities is USD\$62,200,000. The Lenders are owed a total of USD\$37,938,054.69 (not including interest, expenses or fees). When comparing the value of the Greenfire Securities of USD\$55,600,000 to the remaining amount owed to the Lenders of USD\$32,328,054.69 (if the Lenders are paid the USD\$5,610,000 Special Dividend, less withholding taxes), this implies a coverage ratio of 1.72x and confirms that the assets of Spicelo are more than sufficient to repay the Lenders.
60. The List of Creditors contained within Spicelo’s NOI, attached hereto as **Exhibit “H”**, shows that Spicelo’s secured claims total CAD\$52,603,740.74, the overwhelming majority of which belong to the Lenders. Spicelo’s assets are evidently worth far in excess of its liabilities to the Lenders and other creditors. Based on the value of the Greenfire Securities and the total claims listed in Spicelo’s NOI, it is clear that Spicelo is not truly insolvent. The NOI filing of Spicelo is simply a delay tactic to prevent enforcement against the Greenfire Securities. This is especially true when considering that the Greenfire Securities do not have to be liquidated but can simply be transferred to the Lenders pursuant to the terms of the Spicelo Guarantee and Share Pledge.
61. If the stay of proceedings is lifted because of the failure to obtain an extension of the NOI proceedings, or if a Trustee is appointed, the Lenders intention is to enforce against the Greenfire Securities held by Spicelo as a first recourse. The value of the Greenfire Securities should be sufficient to see the Lenders paid out in full. Such a result would be beneficial to the other creditors of GPOC, including Tamarack and trade creditors.

**The Greenfire Securities are Liquid Assets**

62. Other than as described in Schedule "A" to the Spicelo Guarantee, no transfer restrictions apply to the Greenfire Securities. Schedule "A" provides, *inter alia*, certain restrictions on the transfer of the Greenfire Securities unless they are completed in accordance with the piggy-back, first refusal, pre-emptive and drag along provisions contained therein (the "**Transfer Restrictions**"). The Transfer Restrictions expire on the Closing Date (September 20, 2023).
63. Following the Closing Date, the New Greenfire Securities will form part of the Lenders' security interest pursuant to the terms of the Spicelo Guarantee.
64. On September 14, 2023, the Lenders received the Stepanic Affidavit, which advised the Lenders for the first time that Spicelo or, alternatively, Klesch had unilaterally executed a Lock Up Agreement ("**LUA**") that restricts Spicelo's Transfer (as defined below) of the New Greenfire Securities. The Stepanic Affidavit does not include a copy of the executed LUA, but the proposed form is publicly available in the Proxy and attached hereto as **Exhibit "I"**.
65. Relevant definitions set forth in the LUA are as follows:
- (a) "**Transfer**" is defined as the (i) sale or assignment of, offer to sell, contract or agreement to sell, hypothecation, pledge, grant of any option to purchase or other disposal of or agreement to dispose of; directly or indirectly, or establishment or increase of a put equivalent position or liquidation or decrease of a call equivalent position within the meaning of Section 16 of the *Exchange Act* with respect to, any security, (ii) entry into any swap or other arrangement that transfers to another person, in whole or in part, any of the economic consequences of ownership of any security, whether any such transaction is to be settled by delivery of such securities, in cash or otherwise, or (iii) public announcement of any intention to effect any transaction specified in clause (i) or (ii); and
  - (b) "**Lock Up Period**" is defined as beginning on the Closing Date to the earliest of: (i) the date that is 180 days after the Closing Date, (ii) the date on which the last reported closing price of the New Greenfire Shares equals or exceeds \$12.00 per share for any 20 trading days within any 30 trading day period commencing at least 75 days after the Closing Date; or (iii) the date on which the Company completes a transaction that results in all of the Company's shareholders having the right to exchange their shares of capital stock for cash, securities or other property.
66. The LUA provides certain exceptions to the Lock Up Period, for example, (i) in connection with a pledge of New Greenfire Shares, or any other securities convertible into or exercisable or

exchangeable for New Greenfire Shares, to a financial institution, including the enforcement of any such pledge by a financial institution, or (ii) in connection with any legal, regulatory, or other order.

67. It is the Lenders position that the above exceptions apply to the Transfer of the New Greenfire Shares in the circumstances.
68. Further, and more importantly, the Lenders are not parties to the LUA and have never agreed to be bound by its terms. As a result, it is the Lenders position that they are not bound by the Lock Up Period and may enforce their security by liquidating the New Greenfire Shares immediately.
69. In either case, the New Greenfire Shares are liquid assets of Spicelo and capable of being realized upon to satisfy the outstanding Indebtedness.

***A Receiver should be Appointed over Spicelo to Liquidate the Greenfire Securities***

70. Spicelo is a separate and distinct company from the Griffon Entities and Shareholder Entities.
71. Considering the facts and circumstances described above, the Lenders believe that it is just, convenient and indeed necessary to appoint KPMG LLP (“**KPMG**”) as Receiver over GPOC and Spicelo. In particular:
- (a) GPOC is in default of its obligations under the Credit Agreement such that the default provisions of the Spicelo Guarantee have been triggered;
  - (b) Spicelo is in default of its obligations under the Spicelo Guarantee by failing to pay the Demands;
  - (c) The Lenders are secured creditors and delivered notices of intention to enforce security under section 244 of the BIA. The 10-day statutory notice period pursuant to the BIA has expired;
  - (d) Both the GPOC Debenture and the Spicelo Guarantee allow for the appointment of a receiver in the event of a default;
  - (e) There is a need to preserve the Property of Spicelo and GPOC upon the expiry of the stay period in the NOI proceedings;
  - (f) The Lenders have, at all times, acted in good faith and have given GPOC and the Guarantors more than ample time to remedy the Defaults;

- (g) The appointment of a receiver is necessary to ensure that Spicelo's property is realized in the most efficient and value maximizing manner. In particular, a Receiver will be able to conduct a sales process in relation to the Greenfire Securities;
- (h) There will be material prejudice to the creditors, including in the form of administrative costs and delays, if a receivership is delayed and the NOI proceedings are continued;
- (i) The appointment of a Receiver will maximize recoveries for creditors; and
- (j) KPMG, the proposed receiver, has consented to act as receiver. Attached hereto as **Exhibit "J"** is a copy of KPMG's Consent to Act as Receiver.

72. The Lenders believe there is no other process available in the circumstances that would enable it to adequately protect its interests, other than a receivership.

***Specific Responses to Stepanic Affidavit***

73. In response to paragraph 24 of the Stepanic Affidavit, the Affidavit shows the balance of the Indebtedness as CAD\$43,150,000, or approximately USD\$32,097,128. This amount ignores the MOIC Amount, which is correctly listed above as USD\$37,938,054.69.
74. In response to paragraph 45 of the Stepanic Affidavit, GPOC has been pursuing debt financing since as early as March 2023 and have considered within the context of those efforts debt financing as one of the strategic alternatives. Attached and marked as **Exhibit "K"** is a copy of correspondence related to these efforts.
75. In response to paragraph 47 of the Stepanic Affidavit, the Lenders have made multiple good faith attempts to put in place a forbearance agreement with GPOC and the Guarantors, as described more fully in paragraphs 33-37 above.
76. In response to paragraph 48 of the Stepanic Affidavit, the Lenders state that this paragraph is false. The Demands had nothing to do with the partial interest payment made in August 2023, but instead was related to GPOC and the Guarantors failure to execute a Forbearance Agreement.
77. In response to paragraphs 50-51 of the Stepanic Affidavit, the Lenders state that GPOC should be required to produce an independent third-party reserve report that identifies what underlying assumptions were used to identify, *inter alia*, reserves and commodity pricing. The values set forth in paragraphs 50-51 are speculative, self serving, and without supporting evidence.
78. In response to paragraphs 52-54 of the Stepanic Affidavit, the Lenders were advised by Klesch on August 11, 2023, that "the GPOC disposition to [Purchaser] has become more uncertain over the

past weeks". However, it is clear by the correspondence received from Klesch that the alleged share purchase transaction was at jeopardy in Mid-August. As a result, the Lenders have no faith that the transaction will close as suggested in Stepanic Affidavit.

79. In response to paragraphs 73 and 85-88 of the Stepanic Affidavit, GPOC has been engaged in marketing efforts for approximately 8 months without success. The Lenders have no faith that a Refinancing Advisor will be able to source a purchaser within 45-days that will raise enough capital to cover the business and secured debt of GPOC.
80. In response to paragraphs 91-92 of the Stepanic Affidavit, it is the Lenders understanding that GPOC already paid a significant number of its suppliers prior to filing its NOI on August 25, 2023. Indeed, Tammy Main of GPOC provided a short-term liquidity report to the Lenders on July 28, 2023 and advised that there would be a deficit in GPOC's monthly interest payment because it had paid for such supplier's services. Attached hereto and marked as **Exhibit "L"** is a copy of the correspondence and short-term liquidity report.

#### ***Responses to the Trustee Report***

81. The Lenders counsel received a copy of the Proposal Trustee's First Report (the "**First Report**") at 4:22 pm MT on September 18, 2023. As a result, the Lenders have had limited opportunity to review the First Report and reserve their right to file a supplemental affidavit to address additional points raised by the Proposal Trustee, if necessary.
82. In response to paragraph 26 of the First Report, the Lenders state that they did not decline the counterproposal sent by GPOC and the Guarantors. To the contrary, the counterproposals from GPOC and the Guarantors included such terms as transferring the Greenfire Securities to the Lenders, contrary to the Transfer Restrictions. Attached hereto as **Exhibit "M"** is email correspondence regarding the counterproposal.
83. In response to paragraphs 30, 44 and 45 of the First Report, the Lenders state that the Proposal Trustee's position regarding the liquid market for the New Greenfire Securities completely ignores that the same are expected to be listed on the New York Stock Exchange immediately following the Closing Date.
84. In further response to paragraphs 30, 44 and 45 of the First Report, the Lenders state that the Proposal Trustee's statement regarding the liquidation of the Greenfire Securities would "likely result in significant and unnecessary discount to value" is entirely speculative. There is no evidence that the Greenfire Securities will not derive value if realized on immediately.

85. In Response to paragraphs 60-61 of the First Report, the Lenders state that discussions regarding the tendering of the Greenfire Securities share certificates are ongoing. However, at all relevant times, the Lenders have been ready, willing and able to cooperate with the process so long the Lenders retain their control over and secured interest in the Greenfire Securities.

**Conclusion**

86. I make this Affidavit in support of an Application by the Lenders oppose an extension of the stay period in the NOI proceedings as against GPOC and the Guarantors, to appoint a Receiver over Spicelo, and related relief.

87. I am not physically present before the Commissioner for Oaths (the "Commissioner") taking this Affidavit, but I am linked with the Commissioner by video technology and the remote commissioning process has been utilized.

SWORN utilizing video technology this 19<sup>th</sup> day of September, 2023.

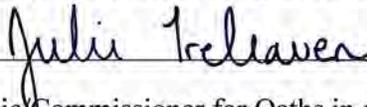
DocuSigned by:  
*Archer Bell*  
63ADEB8F59C54A5...

**ARCHER BELL**  
**BARRISTER AND SOLICITOR**  
**A Notary Public in and for Alberta**

DocuSigned by:  
*Dave Gallagher*  
4226C5AFBB144B3...

**DAVE GALLAGHER**

This is **Exhibit “BB”** to the Affidavit of Daryl Stepanic  
sworn before me this 29<sup>th</sup> day of January 2024.



Notary Public/Commissioner for Oaths in and for Alberta

**Julie Laura Treleaven**  
Barister & Solicitor

Action No.: B201-979735  
E-File Name: EVK23GRIFFON  
Appeal No.: \_\_\_\_\_

IN THE COURT OF KING'S BENCH OF ALBERTA  
JUDICIAL CENTRE OF EDMONTON

IN THE MATTER OF THE BANKRUPTCY AND  
INSOLVENCY ACT, R.S.C. 1985, c B-3, AS AMENDED

AND IN THE MATTER OF THE NOTICE OF INTENTION TO  
MAKE A PROPOSAL OF GRIFFON PARTNERS OPERATION  
CORPORATION, GRIFFON PARTNERS HOLDING CORPORATION,  
GRIFFON PARTNERS CAPITAL MANAGEMENT LTD., STELLION  
LIMITED, 2437801 ALBERTA LTD., 2437799 ALBERTA LTD.,  
2437815 ALBERTA LTD., and SPICELO LIMITED

GRIFFON PARTNERS OPERATION CORPORATION, GRIFFON  
PARTNERS HOLDING CORPORATION, GRIFFON PARTNERS  
CAPITAL MANAGEMENT LTD., STELLION LIMITED, 2437801  
ALBERTA LTD., 2437799 ALBERTA LTD., 2437815 ALBERTA  
LTD. and SPICELO LIMITED

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PROCEEDINGS

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Edmonton, Alberta  
October 18, 2023

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1 Proceedings taken in the Court of King's Bench of Alberta, Courthouse, Edmonton, Alberta

2

3 October 18, 2023

Afternoon Session

4

5 The Honourable

Court of King's Bench

6 Justice Dunlop

of Alberta

7

8 R. Van de Mosselaer

For Griffon Partners Operation Corporation,  
Griffon Partners Holding Corporation, Griffon  
Partners Capital Management Ltd., Spicelo  
Limited, Stellion Limited, 2437799 Alberta Ltd.,  
2437801 Alberta Ltd. and 2437815 Alberta Ltd.

9

10

11

12

13 E. Paplawski

For Griffon Partners Operation Corporation,  
Griffon Partners Holding Corporation, Griffon  
Partners Capital Management Ltd., Spicelo  
Limited, Stellion Limited, 2437799 Alberta Ltd.,  
2437801 Alberta Ltd. and 2437815 Alberta Ltd.

14

15

16

17

18 J. Treleaven

For Griffon Partners Operation Corporation,  
Griffon Partners Holding Corporation, Griffon  
Partners Capital Management Ltd., Spicelo  
Limited, Stellion Limited, 2437799 Alberta Ltd.,  
2437801 Alberta Ltd. and 2437815 Alberta Ltd.

19

20

21

22

23 K. Fellowes, KC

For Trafigura and/or Signal Alpha C4

24 N. Doelman

For Trafigura and/or Signal Alpha C4

25 K. Kashuba

For Alvarez & Marsal Canada Inc.

26 O. Konowalchuk

For Proposal Trustee

27 C. Ellison

For Proposal Trustee

28 K. Young

For Proposal Trustee

29 H. Gorman, KC

For Steel Reef Infrastructure

30 J. Thom, KC

For 2437799 Alberta Ltd. and 2437801 Alberta  
Ltd.

31

32 J. Maslowski

For Tamarack Valley Energy Ltd.

33 M. Tajoo

Court Clerk

34

35

36 THE COURT:

Good afternoon, Mr. Clerk. It is Justice Dunlop

37 speaking. Can you hear me?

38

39 THE COURT CLERK:

Yes, Sir.

40

41 THE COURT:

All right. So, we are here on the Griffon Partners

1 and other related entities' proposal. I see Ms. Fellowes, Mr. Kashuba, Mr. Van de  
2 Mosselaer on the screen. It is Mr. Van de Mosselaer's clients' application.

3  
4 I think what I would like to do is, first of all, deal with service. Mr. Van de Mosselaer, I  
5 have seen one affidavit of service that had to do with the trustee's second report, but I do  
6 not think I have seen another affidavit of service, so perhaps you could simply address  
7 service first.

8  
9 MR. VAN DE MOSSELAER: Sure, I'd be happy to. I can advise the court that  
10 our unfiled materials were served on the service list by email on October the 10th with  
11 proof of service provided thereafter. We have not provided an affidavit of service but  
12 we -- I would be happy to undertake to do so if you would like.

13  
14 THE COURT: That is fine. And with that, based on that  
15 representation, I am satisfied that service has been affected. I just -- then next thing on my  
16 agenda is I do not think I have received any bench briefs, and so, Mr. Van de Mosselaer,  
17 you did not submit one, did you?

18  
19 MR. VAN DE MOSSELAER: I did not.

20  
21 THE COURT: Nor, did you, Ms. Fellowes?

22  
23 MS. FELLOWES: I did not, Sir.

24  
25 THE COURT: Or Mr. Kashuba?

26  
27 MR. KASHUBA: No, My Lord.

28  
29 THE COURT: Okay. Perhaps, Mr. Van de Mosselaer, you could  
30 just simply introduce the people who are present in the virtual courtroom this afternoon so  
31 we know where -- I know where they all fit in.

32  
33 MR. VAN DE MOSSELAER: Sure, I would be happy to, and I may not  
34 introduce everyone because, quite honestly, there are some names that I'm not sure who  
35 they -- who they act for or who they are, so I'll do my best to get most of the people on the  
36 bingo card on my screen.

37  
38 So, from Osler acting for the applicants, the debtors/applicants, in addition to myself we  
39 have Ms. Paplawski and Ms. Treleaven from Osler.

40  
41 We have Ms. Fellowes as you identified and I believe -- she will correct me if I'm wrong,

1 but I believe Ms. Doelman is her associate also at Stickman Elliott.

2

3 MS. FELLOWES: Yes, that's correct. Thank you, Mr. Van de  
4 Mosselaer.

5

6 MR. VAN DE MOSSELAER: And from the proposal trustee, we have Mr.  
7 Kashuba from the Torys firm acting for the proposal trustee and representing the proposal  
8 trustee is Mr. Konowalchuk from A & M. I note as well that Mr. Ellison and -- things are  
9 moving around on my screen. Mr. Ellison and Mr. Young are with A & M Corporate  
10 Finances. It's not the correct term but it's the -- the restructuring advisor who would be  
11 running the SISP. They are present this afternoon.

12

13 And I see that we have Mr. Gorman, who is with the Norton Rose firm who acts for, I  
14 believe, a creditor by the name of Steel Reef, and finally in terms of the people I will be  
15 introducing is Mr. Thom with the McLeod law firm in Calgary, who represents a couple of  
16 the shareholders and a couple of the applicants who are shareholders of the GPOC entities.

17

18 So, I know that I have missed a couple of people but I don't think anybody else will be  
19 making any other -- making any submissions.

20

21 THE COURT: Okay. So, that is helpful, Mr. Van de Mosselaer.  
22 Is there anyone else that Mr. Van de Mosselaer did not mention who is present in the  
23 courtroom who is hoping to make submissions this afternoon?

24

25 MR. MASLOWSKI: Yes, good afternoon, Sir, Jacub Maslowski, also  
26 Stikeman Elliott. I'm here for Tamarack Valley Energy Ltd., which is a secured creditor of  
27 the debtors, and I may make some brief submissions on the -- the length of the SISP process  
28 later on during the proceedings this afternoon.

29

30 THE COURT: Okay, thank you, Mr. Maslowski. Is there  
31 anyone else?

32

33 MS. FELLOWES: My Lord, I simply -- oh, sorry, it's Karen  
34 Fellowes. I'm counsel for the secured lenders, and I simply want to note that one of my  
35 clients is appearing in the courtroom as an observer but, of course, will not be making any  
36 submissions, and that is Mr. Dave Gallagher. He is the deponent of our responding  
37 affidavit.

38

39 THE COURT: Okay. Thank you, Ms. Fellowes. And so, I  
40 think -- oh, I will just tell you that I have read the application, the proposed order, the  
41 second trustee's report, Daryl Stepanic affidavit sworn October 10, Dave Gallagher

1 affidavit sworn October 17, Justice Johnston's order granted September 22nd and filed  
2 September 25th, the transcript of Justice Johnston's reasons given orally on September  
3 22nd, and I have reviewed in a cursory way Dave Gallagher's affidavit sworn September  
4 19th but not read it in any detail, and in many cases I have not looked at the tabs or exhibits  
5 to affidavits.

6  
7 I think what I am proposing to do -- what I would like to do is go to Ms. Fellowes first so  
8 I can be clear on the position that her client -- and there is probably a short-version way to  
9 refer your client as -- sometimes it is called "senior lenders" or "the lenders" or something  
10 like that. Anyway, Ms. Fellowes, you act for Trafigura and Signal Alpha. Can you -- can  
11 you --

12  
13 MS. FELLOWES: That's right.

14  
15 THE COURT: -- just give us a very short description of what  
16 your client's position is on this application.

17  
18 MS. FELLOWES: Sure, and I'm happy to do that. Thank you so  
19 much for inviting me to do so and I hope that by doing so we'll be able to focus our  
20 submissions.

21  
22 So, my client, as you correctly identified, is the senior secured lender and is owed over \$51  
23 million Canadian as a -- as part of these proceedings. They recognize, My Lord, that the  
24 GPOC entity, which is a small oil and gas company, needs to go through some sort of sales  
25 process in order to realize on their security and in order to complete a restructuring process  
26 that will, in part, see my client paid out.

27  
28 So, it's important to note that my client did not -- although they are not happy about these  
29 NOI proceedings and I think you can probably guess that they have some significant  
30 concerns about the proceedings themselves, they recognize that the GPOC assets  
31 themselves will have to go through some sort of sales process.

32  
33 What they're concerned about is the length of that process. They feel that it is too lengthy.  
34 They feel that their position is at risk and deteriorating due to the length of the process,  
35 and, frankly, they feel that their concerns are not being properly considered or listened to  
36 as part of these proceedings.

37  
38 Not only are they concerned about the value of the collateral deteriorating, but they are  
39 seeing, you know, professional fees of over \$500,000 in professional fees have already  
40 been incurred on this file in only 5 weeks. That's \$100,000 a month in professional fees,  
41 and so they have extreme concerns about seeing this process extended out back in -- out

1 into January or February, which we're talking another 13, 15 weeks. At this rate, that's a  
2 big burn rate for the professional fees and, of course, the underlying value of their security.

3

4 THE COURT: So, you will be submitting that I should do what  
5 today?

6

7 MS. FELLOWES: That we should amend the proposed SISP, My  
8 Lord, to shorten the timelines and to make other minor amendments to the SISP itself.

9

10 THE COURT: Okay. That is helpful. And let me just quickly go  
11 to Tamarack's counsel, who is -- I had that here somewhere. Mr. Lemetz (phonetic).

12

13 MR. MASLOWSKI: That would be me, Sir. So --

14

15 THE COURT: Oh, Mr. Maslowski, yes.

16

17 MR. MASLOWSKI: Yes.

18

19 THE COURT: And just briefly the same question to you.

20

21 MR. MASLOWSKI: And similar concerns as the senior secured  
22 lender on this file, so Tamarack is the second secured lender. Just concerned about the  
23 length of the SISP process and, again, the fees that will likely be incurred throughout this  
24 process, and we also note -- and I believe it was referenced in Mr. Gallagher's affidavit that  
25 there's already been previous attempts to market these assets. This isn't necessarily a new  
26 process and so we feel like the -- the SISP that is being proposed could be shortened and  
27 we'd like to see that the timeline for bids be before the holiday season, so by kind of mid-  
28 December.

29

30 THE COURT: Okay. So, I appreciate you guys giving us a  
31 heads-up as to where your clients are coming from. So, let us then revert back to the usual  
32 order of things and I'll ask Mr. Van de Mosselaer for his submissions as to why I should  
33 grant the order as it is or maybe he is -- I doubt it but maybe his client is prepared to modify  
34 the timelines right now but, Mr. Van de Mosselaer, hopefully those comments will help  
35 focus your submissions.

36

37 MR. VAN DE MOSSELAER: Thank you, Sir. And, yes, those comments really  
38 come as no surprise to me.

39

40 Let me begin -- first of all, thank you for running through what you had already reviewed.  
41 You saved me the trouble of going through that myself, but one thing that I want to be sure

1 that you did receive is just this morning we provided a revised form of SISP --

2

3 THE COURT: Oh, yeah.

4

5 MR. VAN DE MOSSELAER: -- and provided you with a form of order with the  
6 revised form of SISP. I think we also provided the BlackLine and we sent it to the service  
7 list last night, so I just wanted to see if you received that.

8

9 THE COURT: Give me a second.

10

11 MR. VAN DE MOSSELAER: We were told it was uploaded into whatever the  
12 system was.

13

14 THE COURT: What is today?

15

16 MR. VAN DE MOSSELAER: Today is the 18th.

17

18 THE COURT: I am not sure. Like, I have -- I made some notes  
19 on this one so that is misleading me a little bit. Just a second here. Form of order. I just  
20 have to look somewhere else to make sure. I have a form of order. I am just not sure I got  
21 it this morning, so just hang on a sec.

22

23 MR. VAN DE MOSSELAER: We can identify it's the right one pretty easily.

24

25 THE COURT: Sure, go ahead.

26

27 MR. VAN DE MOSSELAER: So, if you look at the form of order that you have  
28 in front of you, if you go to schedule A, which -- is sorry, Appendix A, which is the SISP.

29

30 THE COURT: Yeah. It is -- it is not bookmarked in this copy so  
31 just a second.

32

33 MR. VAN DE MOSSELAER: It's only a few pages in.

34

35 THE COURT: Yeah. I went to the end, which is probably a  
36 mistake. Okay. So, I am on the SISP introduction.

37

38 MR. VAN DE MOSSELAER: Okay. Look at the next page.

39

40 THE COURT: All right. I am there.

41

1 MR. VAN DE MOSSELAER: Right. And you see at the bottom of that page 2  
2 there is a table with some dates and some descriptions.  
3

4 THE COURT: Yes.  
5

6 MR. VAN DE MOSSELAER: And if it's the right one, the third line should say  
7 "Non-binding LOI deadline" and a December 12th date?  
8

9 THE COURT: No. No.  
10

11 MR. VAN DE MOSSELAER: Okay.  
12

13 THE COURT: I have the wrong one.  
14

15 MR. VAN DE MOSSELAER: You have got (INDISCERNIBLE).  
16

17 THE COURT: Let me just check my mail to make sure it has not  
18 come in recently. No, it has not made its way to me. You sent it to the commercial  
19 coordinator?  
20

21 MR. VAN DE MOSSELAER: I -- my assistant sent it to somebody who said it  
22 had been uploaded into the system.  
23

24 THE COURT: Okay. So, to explain why I cannot get there right  
25 now, I was having a whole bunch of video trouble this morning so I disconnected from the  
26 server so I could get there, but the fastest way for you to get this to me is can you just have  
27 your assistant email it to my assistant?  
28

29 MR. VAN DE MOSSELAER: I certainly can, yes.  
30

31 THE COURT: My assistant's name is Tammy. Do you have that  
32 email address already?  
33

34 MR. VAN DE MOSSELAER: I'm pretty sure she's been communicating  
35 directly with Tammy.  
36

37 THE COURT: Yeah. Somebody asked about whether we could  
38 go past 3. Was that your assistant?  
39

40 MR. VAN DE MOSSELAER: That was, yeah.  
41

1 THE COURT: Yeah. So, she has got my assistant Tammy's  
2 email. It's a very -- lots of consonants in the last name so if she has it I will not try to spell  
3 it out.

4

5 MR. VAN DE MOSSELAER: Okay.

6

7 THE COURT: I will just quickly email Tammy and say, Please  
8 send this to me right away, and you can carry on and I will let you know when I get it.

9

10 MR. VAN DE MOSSELAER: All right. Can I -- can I just take a minute to go  
11 and advise my assistant to send that to Tammy?

12

13 THE COURT: Sure, sure.

14

15 MR. VAN DE MOSSELAER: All right. I'll back just in a moment.

16

17 All right. I'm advised that that is on its way to Tammy, so hopefully you'll receive it shortly.

18

19 THE COURT: Thank you. I am just -- I am email -- and -- okay,  
20 now you have my full attention again, Mr. Van de Mosselaer.

21

22 **Submissions by Mr. Van de Mosselaer**

23

24 MR. VAN DE MOSSELAER: All right. Let me -- let me begin then by noting  
25 that part of the problem in terms of the -- the concerns that have been expressed by the  
26 lenders' counsel and Tamarack's counsel is that this is not -- the SISP we are proposing is  
27 not a simple sales SISP. Ms. Fellowes suggested that this is just an oil and gas company  
28 and we can easily sell the assets and we want it done by early December, and the problem  
29 is that is simply unworkable, and the lenders and Tamarack have been told that that's  
30 unworkable.

31

32 And it's unworkable for a number of reasons, and that is that this is not a simple sale of oil  
33 and gas assets. This SISP, as you will know from having reviewed it, is -- proposes one of  
34 two or perhaps three things. It proposes either a sale of oil and gas assets or a refinancing  
35 of the enterprise. And it is that refinancing piece -- or I should say, a sale of the assets or a  
36 refinancing of the enterprise or some combination of those two things. And it is that  
37 refinancing piece that the lenders have been told doesn't work with a 30-day due diligence  
38 period. It's simply impossible to complete that process by early December.

39

40 In response to Mr. Maslowski's comment that this has been all done before and that they're  
41 just repeating the process, that is clearly not the case. This was -- this very issue was argued

1 before Justice Johnston on September the 22nd, and she made a specific comment on that  
2 that I think I'd like to take Your Lordship to, if you would have the transcript of her  
3 decision.

4

5 THE COURT: I have just got to -- I read it but I just have to pull  
6 it up again. Just a second. Okay. I am there.

7

8 MR. VAN DE MOSSELAER: If you look at page 3 -- actually while -- while  
9 we are here, I'll take you to this. Page 3 of the transcript, Justice Johnston says this -- and  
10 this is in direct response to this very allegation that this is simply a redux of the marketing  
11 process that was done before, and the evidence before Justice Johnston and the evidence  
12 before Your Lordship is that this is something different from what was done before, and I  
13 can take you to that evidence if you'd like, but clearly the evidence from Mr. Stepanic in  
14 paragraph 45 of his September 17th affidavit is that what we are doing now is not what  
15 was done earlier this year, and Ms. -- and Justice Johnston agreed with that, and on page  
16 3, beginning at line 14, she says: (as read)

17

18 In this case, I accept that what the applicants are proposing this  
19 time is different and includes engaging a financing advisor, which  
20 could have the impact of repaying the lender in full.

21

22 And then you go to the bottom of that paragraph and she says: (as read)

23

24 I have also considered that the market conditions are improved and  
25 that any proposal will be with the full oversight of the proposal  
26 trustee.

27

28 So, what we are proposing in this SISP is not simply a do-over of what was done before.  
29 We are looking at opportunities which were not explored previously. So, I just want to be  
30 clear on that point because it goes directly to the issue that Tamarack's counsel raised.

31

32 You will note, Sir, that on September the 22nd, we brought our application -- or Justice  
33 Johnston for an extension of the stay under section 50.4(8) of the *BIA*, and she -- after  
34 listening to argument for nearly a full day, including basically the same issues as were  
35 raised in Mr. Gallagher's affidavit sworn yesterday, granted our application in the full, with  
36 the exception only of the D&O charge where she wasn't satisfied on the basis of the  
37 evidentiary record. That extension was opposed and the lenders cross applied for the  
38 appointment of a receiver, and she granted our application in full, with the exception of the  
39 D&O charge, and you have seen a copy of that order.

40

41 So, let's now consider what this SISP is proposing and why the December -- early

1 December date simply is unworkable and why we -- we actually did consult -- to be clear,  
2 we consulted with the lenders down at Tamarack when we were developing this SISP. We  
3 provided them with a draft of the SISP without dates but with -- with the draft of the -- the  
4 body of the SISP, the substance of the SISP, we provided that to them in October the 2nd.  
5 We provided the dates, the proposed dates, on October the 5th, and the lenders then took  
6 no issue with the substance of the SISP. The only issue they took was with the dates. To  
7 the extent possible, we accommodated some of their comments. We changed some of the  
8 dates at their request, but their main ask was that this process be wrapped up by the -- by  
9 early December, and the proposal trustee and the refinancing advisor, who are the experts  
10 in these matters, said, That is simply unworkable. We cannot do that. And that -- there's an  
11 email exchange attached to Mr. Stepanic's affidavit that I'll take you to in a bit, where there  
12 is an exchange between the proposal trustee and lenders' counsel explaining why that was  
13 not possible.

14  
15 Sorry, I am just looking at an email, Sir, which has something to do with the matter we  
16 were discussing earlier. It looks like that email has been received by Tammy so you should  
17 have it -- have that --

18  
19 THE COURT: Yeah, I have -- while you have been talking, I  
20 pulled it up and they are now on my screen but, of course I have not read them.

21  
22 MR. VAN DE MOSSELAER: Yeah, no, fair enough, and I'll walk you through  
23 it.

24  
25 In fact, I'll just tell you now, the only difference -- the only substantive difference between  
26 that amended SISP attached to the order you've just received and what was attached to our  
27 initial application materials was the insertion of a December 12th date, and I'll -- and I'll  
28 come to that. I don't want to jump around too much. I'll come to that and explain  
29 what -- what that is all about and why we wanted to add that. And it's, in part, an attempt  
30 to placate the concerns from the lenders and Tamarack.

31  
32 So, what's telling is that the lenders want the SISP to be completed by early December, but  
33 it's noteworthy that in their materials they don't actually provide a schedule for how we get  
34 from here to there, and the reason for that is because it's just impossible. The proposal  
35 trustee and restructuring advisor have advised the lenders that's simply not feasible.

36  
37 So, what we have done, hopefully as a way of a compromise -- and what we would like to  
38 do is insert that December 12th date in the SISP for prospective bidders to provide a non-  
39 binding LOI by December the 12th. So, by December the 12th, we will be able to  
40 demonstrate progress in this process. Other dates in the SISP are unchanged, including the  
41 need to provide final bids by January the 8th.

1  
2 THE COURT: I am just going to -- just going to interrupt you.  
3 The concept would be if you do not file -- if you do not submit a non-binding letter of  
4 intent, you cannot bid.  
5  
6 MR. VAN DE MOSSELAER: Right.  
7  
8 THE COURT: Got it.  
9  
10 MR. VAN DE MOSSELAER: That's exactly right. I mean, it's all -- no, there  
11 is -- I'll -- to be clear, there is -- the proposal trustee and the restructuring advisor have  
12 discretion under the SISP to do whatever needs to be done to make sure that the process is  
13 run efficiently and that there are bids that are available. So, if something unforeseen  
14 happens or if some bid comes out of the blue, which is fantastic, they have the overriding  
15 discretion to make those changes but, you're right, that's the way the SISP is drafted, that  
16 you have to provide a non-binding LOI by December the 12th and only then would you  
17 have the ability to make a final bid by January the 8th.  
18  
19 THE COURT: And the same deadline would apply to the -- to  
20 the creditors if they wanted to make a credit bid?  
21  
22 MR. VAN DE MOSSELAER: Right.  
23  
24 THE COURT: Okay.  
25  
26 MR. VAN DE MOSSELAER: Yeah.  
27  
28 THE COURT: I understand.  
29  
30 MR. VAN DE MOSSELAER: So, I'd like to walk you through the highlights of  
31 the Stepanic affidavit and the form of SISP we are seeking to have approved today, and  
32 provide an explanation for why legally that the court ought to grant this order.  
33  
34 So, I have the -- I'm looking at the October 10th affidavit of Mr. Stepanic.  
35  
36 THE COURT: Yeah, I have it.  
37  
38 MR. VAN DE MOSSELAER: And I would like to begin at paragraph 7. I  
39 won't -- I'm not going to walk you through this in a great deal of detail but just touch on  
40 the high -- highlights.  
41

1 So, paragraph 7, Mr. Stepanic says that A & M Corporate Finance was -- was engaged, and  
2 that this is a different process from the process that was -- had been run by the company  
3 earlier this year. Now, I took you to the excerpt from Justice Johnston's decision on  
4 September the 22nd, and that's reproduced at paragraph 7 of Mr. Stepanic's October 10th  
5 affidavit.

6  
7 What I would also like to take you to, just so we're all clear on what the evidence is on this  
8 point -- because apparently it's a -- it's an important point. Exhibit A to Mr. Stepanic's  
9 October 10th affidavit is the body of his September -- what's the date? September 14th  
10 affidavit. Are you able to find Exhibit A to the October 10th affidavit, Sir?

11  
12 THE COURT: Yeah, I am there. It is just it has so many filing  
13 pages I am trying to get down to --

14  
15 MR. VAN DE MOSSELAER: Yeah, I know --

16  
17 THE COURT: -- the (INDISCERNIBLE).

18  
19 MR. VAN DE MOSSELAER: -- I know. We are looking for paragraph 45.

20  
21 THE COURT: Okay. So, I have the affidavit and I will try to get  
22 to paragraph 45 here. This is something I did not read before.

23  
24 MR. VAN DE MOSSELAER: That's fine. I think this is the only paragraph  
25 we're going to be looking at.

26  
27 THE COURT: Okay, I am there.

28  
29 MR. VAN DE MOSSELAER: So, this is the evidence before Justice Johnston  
30 with respect to the very issue that Mr. Maslowski raised, which is, this has all been done  
31 before so let's not waste our time. And Mr. Stepanic, at the September 22nd  
32 application -- this is his evidence: (as read)

33  
34 Importantly, at the time --

35  
36 This is earlier in 2023 when Imperial and ARCO (INDISCERNIBLE) have engaged: (as  
37 read)

38  
39 At the time, the Griffon entities did not explore any refinancing or  
40 takeout of the lenders. The Griffon entities have only now, within  
41 the context of these proposal proceedings, retained the refinancing

1 advisor to assist them to locate, negotiate and finalize a transaction  
2 to right size the applicant's current capital structure and refinance  
3 their obligations to the lenders.  
4

5 So, this is a new process that we're talking about, and that's what Justice Johnston found  
6 on September the 22nd.  
7

8 Now, if we can go back to the -- sorry.  
9

10 THE COURT: Sorry. What was it they did before this? Just try  
11 to sell the assets?  
12

13 MR. VAN DE MOSSELAER: They were looking for other -- other sources of  
14 capital but none that would take out the lenders. They were -- and that was actually the  
15 problem, is that nobody wanted to come in behind the lenders.  
16

17 THE COURT: I see, okay.  
18

19 MR. VAN DE MOSSELAER: Now, if we can go back to the main body of the  
20 October 10th affidavit, paragraphs 8 and 9, Mr. Stepanic talks about how the transaction  
21 agent, A & M Corporate Finance, was engaged and that the SISP was developed in  
22 consultation with A & M and that they will solicit an asset transaction or a refinancing  
23 transaction or some combination of those two.  
24

25 Paragraph 11 is the -- sets out the schedule that we are proposing for this SISP. The only  
26 difference now, as we discussed a moment ago, is the insertion of a December 12th date as  
27 the date for non-binding LOIs. That will allow the company and the transaction agent to  
28 demonstrate progress at that date.  
29

30 The process is to kick off one week from today. You can see October 25, one week from  
31 today is when the SISP will kick off, and that will give the transaction agent time to prepare  
32 the marketing materials and the teaser that needs to get sent out.  
33

34 Paragraphs 13 and 14, Mr. Stepanic says that there would be a list of prospective bidders  
35 which will be developed and a teaser sent out with publications in the appropriate  
36 publications.  
37

38 And paragraphs 14, 15 and 16 describes how non-disclosure agreements will be provided.  
39 Parties who execute those will be given access to the data room. So, that's all going to  
40 happen over the next week. That's a lot of work to do in a week and, in fact, that's one of  
41 the dates that we accepted the lenders' pushback on. We initially had that date as November

1 the 1st because there's a lot of work to do. We moved that at their request to October 25th.  
2 And then once the parties have accessed the virtual data room, they would have until  
3 December 12 to provide their non-binding LOIs with final bids by January the 8th.  
4

5 Now, let's talk about some practical realities here because we live in the real world. The  
6 practical reality is that October 25th, one week from now -- what the -- what the lenders  
7 were proposing, the 30-day due diligence period after that time, which takes us squarely  
8 into US Thanksgiving. US Thanksgiving is at the end of November. And that impacts our  
9 teaming as does, of course, the Christmas break in December.

10  
11 And that's why we're saying that, as Mr. Stepanic says at paragraph 20 of his affidavit : (as  
12 read)

13  
14 Qualified bids which need to be received by January the 8th after  
15 the Christmas break will be assessed, compared and either a  
16 superior bid selected or a (INDISCERNIBLE) auction will be held  
17 by January the 24th and then subject to court approval its  
18 successful bid will be selected and an application brought to court  
19 for approval late January or early February with closing to happen  
20 as soon as possible thereafter.

21  
22 Paragraphs 24 and 25 of Mr. Stepanic's affidavit notes that the SISP timelines that we've  
23 just run through, and which are set out in that table, have been developed in close  
24 connection with the transaction agent and the proposal trustee, the parties who have the  
25 expertise in these matters. As I noted, a draft of the SISP was provided to the lenders and  
26 to Tamarack on October the 2nd. We received no comments back.

27  
28 Dates, proposed dates, were provided on October the 5th. The lenders said they wanted  
29 some of the dates abridged. We accommodated to some extent, to the extent we were able.  
30 It's simply not possible to complete this SISP by early December as they have requested.

31  
32 Now, let's look at paragraph 26 of Mr. Stepanic's affidavit, Sir, because this really, I think,  
33 is the nub of the issue, and I think his evidence bears noting at paragraph 26 if you have  
34 that in front of you.

35  
36 THE COURT: Yeah.

37  
38 MR. VAN DE MOSSELAER: Mr. Stepanic says the following: (as read)

39  
40 The applicants are of the view that the timelines set out in the SISP  
41 are appropriate and will allow interested parties to participate in

1 the SISP in a fulsome manner. The timelines in the SISP were  
2 developed with the advice of the transaction agent regarding the  
3 time it needed to properly develop the teaser and establish the  
4 VDR, and the time that third parties would require to due diligence  
5 the various potential transaction structures permitted by the SISP.  
6 I have been advised by the transaction agent that the due diligence  
7 process for a refinancing transaction is typically more extensive  
8 and lengthier than the due diligence process for an asset  
9 transaction --

10  
11 That's the point I made earlier: (as read)

12  
13 -- or a share transaction and, as a result, must be reflected in the  
14 timelines established under the SISP. The transaction agent has  
15 advised the applicants that a more abbreviated timeline would risk  
16 compromising the process and eliminating some parties who  
17 might otherwise be interested in making a bid under the SISP.

18  
19 If I can ask you to turn to -- to find Exhibit D to Mr. Stepanic's affidavit --

20  
21 THE COURT: Yeah, I am there.

22  
23 MR. VAN DE MOSSELAER: -- this is the email I mentioned earlier. This was  
24 the email exchange between lenders' counsel and the proposal trustee. So, we had a call on  
25 October the 5th I believe -- it might have been the 6th but I think it was the 5th. And the  
26 next day, Ms. Fellowes provided this email, circulated this email to a group of people, and  
27 then the proposal trustee responded.

28  
29 And amongst the things that they have -- if you look at the second page of that exhibit and  
30 hopefully you -- yours should be in colour. You'll note that the black text is Ms. Fellowes'  
31 email, the red text is the response from the proposal trustee.

32  
33 So, point number 1, you'll see right at the bottom of that red block there's a reference to the  
34 October 25, 2023 date. So, that's what I said earlier. We -- we actually compromised on  
35 that date, and we said, Fine, we'll move that date from November 1 to October 25.

36  
37 But then at paragraph 2 of that email, Ms. Fellowes asked that the due diligence period  
38 should be 30 days maximum, and the last half of that response from the proposal trustee,  
39 if you see a phrase that starts with "setting on NDA terms".

40  
41 THE COURT: Settling.

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MR. VAN DE MOSSELAER: Settling, thank you.

THE COURT: I got it.

MR. VAN DE MOSSELAER: Take -- takes time with the point, and they go on. They explain why 30 days just doesn't work. Thirty days will simply set this process up for failure, which, by the way, is completely what the lenders are hoping to achieve here, and I'll come back to that if you'd like. But that's -- that's the problem. It simply sets the process up for failure. It wouldn't give prospective lenders enough time to do due diligence. It wouldn't give them an opportunity to go to their credit committees, and it would simply provide a massive disincentive to anyone to participate, especially -- let's look at these dates. Especially because 30 days takes us right to US Thanksgiving. So, they're saying, Let's have 30 days, which takes us from October the 25th to November the 24th, US Thanksgiving weekend, and then to close -- to finish this process by early December, we're supposed to get final bids, get court approval, complete definitive documents, get regulatory approval and close the transaction all in 2 weeks. It's -- it's just not workable obviously. And -- which is why the lenders happen -- in their materials provided a schedule because they know it's unworkable.

So, the only option here is the one that we are proposing, which is, provide sufficient time for due diligence for participants, work around the Thanksgiving and Christmas holidays, and have final bids by January the 8th, first thing in the New Year.

Now, let me address some of the issues raised in Mr. Gallagher's affidavit, which he swore yesterday, and, quite honestly, I -- -- his affidavit is really irrelevant to this application. I think it's all really set up to address our stay extension application, which is scheduled for November the 8th, but I don't want to make it seem like we haven't taken issue with what he's saying in his affidavit. If you have that affidavit available to you, Sir?

THE COURT: Yes, I have it in front of me.

MR. VAN DE MOSSELAER: Thank you.

THE COURT: I am just thinking to myself if you have a date of November 8th, you might be back with me, I think.

MR. VAN DE MOSSELAER: No, I think we're -- well, we're booked in Calgary on November the 8th.

THE COURT: Oh, okay. Okay, that is fine.

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MR. VAN DE MOSSELAER: So, paragraphs 14 to 17 -- this is the point we touched on earlier but Mr. Gallagher raises it again in his affidavit. Paragraphs 14 to 17 Mr. Gallagher discusses the previous Imperial and ARCO refinancing efforts, which we've already seen. Justice Johnston specifically found were a different process from the one that we're proposing now, and we've already looked at Mr. Stepanic's evidence on that point. It's a different -- it's a different process that we're proposing today, with a different objective.

Paragraph -- paragraphs 20 -- this is -- this is an interesting point. Paragraphs 20 to 35 of Mr. Gallagher's affidavit talks a lot about the valuation of their collateral and the issue here, in a nutshell, is that the lenders are massively overcollateralized and that's really the -- the nub of this problem and why they want this process to fail, because they know they're going to get their money back and they don't really care about anybody else. I don't blame them. I mean, if I was in their shoes I would not care about anybody else either. But that's this jobs -- this court's job.

And the problem that they have is that they've actually made a mathematical calculation error. They -- they, first of all, point to the average trading price of the Greenfire shares on the New York Stock Exchange and say that they only have a value of \$28 million. Well, they'd have to do some pretty interesting arithmetic to get to that number, but --

THE COURT: I am not sure where you are right now.

MR. VAN DE MOSSELAER: Okay.

THE COURT: Paragraph?

MR. VAN DE MOSSELAER: Paragraph -- paragraph 28. Sorry, 27 actually.

THE COURT: Okay. I see 506, okay.

MR. VAN DE MOSSELAER: So, they say that based on the average -- you have that in front of you, 27?

THE COURT: Yeah.

MR. VAN DE MOSSELAER: (as read)

Based on the average price of the new Greenfire shares of 5.06 USD per share, the pledged securities are currently worth only

1 approximately \$28 million US.

2  
3 Well, I'll just point out that the Greenfire shares closed at over \$6 today but let's set that  
4 aside for a moment. Let's assume that we agree with their numbers - we don't, but let's  
5 assume we do - so \$28 million US for the Greenfire shares, based on their interesting  
6 mathematics. Paragraph 28 they say the GPOC assets over which they first charged security  
7 over \$13 million US. Mr. Stepanic, in his evidence, says they're worth 25 to \$30 Canadian,  
8 so we have a currency conversion issue here, but let's assume -- let's assume we agree with  
9 that number. We don't. That's worth \$13 million US dollars, about 18 million Canadian. I  
10 did the math earlier.

11  
12 So, they say, Well, look, that's only \$41 million so we have very little cover. But what they  
13 forget is there's a -- and they actually mention it in their own affidavit at paragraph 23 that  
14 in addition to the Greenfire shares and the GPOC assets, Spicelo is entitled to a \$6.6 million  
15 US dividend. So, all in, their collateral, based on their numbers, is \$47.6 million, and they're  
16 owed 38.

17  
18 THE COURT: And 38 is in Canadian dollars?

19  
20 MR. VAN DE MOSSELAER: No, 38 US -- \$38 million US.

21  
22 THE COURT: Okay.

23  
24 MR. VAN DE MOSSELAER: And then they go on at paragraphs 30 to 32 to  
25 rely on a bunch of third-party hearsay evidence about the volatility of energy markets and  
26 information from some mysterious potential purchaser about damage to the GPOC assets,  
27 all in an effort to undermine the value of their own collateral, which is an interesting  
28 approach, particularly when we are on the -- hopefully on the eve of a sales process.

29  
30 But my -- my point, Sir, is that this evidence should be entirely disregarded. It's really got  
31 nothing to do with today's application. We have a serious bust in their own evidence  
32 because, on their own numbers, their collateral is worth \$48 million and they're owed 38  
33 million. So, there's probably some interesting fodder here for the November 8th stay  
34 application, but it has no bearing, I submit, on the approval of the SISF that we're seeking  
35 today.

36  
37 Unless you have any questions about any of that, Sir, I'm going to just touch very quickly  
38 on the law around this, and -- and then make some concluding comments. We haven't  
39 provided a brief because the law on this is pretty -- pretty clear and I'm sure well known to  
40 Your Lordship.

41

1 The -- it's clear that the courts have jurisdiction under section 65.13 of the *BIA* to approve  
2 a sales process. That section, like the equivalent section in the *CCAA*, is the sale approval  
3 section. Now, we're not here today seeking approval of a sale. We're here today seeking  
4 approval of a sales process, but the courts have said, if we have the ability to approve a  
5 sale, surely we have the ability to approve a sales process. So, there's your jurisdiction.  
6

7 The *Danier Leather* case, the cite for which is 2016 ONSC 1044, the court confirms that it  
8 has the jurisdiction under the *BIA* under section 65.13 to approve a sales process. Now, that  
9 case was a stalking horse bid. Ours is not. So, in that case they were actually looking to -- or  
10 they were actually considering approval of an actual sale, the stalking horse sale. But the  
11 important point for today's purposes, Sir, is that in that case, the court says the following,  
12 for the reasons why it approves the sales process: (as read)  
13

14 The SISP is reasonable in the circumstances as it is designed to be  
15 flexible --  
16

17 I should have added this is at paragraph -- starting at paragraph 36: (as read)  
18

19 The SISP is reasonable in the circumstances as it is designed to be  
20 flexible and allows parties to submit an offer for some or all of  
21 Danier's assets, make an investment in Danier or acquire the  
22 business as a going concern. This is all with the goal of improving  
23 upon the terms of the stalking horse agreement.  
24

25 We don't have we don't have a stalking horse agreement. (as read)  
26

27 The SISP also gives Danier and the proposal trustee the right to  
28 extend or amend the SISP to better promote a robust sales process.  
29

30 That's exactly our situation with the exception of the stalking horse portion. (as read)  
31

32 The proposal trustee and the financial advisor support the SISP  
33 and view it as reasonable and appropriate in the circumstances.  
34

35 That is also our situation. (as read)  
36

37 The duration of the SISP is reasonable and appropriate in the  
38 circumstances having regard to Danier's financial situation, the  
39 seasonal nature of its business and the fact that many potentially  
40 interested parties are familiar with Danier and its business given  
41 their participation in the 2015 solicitation process ...

1  
2 So, I submit, Sir, that the same can be said of our process. It is not a lengthy process. We're  
3 looking at final bids January the 8th and we are now in mid-October. That is not that far  
4 away and we have to navigate two major holidays in the process.  
5

6 In conclusion, Sir, I'll just make a few final observations. The stay was extended on  
7 September the 22nd by Justice Johnston to permit the company to run a SISP. One of the  
8 things that she did on September the 22nd was approve the engagement letter that the  
9 company entered into with the restructuring advisor. The proposed SISP was developed in  
10 conjunction with the proposal trustee and with A & M Corporate Finance, who are the  
11 parties who have the expertise in these matters.  
12

13 We consulted with the lenders and with Tamarack in the development of the SISP. The  
14 only meaningful feedback we received was to -- was to complete the process by early  
15 December, which, for the reasons I have explained, A & M has said is simply impossible.  
16 We received no feedback, zero, on the substance of the SISP. The SISP establishes a  
17 flexible process and the timeline proposed will see final bids by January the 8th with the  
18 process completed by early February is a timeline that has been developed with -- with the  
19 experts in this field and with this court's officer. It is reasonable and calculated to be  
20 successful, while the process proposed by the lenders is intended to scuttle the process so  
21 that they can then swoop in, enforce against their collateral, and in the process destroy  
22 millions of dollars of value, which would otherwise accrue to other stakeholders.  
23

24 Finally, the process SISP is supported by this court's officer who is recommending that the  
25 SISP be approved and implemented and it -- at paragraph 27 of the proposal trustee's  
26 report -- I won't take you there because I'm sure the proposal trustee's counsel will do so.  
27 They -- the proposal trustee sets out a number of reasons why it is supporting the SISP and  
28 recommending that it be approved and implemented.  
29

30 Those are all of my comments, Sir, unless you have any questions.  
31

32 THE COURT: Well, my question, which I will likely ask of  
33 everybody, or at least invite submissions from everybody, is, do I have the jurisdiction to  
34 modify the SISP? That is what is on my mind. I recognize that the deadlines being proposed  
35 by the lenders are not ones which are recommended by the trustee and so that would be a  
36 factor for sure, but will I -- do I even have the jurisdiction to approve the SISP as put  
37 forward by the company and its trustee but change the dates? Or --  
38

39 MR. VAN DE MOSSELAER: Yeah.

40  
41 THE COURT: -- I just have a "yes" or "no" question. I

1 approve --

2

3 MR. VAN DE MOSSELAER: (INDISCERNIBLE).

4

5 THE COURT: -- what is put before me or I do not. I am curious.

6 I cannot -- I can totally imagine all of your -- I think I have heard your submissions about  
7 why I should not change the dates, but can I? That is what I am wondering about.

8

9 MR. VAN DE MOSSELAER: You know, I'm -- I'm always loathe to tell a court  
10 that it cannot do something. I suspect you have broad discretion. I would strongly urge the  
11 court not to do that for a host of reasons, including the ones I mentioned, but also because  
12 we may end up, you know, if Your Lordship were to start picking other dates, we may just  
13 end up in a situation where it's just -- it's unworkable. I mean, these dates are not just picked  
14 out of thin air. They -- they're picked for a reason. So, I -- I suspect you have the jurisdiction  
15 to do that, but it may create serious difficulties on our end trying to implement it.

16

17 THE COURT: Okay. All right, thank you. So, then anyone else  
18 who wishes to speak in favour of the SISP, and that might be Mr. Kashuba first but I am  
19 happy to hear from anybody in any order. What happened to Mr. Kashuba? Oh, there he  
20 is.

21

22 MR. KASHUBA: Good afternoon, My Lord. And, yes, Kyle  
23 Kashuba of Torys. We're counsel to the proposal trustee. We are supportive of the SISP  
24 and the submissions that were advanced by Mr. Van de Mosselaer. We can get into the  
25 second reporting proposal trustee now or we can wait until after all parties have been able  
26 to put their positions on the record. I'm in the court's hands as to which direction you'd like  
27 to go in, Sir.

28

29 THE COURT: All right. Geez, I think you might as well do it  
30 now but --

31

32 **Submissions by Mr. Kashuba**

33

34 MR. KASHUBA: Very well, Sir. Yes, so, the proposal trustee,  
35 Alvarez & Marsal Canada Inc., since the September 22nd stay extension hearing has been  
36 working very closely with companies and their legal counsel and advisors including A &  
37 M Corporate Finance.

38

39 Now, the terms of the SISP and the timelines contained therein are -- they're not arbitrary  
40 as Mr. Van de Mosselaer had mentioned, and they're not inconsequential. They were  
41 carefully crafted based on the experience and acumen and past sales investments processes

1 that were undertaken by the restructuring advisor.

2  
3 As Mr. Van de Mosselaer mentioned -- and I don't want to get into every detail of the SISP  
4 but it is all in the materials set out before you, both in Mr. Stepanic's affidavit and the  
5 proposal trustee's second report, but that SISP was provided to counsel to Signal, Trafigura  
6 and Tamarack on October 2nd, and that was a SISP but without deadlines. On October 5th,  
7 3 days later, the deadlines were also provided.

8  
9 Our office attended on a video call with Ms. Fellowes, as well as Mr. Van de Mosselaer  
10 and the proposal trustee, A & M Corporate Finance, the next day, October 6th. We went  
11 over why the proposal trustee was supportive of those deadlines, the timelines, and we  
12 invited further commentary. There was a proposal trustee here. We are the court's officer.  
13 They're here to listen to input from any interested stakeholder. The secured lenders are  
14 obviously very important in this process so their commentary and suggestions were  
15 considered carefully.

16  
17 We heard from Tamarack's counsel last Friday - that's October 13th - that there was a  
18 (INDISCERNIBLE) email. There was no call with our office but I did discuss this with the  
19 proposal trustee. They asked for a December 1st bid due date, which allowed for a court  
20 appearance in early January.

21  
22 We considered that the proposal trustee through its counsel and advisors and with the  
23 consultation with A & M Corporate Finance, and it was determined that, unfortunately, as  
24 much as we'd like these processes to be quicker, to be faster, that would not adequately  
25 canvass the market and would potentially dissuade interested investors or purchasers from  
26 participating in the process.

27  
28 It's the proposal trustee's position, as a consequence, that it's in the best interests of the  
29 companies and their stakeholders, including lenders, tend to take the restructuring process,  
30 as well as the SISP, on the terms that are being proposed today. The SISP -- that has  
31 provided the greatest flexibility and opportunity for companies to solicit, select and  
32 institute a transaction, and that could be a refinancing transaction, a reorganization  
33 transaction, a recap or any other form of restructuring.

34  
35 So, to answer My Lord's question about whether the court has the ability to amend those  
36 deadlines, it -- I -- I have seen it done. It's not oftenly done. It's -- I believe some of the  
37 concern would be, Well, are we writing a contract and, of course, there's  
38 (INDISCERNIBLE) substantial case law about whether a court should, or when they  
39 should intervene to rewrite a contract. This is not the same but -- this is a SISP but it does  
40 have important, nonarbitrary and consequential dates that have been arrived at through  
41 discussions with the court officer, as well as restructuring advisor with significant

1 background in these sorts of proceedings.

2  
3 These timelines -- there'll never be a one-size-fits-all schedule. There will not be consensus.  
4 There -- there's rarely even an agreement on best dates or timelines between any of the  
5 parties. In this case, the proposal trustee wanted to seek inputs from all stakeholders, and  
6 the proposal trustee is an impartial court officer, wanted to advise the court through its  
7 report and our submissions today, what is the SISP that is most likely to be successful?  
8 And it's our submission that this SISP is -- it's fair and it's transparent. It involves the least  
9 prejudice to any party, and it's our submissions included in the conclusion to the proposal  
10 trustee's report there is no material prejudice for any stakeholder. The restructuring advisor  
11 has considerable experience and that is why they were engaged, why they were consulted  
12 and why the deadlines that they propose were picked.

13  
14 I -- I can give a little bit more colour to the first process that was undertaken by the company  
15 prior to the NOI, if it pleases the court. So, I think there's a couple of important notes, so is  
16 this a re -- a second kick at a can of the same marketing process? It is not, and that was the  
17 submission that was accepted by Madam Justice Campbell at the most -- or Madam Justice  
18 Sidnell that is, at the September 22nd hearing.

19  
20 Re NOI, it's from the last 11, 12 months. The company was targeting a shorter list of capital  
21 advisors that could provide incremental capital to assist with drilling, to fund growth, to  
22 assist with possible equity or selling of a royalty or even a farm-in partner or some sale of  
23 these (INDISCERNIBLE) transaction. This is a process conducted by Imperial. They're an  
24 NY -- New York-based institution, as well as ARCO. It's a Calgary-based company. The  
25 (INDISCERNIBLE) dozens of parties. I think there was nearly 50 that were approached.  
26 In this case, the restructuring of (INDISCERNIBLE) service approaching -- and intends on  
27 approaching upwards of 300 parties. It's a -- it's a broader testing of the market based on a  
28 different list of prospective purchasers or investors.

29  
30 What happened last time versus this time? Well, this time Spicelo transaction -- that's the  
31 one that has to deal with the Greenfire shares. That -- that wasn't a part of the process  
32 before. It is now. Previously the refinancing of the secured creditors was not on the table.  
33 It -- it is now. So, it is a very different SISP that is being contemplated. It's more  
34 comprehensive, in our submission, as it might involve an asset transaction, a share  
35 transaction or a refinancing transaction, and those different transactions and the proposal  
36 trustee's position and views are set out in paragraphs 17 to 27 of the second report.

37  
38 What else is different? This time around there is a formal process. We're in a notice  
39 intention proposal proceeding. We have the benefit of the court officer, Alvarez & Marsal,  
40 the proposal trustee, and we also have a different market.

41

1 When the previous SISP was being undertaken to the sale process, it was in, I think,  
2 November of last year. Today we're dealing with -- the WTI is around \$88, so it's a different  
3 commodity pricing environment as well. So, it's -- it's very difficult to compare one SISP  
4 to another. This is a very different set of circumstances under the auspices of the  
5 *Bankruptcy and Insolvency Act* with different actors and potential investors involved.  
6

7 So, Sir, those are the position and the submissions of the proposal trustee. I am happy to  
8 answer any questions to address any further comments by my friends, or to provide some  
9 further information if you like, Sir.  
10

11 THE COURT: Okay. Thank you, Mr. Kashuba. Anyone else  
12 present who would like to speak in favour of the proposed order?  
13

14 **Submissions by Mr. Gorman**  
15

16 MR. GORMAN: Your Honour, Howard Gorman here and I'm  
17 speaking now on behalf of Steel Reef Infrastructure. I believe they were the largest  
18 unsecured creditor with respect to the list provided by the proposal trustee. And I'm kind  
19 of the meat in the sandwich here because I was afraid your next question was going to be,  
20 Who opposes it? Steel Reef doesn't support it, nor oppose it, because what's in front of you  
21 today still leaves uncertainty with respect to the Steel Reef. They're the processing facility  
22 for virtually all of the Western Canada assets. That's everything other than the Greenfire  
23 shares. The -- whoever acquires these assets needs our facility. It's just the physical reality  
24 of it.  
25

26 Quite frankly, the facility needs the input from these production assets as well, so while we  
27 are not opposing the SISP process, what's unknown to us is what they purport to do with  
28 our agreements, their long-term agreements, for significant amounts more than the million  
29 four pre-filing amounts, so we -- we just want to have on the record that being silent with  
30 respect to the SISP process doesn't mean we blindly accept how they purport to treat with  
31 us with any purchaser, we will care who the counterparty is. We will care that they are  
32 financially capable of supporting the assets going forward. We will care that the arrears are  
33 cleaned up, et cetera. That's not for today, but our silence today doesn't mean we accept  
34 whatever might be in the -- in the data room for whatever date the -- the LOIs come in.  
35

36 THE COURT: Thank you, Mr. Gorman. So, you are neutral. But  
37 I am still -- and I am happy to hear from you on that point, so why do I not open it up to,  
38 say, anybody who wants to speak either in favour of or neutral to the proposed order, I  
39 would be happy to hear from you.  
40

41 Okay. Well, then I think -- oh, I think that takes us back to Ms. Fellowes probably. So, Ms.

1 Fellowes, I am happy to hear your submissions now.

2

3 MS. FELLOWES: Thank you, Justice Dunlop. I am mindful of the  
4 time. I know this was originally booked for a 1 -hour application. How is the court's  
5 availability?

6

7 THE COURT: I am fine the rest of the afternoon. I will take a  
8 break at some point but perhaps not just yet.

9

10 MS. FELLOWES: All right. That -- that was going to be my next  
11 question because I do have some submissions to make. I -- I hope they won't be more than  
12 half an hour but I expect they will be around 30 minutes, so I'm in your hands if the court  
13 wants to take a brief break.

14

15 THE COURT: Let me ask the clerk. Mr. Clerk, are you okay to  
16 carry on for another 30 to 45 minutes?

17

18 THE COURT CLERK: Yes, Sir, I'm okay.

19

20 THE COURT: Thank you, okay. Go ahead, Ms. Fellowes.

21

22 **Submissions by Ms. Fellowes**

23

24 MS. FELLOWES: Excellent, thank you so much.

25

26 I'll begin with maybe just a little bit of a level setting here. It's important to note that the  
27 court always has the jurisdiction and ability to control its own process, and I don't think  
28 there's any doubt that the court has the ability to consider the draft SISP that is being  
29 proposed and to make any changes to it as might be necessary in order to fit the court's  
30 view of what is right in these circumstances.

31

32 I don't really understand Mr. Kashuba's reference to amending a contract. This is clearly a  
33 document which is being put forward for approval by the court as a recommended process,  
34 but the court always has the jurisdiction to control its own process.

35

36 In terms of interested parties and balancing the interests of parties, I also think it's important  
37 to -- to level set here about who the parties are and their relative interests in these  
38 proceedings. Mr. Van de Mosselaer made the surprising statement that my client is  
39 interested in scuttling this whole process. My client is owed over \$51 million. The GPOC  
40 assets, which is really what we're talking about here today, is a sales process for the GPOC  
41 assets, at their best, are worth about \$40 million Canadian. My client thinks that they might

1 be worth much less and is very concerned about the value dropping during this extended  
2 process.

3  
4 So, even if the GPOC assets sold at its highest rate, it still doesn't solve my client's claim.  
5 There's going to be -- it's just part of the bigger puzzle here. But my client definitely wants  
6 these assets sold. They want them sold for a good price, but not at the expense of creating  
7 a process where they sit by on the sidelines and see the value of their collateral substantially  
8 prejudiced and deteriorated, and that's why I want to go through some of the evidence in  
9 Mr. Gallagher's affidavit.

10  
11 Now, a lot has been said both by counsel for the proposal trustee and counsel for the  
12 applicants about these previous sale processes that were run and, indeed, I think that's an  
13 important evidentiary point for the court to consider.

14  
15 Mr. Van de Mosselaer spoke to a transcript of Mr. -- of, sorry, of Madam Johnston's  
16 decision back on September 22nd. Now, keep in mind that application was simply for a  
17 45-day extension of the stay period and for some court-ordered charges in -- in the way of  
18 admin charges and D&O charges. The D&O charge was not allowed, the admin was, and  
19 there was some provision made for payment to pre-final suppliers.

20  
21 Mr. Van de Mosselaer pointed to a paragraph in Mr. Stepanic's affidavit wherein Mr.  
22 Stepanic makes the statement that the previous sale processes that were undergone back in  
23 early 2023 were very different than this one because this one that is contemplated includes  
24 a debt refinancing and the previous sales processes only related to raising capital for  
25 drilling expansion and other proposals.

26  
27 Importantly, the actual sales process materials were not before the court back on September  
28 22nd but today they are. So, I'm going to take you to Exhibit A to Mr. Gallagher's affidavit.

29  
30 THE COURT: Yeah, I am there. It is a slide deck I think.

31  
32 MS. FELLOWES: It is. There are two slide decks, in fact, My Lord.  
33 The first one --

34  
35 THE COURT: Oh, wait a minute. Sorry, sorry, sorry. I screwed  
36 up here. I am in Mr. Stepanic's affidavit. I should have been in Mr. Gallagher's affidavit.

37  
38 MS. FELLOWES: Yes.

39  
40 THE COURT: Right. Okay, I am with you now.

41

1 MS. FELLOWES: Okay, thank you. There are actually two slide  
2 decks in Exhibit A, and the first one is from March of 2023 from Imperial Capital, and it's  
3 about 10 pages long, but you'll see there that there is -- if you just do a quick flip through,  
4 you'll see that there is a standard description of the assets and the opportunity, including  
5 the management team, some financial information and forecasts, et cetera, and economics.

6  
7 So, that was the Imperial process but, more important, I think, is the one that was completed  
8 one month later in April of 2023, and that is the process from ARCO, and that is located  
9 at -- I'm going to take you actually to page 20 of Exhibit A, which is page 30 of the PDF  
10 of Mr. Gallagher's affidavit. And you'll see there -- I hope you have the same page, Sir. It  
11 is an executive overview.

12  
13 THE COURT: Yeah.

14  
15 MS. FELLOWES: And you will see there, there is a number of  
16 approaches set out and the second approach that's mentioned is a debt refinancing, option  
17 1, refinance the existing \$45 million term loan. That's my client's loan, in order to access  
18 cheaper cost of capital and stretch (INDISCERNIBLE) to help fund a development plan.

19  
20 So, Mr. Stepanic's affidavit that was before Justice Johnston on September 22nd did not  
21 include reference to this particular material. He said there was no debt refinancing option  
22 on the table back when ARCO did their sales process in April of 2023, and that's just  
23 incorrect. The debt refinancing option was on the table, and if you, in fact, turn two pages  
24 forward, you will see there's a separate page that specifically refers to the debt refinance or  
25 new senior bridge option. And, interestingly, I think, as sort of in the middle of the -- or  
26 the bottom of the left-hand side of the page, there's a column called "Timeline", and you'll  
27 see at the bottom of that, there's a reference to 60 to 90 days in total from launch to close  
28 of transaction. So, this is very different from the evidence you've heard that a debt  
29 refinancing transaction was not on the table previously, and that a debt refinancing  
30 transaction would take longer to complete than what is being -- than what the lenders were  
31 proposing.

32  
33 In fact, what's on the table before the court today, Justice Dunlop, is way longer than a 60  
34 to 90-day term from launch to close of transaction. In fact, what's being proposed by the  
35 debtors today is a -- almost a 3-month process which will only take us to court approval,  
36 not, in fact, to closing of the transaction.

37  
38 There is reference been made to consultation with the lenders, and I think this is an  
39 important point. There's consultation and then there's meaningful consultation, and I think  
40 when the proposal trustee says that in response to the concerns expressed by the lenders,  
41 they agree to modify the dates. What they actually did was they agreed to move up the

1 deadline for distribution of the teaser from November 1st to October 25th. So, 5 days.

2  
3 Now, it should be noted that the restructuring advisor has been engaged since September  
4 22nd, so they've had several weeks already to prepare these materials and, of course,  
5 they've had the benefit of the previous materials prepared by Imperial Oil and  
6 ARCO -- sorry, Imperial and ARCO. So, that was the big session from the proposal trustee  
7 and the applicants in response to the lenders' concerns. They agreed to move up the teaser  
8 date by 5 days.

9  
10 What they completely failed to take into account were any of the lenders' legitimate  
11 concerns about an extended sales process as it relates to adverse effects of weather and as  
12 it relates to adverse economic conditions relating to deterioration in the value of their  
13 collateral. And I will take you through some of the points in that regard that are contained  
14 in Mr. Gallagher's affidavit.

15  
16 At paragraph 32 of Mr. Gallagher's affidavit there is reference to the fact that the lenders  
17 were recently contacted by an interested purchaser of the GPOC assets where the purchaser  
18 expressed concern about the pending sales process and extension into the winter months.  
19 The evidence is apparently - and this was confirmed in the response from the proposal  
20 trustee - that last winter these particular assets suffered some severe weather events which  
21 resulted in the assets being shut in or inaccessible.

22  
23 The lenders expressed this concern to the applicants and the proposal trustee, and this is  
24 one of the reasons why we don't want this process and the due diligence period extended  
25 all the way into January as we're trying to obviate some of the weather risks involved by  
26 pushing this into the dead of winter. I take Mr. Van de Mosselaer's point about Christmas  
27 holidays and Thanksgiving holidays but, frankly, in the face of my clients' position where  
28 they're owed \$51 million on assets which are worth far less than the amount of their debt,  
29 every penny counts and people can sharpen their pencils and work even over the holidays.

30  
31 THE COURT: I seem to recall the trustee or somebody  
32 responded to this point about bad weather and basically said it happens all the time and we  
33 have built it in. I cannot put my finger on where that is but it is somewhere.

34  
35 MS. FELLOWES: Yeah.

36  
37 THE COURT: Okay.

38  
39 MS. FELLOWES: I -- I think that's a fair summation of their  
40 response, but the fact that these particular assets were so particularly affected just last year  
41 I think is evidence that the applicants and the trustee should take into account.

1  
2 Frankly, My Lord, our concern is that our -- our -- our voices are not being heard, and  
3 because we have the most skin in the game here, we really do believe that the creditors'  
4 concerns and -- and inputs should be properly evaluated and given weight. Creditor  
5 protection in an NOI proceeding is something that allows the creditors to get breathing  
6 room, but it shouldn't be a shield so that the competing stakeholders, including the most  
7 crucial stakeholders, are effectively silenced and their concerns are dismissed, and that's  
8 where my client feels that they are right now. And I'll take you to some of the concerns,  
9 specific concerns of my client because it's not just an emotional response. There's -- there's  
10 actually money concerns behind it and real financial data to underlie their concerns.

11  
12 Okay. First item of financial concern relates to the Greenfire shares, and you will see in  
13 Exhibit B to Mr. Gallagher's affidavit that the Greenfire shares initially opened for public  
14 trading on September 20th at a deemed value of over \$10 US per share. In the last 3 1/2  
15 weeks that price has fluctuated but has sort of settled into an -- there was a high, I think, of  
16 \$7.80 and then it sort of settled into a band of trading between \$4.92 and \$5.98. So, it's  
17 significantly below the \$10.10 opening value, which it was deemed to hold back on  
18 September 20th. So, that's had a real impact on my client's financial position.

19  
20 Mr. Van de Mosselaer notes that my client appears to be overcollateralized. Well, it  
21 depends on how you crunch the numbers but they certainly are very concerned that if they  
22 are overcollateralized it's very thinly, and they are concerned that they are now being  
23 trapped in this 3-month extended process with no ability to control the financial risk if  
24 there's further downward trending with respect to both oil and gas commodity prices and  
25 also the value of the Greenfire shares.

26  
27 My client also notes in Exhibit D of Mr. Gallagher's affidavit that with respect to the cash  
28 flow situation of GPOC boasted 30 percent of the next 4 years' cash flow available for debt  
29 servicing will be generated over the next 6 months, and my client has real concerns with  
30 respect to cash flow for GPOC and the amount of professional fees that are being incurred  
31 here, and the -- in essence, the priming of their collateral and interest.

32  
33 I think in my opening statement I said that we were very surprised to see in the proposal  
34 trustee's second report that in only 5 weeks the professional fees on this file have been  
35 \$500,000. When we got the first 13-week cash flow prepared by the proposal trustee back  
36 in August and it referenced an estimate of \$1.2 million over 13 weeks, we thought perhaps  
37 that must have been an error but, in fact, they are exceeding their forecasted cash flow  
38 requirements in terms of the professional fees being incurred.

39  
40 We have a very real concern that if this is extended out another 12, 13, 14, 16 weeks here  
41 there's going to be millions of dollars in professional fees and, frankly, I don't understand

1 how these professional fees are being -- being incurred. This is not a multimillion -- you  
2 know, this is not a multinational major corporation. Small oil and gas company and a  
3 number of holding companies. The oil and gas company has a small amount of assets and  
4 I think 16 contractors who operate the assets on their behalf. In any event, my client has  
5 real concerns about extending this process because as everyone in an insolvency file  
6 knows, the longer the process goes on the greater the fees.

7  
8 In paragraph 31 of Mr. Gallagher's affidavit, there is some evidence from the chief  
9 economist, Mr. Saad Rahim, of Trafigura - and Trafigura is one of the world's leading oil  
10 traders, oil and gas traders - noting volatility of the commodity markets in the oil and gas  
11 prices. His comments were dated October 9th of 2023 but anyone who reads the papers  
12 or -- or listens to economists lately knows how volatile oil and gas prices can be, and my  
13 clients who are in the business of trading oil and gas are very concerned about potential  
14 downward pressure on commodity pricing. In other words, delay is not in my client's  
15 favour.

16  
17 You've heard some submissions from counsel for the applicants that the scheduled  
18 proposed by my client is simply unworkable or unreasonable. Well, there's really no  
19 evidence of that other than the proposal trustee says, This is what they've done in the past  
20 with other assets, but, with respect, the previous sales processes that have happened in this  
21 case are completely relevant to whether a compressed sales process is appropriate here, and  
22 that's because the sales agent is not reinventing the wheel.

23  
24 They say they're going out to a broader group of constituents this time but really these  
25 assets have been on the market since at least March of 2023, if not before that. They've  
26 been shopped around. There is a potential universe of buyers. A compressed sales process  
27 has been allowed by the court in previous circumstances where the assets have undergone  
28 a pre-filing sales process, and that is what's happened here. Despite the comments that the  
29 previous processes were not applicable because they didn't include a debt refinancing, well,  
30 that's just incorrect, and I showed you the evidence in the ARCO transaction which shows  
31 of the ARCO's pitch deck which showed that a debt refinancing was on the table and was  
32 canvassed at that time.

33  
34 I would briefly like to speak a little bit about the SISP itself and the fact that it does not  
35 include probably the most valuable asset in this whole universe, which is the Greenfire  
36 shares. If you look at page 2 of the SISP, under "Opportunity" --

37  
38 THE COURT: Yeah.

39  
40 MS. FELLOWES: -- you'll see the last sentence says: (as read)

41

1 In all cases, the shares and/or assets at Spicelo shall be limited in  
2 this SISP to a refinancing transaction.

3

4 And in the -- the sentence prior to that says: (as read)

5

6 In no cases shall an asset transaction or a share transaction include  
7 the shares or assets of Spicelo.

8

9 Now, it's important to note that my client is the only party who actually has a secured claim  
10 on the Spicelo assets. The other creditors, including Tamarack Valley, do not have a claim  
11 on the Spicelo assets or the Greenfire shares. The reason that this important body of assets  
12 is not being included as part of a share transaction -- of, sorry, a share sales process is due  
13 to a document that Spicelo entered into unilaterally called a "lock-up agreement" as part of  
14 their arrangement to go public.

15

16 There are statements in the applicants' materials and in the proposal trustee's materials  
17 stating that the lock-up agreement prohibits Spicelo from offering shares for sale for a  
18 period of up to 6 months and, interestingly, the proposal trustee also says that that same  
19 prohibition applies to the secured lenders. We take a very different view of the matter and  
20 say that a secured lender cannot be prohibited from enforcing its security over assets as a  
21 result of a unilateral third-party sales restriction that the debtor entered into and, in fact, a  
22 copy of the lock-up agreement is included as part of the materials before you today, and  
23 we've included --

24

25 THE COURT: Hold it, sorry, sorry. I am just thinking to myself,  
26 so what? I mean, are you suggesting that I amend -- that I approve the sale -- the SISP, but  
27 amend it with -- on this point?

28

29 MS. FELLOWES: No, this isn't before you today, My Lord.

30

31 THE COURT: Okay.

32

33 MS. FELLOWES: I think this is going to be another court  
34 application because we do feel very strongly about our position on this, but it needs fulsome  
35 legal argument. However --

36

37 THE COURT: Thank you.

38

39 MS. FELLOWES: -- I --

40

41 THE COURT: Because I was thinking, boy, I am not sure if I

1 can figure out the puts and takes of that argument.

2

3 MS. FELLOWES: Yeah, yeah, it is going to be -- it's going to be a  
4 very interesting application and we look forward to it. However, the reason I'm -- I'm  
5 pointing it out is I -- I would like to request an amendment to the SISP just very briefly.  
6 On page 2, this last sentence that says: (as read)

7

8 In all cases, the shares and/or assets of Spicelo should be limited  
9 in the SISP to a refinancing transaction.

10

11 I propose to add the following, Except upon further order of this court, because I anticipate  
12 there will be a further court hearing and if the court finds that the Greenfire shares should  
13 somehow either be folded into the SISP or be offered up for sale through a different  
14 process, I want to make sure that that opportunity is still there.

15

16 THE COURT: Okay. Pause for a minute while I just make  
17 myself a little note about that. So, you wanted me to add the words "except for" -- no,  
18 "except" -- what was that again? "Except" --

19

20 MS. FELLOWES: "Except upon further order of this court."

21

22 THE COURT: Okay. I did not want to forget that. And I am  
23 sorry to have interrupted you. I did read the stuff about the lock-up agreement and I really  
24 can only say that I read it.

25

26 MS. FELLOWES: Right. Yeah, I think it's fair to say my clients and  
27 both the applicants and the proposal trustee apparently have differing views of the legal  
28 effect of that document on the secured lenders, but that will probably be a story for another  
29 day.

30

31 THE COURT: Okay.

32

33 MS. FELLOWES: I just want to make sure that there's nothing in  
34 the SISP that doesn't preclude a judge who hears that application from being able to even  
35 modify the existing SISP or feel constrained to make any orders with respect to the sale of  
36 the Greenfire shares.

37

38 Counsel for the applicants said that we have not proposed any alternate deadlines. We did  
39 propose alternate deadlines. We proposed -- but we sort of set an end date and then  
40 proposed to work backwards. We believe it's not unworkable or unreasonable, given my  
41 clients' concerns about the deterioration of their position and the fact that these assets have



1 THE COURT: Well, I am looking at the chart that is in the SISP  
2 right now --  
3

4 MS. FELLOWES: M-hm.  
5

6 THE COURT: -- and trying to line up these dates. So --  
7

8 MS. FELLOWES: Sure.  
9

10 THE COURT: -- you are saying due diligence October 30th,  
11 which is -- which is what is there, but obviously the final bid deadline would shorten the  
12 due diligence period. So, a final bid -- and you do not really care about the non-binding  
13 letter of intent. Final bid deadline December 1, bid assessment -- when does that happen or  
14 does it?  
15

16 MS. FELLOWES: Immediately.  
17

18 THE COURT: Okay. On the same day?  
19

20 MS. FELLOWES: Yeah.  
21

22 THE COURT: Okay. Notification of auction date, you are not  
23 addressing that. You are just saying auction date is December 8th.  
24

25 MS. FELLOWES: Correct.  
26

27 THE COURT: And you just take all -- take those other dates out  
28 of there.  
29

30 MS. FELLOWES: Yeah. I mean, there's probably going to be one or  
31 two or maybe three people involved. It would be pretty easy to notify them of the auction.  
32

33 THE COURT: Maybe. I just do not know how long these bids  
34 would -- what would these bids look like? Presumably they are not a single-page paper.  
35 Okay, I hear you.  
36

37 MS. FELLOWES: That's -- that's -- that's why people are getting  
38 paid the big bucks.  
39

40 THE COURT: All right. All right, Ms. Fellowes. I have your  
41 position on that.

1  
2 MS. FELLOWES: Okay, thank you. Finally, Sir, there is a reference  
3 in the SISP as well with respect to my client's involvement in the determination of the  
4 winning bid and potentially making a credit bid. I just wanted to make it clear that my  
5 client's reservation of rights with respect to making a credit bid shouldn't be obviated by  
6 the fact that if there are no acceptable offers made, then my client reserves the right to make  
7 a credit bid outside of this SISP process.

8  
9 THE COURT: Where would that go?

10  
11 MS. FELLOWES: Yeah. So, that's page 8 of the SISP under  
12 "Assessment of qualified bids".

13  
14 THE COURT: I am still getting there, sorry.

15  
16 MS. FELLOWES: Sure.

17  
18 THE COURT: Yeah, I am there.

19  
20 MS. FELLOWES: So, this, as drafted, doesn't include the lenders'  
21 input with respect to the qualified bids received, and at -- the bottom of that section says  
22 that: (as read)

23  
24 To the extent Trafigura Canada or Signal Alpha either provide  
25 written confirmation that they will not participate in the SISP, or  
26 fail to submit a final bid, which has been deemed a qualified bid,  
27 then after such date the proposal trustee may consult with the  
28 lender or lenders as to developments in the SISP or selection of the  
29 successful bid.

30  
31 And I just want to make sure that the wording of that section should not be determined to  
32 mean that my clients would not have the ability to consult with a proposal trustee with  
33 respect to the bids as they come in and as they are submitted.

34  
35 THE COURT: So, what -- what words did you take out or put in  
36 to accomplish that?

37  
38 MS. FELLOWES: I would say either add a sentence at the end, say,  
39 The lenders may credit bid outside of the SISP process if there are no acceptable offers.

40  
41 THE COURT: Put that at the end?

1  
2 MS. FELLOWES: Put that at the end, yeah, just to make it clear that  
3 we have -- we expect to be consulted by the proposal trustee as the bids come in and we  
4 should not be shut out of that process by the fact that we may make a credit bid in the future  
5 outside of the SISP.

6  
7 THE COURT: Okay.

8  
9 MS. FELLOWES: One moment. I'm just looking at my notes. All  
10 right. Those are my submissions.

11  
12 THE COURT: Thank you, Ms. Fellowes. Mr. Maslowski, do  
13 you wish to make any submissions?

14  
15 **Submissions by Mr. Maslowski**

16  
17 MR. MASLOWSKI: Nothing substantive, Sir. We simply support and  
18 echo the comments made by Ms. Fellowes regarding the timeline of the SISP and believe  
19 that it can be completed before the -- the holiday season that hits us, so we have no -- we  
20 support about their alternate deadlines and having the auction date of December 8th.

21  
22 THE COURT: Okay. So, anyone else -- I will -- I am going to  
23 come back to Mr. Kashuba and Mr. Van de Mosselaer, but before I do that, is there anyone  
24 else who wishes to speak in favour, against, neutral who has not spoken yet?

25  
26 All right. So, I am going to take the afternoon break, come back at 10 to 4 and hear from  
27 Mr. Van de Mosselaer and Mr. Kashuba in any order they choose. Perhaps they can figure  
28 that out over the break. I will be back at 10 to 4, so I will adjourn now.

29  
30 (ADJOURNMENT)

31  
32 THE COURT: Good afternoon, again, Mr. Clerk. It is Justice  
33 Dunlop speaking. Can you hear me?

34  
35 THE COURT CLERK: Yes, Sir.

36  
37 THE COURT: Okay. So, we are back after an adjournment on  
38 the Griffon Partners matter, and so I am hoping, Mr. Van de Mosselaer and Mr. Kashuba,  
39 you have worked out in what order you are going to respond to your friend's submissions,  
40 so over to you, whichever of you is going first.

41

1 MR. KASHUBA: (INDISCERNIBLE), Sir, it's Kashuba, initial 'K'.  
2 And Mr. Van de Mosselaer will begin and I will close the submissions on behalf of the  
3 parties supporting.  
4

5 THE COURT: Great, thanks. Go ahead, Mr. Van de Mosselaer.  
6

7 MR. VAN DE MOSSELAER: Thank you, Sir.  
8

9 **Submissions by Mr. Van de Mosselaer (Reply)**  
10

11 MR. VAN DE MOSSELAER: I don't think I'll be too lengthy. There are really  
12 three or four points I want to address from Ms. Fellowes' comments.  
13

14 I want to begin with her comment that -- to the extent that her client is overcollateralized,  
15 it is only thinly so and that they are at risk. That is simply untrue. And it is untrue on the  
16 strength of their own evidence. I want to take you first, if you have Mr. Gallagher's affidavit  
17 from September the 19th -- do you have that available to you?  
18

19 THE COURT: It is certainly available. Whether it is up here  
20 right now -- I think perhaps not. I will just grab it. Yeah, I have it now.  
21

22 MR. VAN DE MOSSELAER: All right. If I can ask you to turn to paragraph 59  
23 of that affidavit.  
24

25 THE COURT: Yes.  
26

27 MR. VAN DE MOSSELAER: So, bear in mind, this is Mr. Gallagher's affidavit.  
28 This is Mr. Gallagher from Signal Alpha, the lender, and this affidavit was sworn on  
29 September the 19th, less than a month ago. It was sworn for purposes of opposing our stay  
30 extension application before Justice Johnston on September the 22nd, and at paragraph 59,  
31 Mr. Gallagher says this: (as read)  
32

33 The aggregate gross value of the consideration that Spicelo is to  
34 receive at closing of the transaction by virtue of the special  
35 dividend and the new Greenfire securities, is US \$62,200,000. The  
36 lenders are owed a total of \$37,938,000, not including interest,  
37 expenses or fees. When comparing the value of the Greenfire  
38 securities of USD 55,000,600 to the remaining amount owing to  
39 the lenders of 32 million, if the lenders are paid --  
40

41 Et cetera, et cetera. (as read)

1  
2 This implies a coverage ratio of 1.72 and it confirms the assets of  
3 Spicelo --

4  
5 Which is the guarantor who is owns the shares. (as read)

6  
7 -- the assets of Spicelo are more than sufficient to repay the  
8 lenders.

9  
10 That's not even talking about the value of the GPOC assets. Now, this was a -- this was a  
11 matter of significant discussion before Justice Johnston on September the 22nd, and she  
12 comments on it in her reasons, if you have the transcript of her reasons in front of you.

13  
14 THE COURT: Yeah.

15  
16 MR. VAN DE MOSSELAER: On page 4, beginning at line 11, she says: (as  
17 read)

18  
19 I accept that the respondents may be prejudiced by the stay but I  
20 am not satisfied they will be materially prejudiced. First, as the  
21 respondents acknowledge in their own evidence, prior to the  
22 shares of Greenfire being listed on the New York Stock Exchange,  
23 the estimated value of the shares was approximated at over \$60  
24 million US. In addition, the respondents have security over the  
25 assets of GPOC. The total amount of their security is, therefore,  
26 well in excess of their loan, which is approximately \$35 million  
27 US.

28  
29 Now, she actually made mistake there. It should be \$38 million US, but the point stands.

30  
31 This is an important -- and -- oh, and the final point, which we talked about earlier is that  
32 the lenders realize now what they've done to themselves by putting this evidence before  
33 the court and recognize that because they're so hugely overcollateralized, they're in a  
34 difficult spot because they really have no risk in these proceedings and so they're trying to  
35 back off that by putting the evidence before the court that they've done in the affidavit  
36 which we received just yesterday but they've made a mathematical calculation. Even in that  
37 questionable evidence -- which we have obviously haven't had a chance to really digest or  
38 much less challenge, but even on the basis of their own evidence from yesterday, they say  
39 that they have collateral value of \$48 million US. So, they have a 10 -- even on their own  
40 numbers they have a \$10 million US buffer. They are not thinly overcollateralized. They  
41 are massively overcollateralized and this drives everything. This drives their position on

1 this application. This drives their position on this whole process because they are only  
2 wanting their money back. They want to exercise against their collateral to seize and sell  
3 the shares of Greenfire to get paid back. So, they are more than happy to scuttle this process  
4 to allow -- to then be allowed to enforce their security against the Greenfire shares. That's  
5 their game plan.

6  
7 And so, it is -- to say that they have the most skin in the game, well, they're the largest  
8 single creditor, sure, but they don't have the most skin in the game because they are not the  
9 (INDISCERNIBLE) creditor. They have no risk. They're going to get paid back. It's just a  
10 question of when and how. They want it to be sooner rather than later so they want to  
11 scuttle this process. That's the reality.

12  
13 I want to touch on this -- what Ms. Fellowes trotted out as something akin to a smoking  
14 gun, this slide show that at paragraph 32 you'll recall -- or not paragraph 32. Page 32 of the  
15 PDF of Mr. Gallagher's affidavit, she suggests that this is something new before the court,  
16 not before the court previously. That is wrong.

17  
18 Now, bear in mind we only got this affidavit yesterday. We haven't had an opportunity to  
19 really digest it. We haven't had an opportunity to get instructions on it. We're winging this  
20 on the fly. But this slide deck was attached to Mr. Gallagher's September 19th affidavit.  
21 It's -- it's -- it was before the court on September the 22nd. It's Exhibit K. I don't -- I don't  
22 need you to pull it up, but I'm telling you that it's Exhibit K. I'll tell you what page number  
23 of the exhibit. Just give me half a second -- or what page number of the PDF.

24  
25 That page, page 32 that she took you to - and I'm going to take you back to it, by the way  
26 - is page 213 of the PDF of Mr. Gallagher's September affidavit. And what's important and  
27 what's clear from the evidence of Mr. Gallagher's September 19th affidavit is that at page  
28 209 -- so right immediately before this slide deck in his September affidavit, there's an  
29 email.

30  
31 And what's clear in that email is that this slide deck was for internal discussion purposes  
32 only. In other words, this didn't go to market. This was simply a slide deck to discuss  
33 internally - and Mr. Gallagher was part of those discussions - what kind of options are we  
34 looking at here? And if -- do you have page 32 of his affidavit in front of you now, Sir?

35  
36 THE COURT: So, let us see now. Page 32, I think so.

37  
38 MR. VAN DE MOSSELAER: It's -- it's a slide that's titled "Debt refinancing"  
39 or "New senior bridge"?

40  
41 THE COURT: Yeah.

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MR. VAN DE MOSSELAER: And Ms. Fellowes suggests that, Aha, (WEBEX AUDIO INTERRUPTED) (INDISCERNIBLE) back earlier this year. So, they're trying to do the same thing again. Well, no, that's not at all the case and it's clear if you actually read the document because in the top right-hand corner you'll see there's an overview and then below that it says "Discussion points". Do you see that?

THE COURT: Yeah, that is top left-hand corner.

MR. VAN DE MOSSELAER: Sorry, top left-hand corner, yeah, thank you. So, again, first of all, bearing in mind this was not the document that went to market. This was an internal -- for internal discussion, and the first bullet point under "Discussion points" in the upper left says: (as read)

Dollar for dollar refinancing would only be recommended if there was material savings in interest cost as most new debt comes with upfront restructuring (INDISCERNIBLE) of 2 percent --

And it goes on. So, this was an option, but it was an option that was rejected because they couldn't find cheaper financing. We're not talking about that. We're talking about going to a broader market, finding what finance that we can find. We're not doing this necessarily as a cost savings exercise. We're doing this as a restructuring exercise and they didn't go to market on this proposal because they couldn't find a lender prepared to lend on those terms. Simple as that.

Let me spend a few minutes talking about the changes that Ms. Fellowes has asked to the proposed SISP. I remind the court that we sent this document to Ms. Fellowes and to Tamarack's counsel on October the 2nd. Today is October the 18th. We did not receive any of these comments back. Any. This is the first we're hearing them. We're hearing them live time so we're kind of on the fly here.

She did mention at one point whether we would have any objections to a credit bid and we said, No, of course. I mean, it's a -- your client is entitled to a credit bid, they're entitled to a credit bid. We don't have any objection to that. And that was really it.

It is clear that the schedule that is proposed will not work. Bidders won't participate in the process because they won't have enough time to do their due diligence. It is unworkable. To suggest that there's no evidence of that is questionable at best - I was going to use a different word - because it's in the affidavit, and it's in the proposal trustee's report. It's unworkable. I confirmed over the break with A & M Corporate Finance, lest there be any doubt of the matter, that the schedule proposed is unworkable. It will simply result in no

1 bids, which is, of course, exactly -- to go back to my point, exactly what the lenders would  
2 love to see so that they can then say, See? It was a failed process. We want to appoint a  
3 receiver. We want to enforce our security.

4  
5 More shocking though is the suggestion, if I'm understanding correctly, that the lenders  
6 should be brought inside the tent, have bids shared with them and then they can sit back  
7 and decide later whether to make a credit bid. That is astonishing. That is contrary to every  
8 sales process that has ever been approved. It would simply chill the process. It would  
9 destroy any integrity that this process would have if a prospective bidder had access to the  
10 bids as they came in. That's just not done. It's a shocking departure from ordinary sales  
11 processes, and it cannot happen. We are more than happy to have them make a bid. If they  
12 want to make a bid, if they want to (INDISCERNIBLE) bid, feel free. But you're not getting  
13 access to the other bids. It's a competitive process. It has to be a competitive process.

14  
15 The other -- the final comment is the suggestion that the court should add in, Except on  
16 further order of the court, to the SISP in that one place and, you know, on first blush, you  
17 think, Well, how could -- how can that be objectionable? We're simply saying we need the  
18 court to make an order. Except this is a debtor-in-possession process, and the debtor gets  
19 to choose what assets to market and how to market them. I think this is -- this is a situation  
20 where the court actually doesn't have jurisdiction to tell the debtor what assets it is going  
21 to sell. And as part of the SISP, it -- the SISP said -- makes clear that the assets and shares  
22 of Spicelo are not being offered for sale. The debtors are entitled to make that decision and  
23 I don't think the court has the ability to tell the debtors, You must sell your assets. If it's a  
24 receivership it's a different situation but it's not.

25  
26 So, those are my only comments, Sir. I -- I strongly urge upon the court that we have our  
27 sales and investment solicitation process and the schedules set out therein with the  
28 December 12th date added approved so that we can get on with this process and start  
29 canvassing the market.

30  
31 Oh, there's -- sorry, there's one other comment I wanted to make, and that was Ms. Fellowes  
32 seemed to take a bit of a shot at A & M by saying, Well, why do they -- why do they need  
33 week to prepare their marketing materials? They've been engaged for several weeks. Why  
34 didn't they -- why didn't they -- why don't they have them ready yet? Well, because the  
35 SISP hasn't started. It's a little bit ridiculous to suggest that A & M should have been doing  
36 a bunch of work on marketing material when we -- when we don't even have a SISP yet.  
37 That's the simple answer to that.

38  
39 So, those are all of my comments unless you have any questions, Sir.

40  
41 THE COURT:

No, thank you, Mr. Van de Mosselaer.

1  
2 MR. VAN DE MOSSELAER: Thank you. Mr. Kashuba?

3  
4 **Submissions by Mr. Kashuba (Reply)**

5  
6 MR. KASHUBA: Thank you, Sir. And on behalf of the proposal  
7 trustee I think we'll be brief.

8  
9 We had a chance to speak with A & M Corporate Finance as well as Mr. Van de Mosselaer  
10 on the break, and the proposal trustee is in agreement with the comments just made by my  
11 friend, Mr. Van de Mosselaer.

12  
13 Where Ms. Fellowes has suggested that a compressed sales process has been allowed in  
14 cases where previous sales processes have been run, yes, that's true. That's obvious. In this  
15 particular case, for the reasons that were given previously, this previous sale process is  
16 different than the present process that is being put forward before the court. The A & M  
17 Corporate Finance has considerable experience in not only the sale processes from a debtor  
18 point of view, but also from a creditor point of view, (INDISCERNIBLE) a better point of  
19 view, as does the proposal trustee. We are relying on an officer of the court on the one hand  
20 and a financial advisor on the other with their wealth of experience and their careful  
21 consideration of all factors involved to determine what exactly is the best process in these  
22 cases, and as everyone on today's application is aware, the proposal trustee is impartial.  
23 The court's officer -- what they are suggesting to the court is the process that they have  
24 arrived at that will best maximize realizations for all stakeholders. That -- that's what they're  
25 supporting today, and anything less than that we have serious concerns that this could  
26 hinder recoveries. Allowing significant changes such as are being requested could cost  
27 (INDISCERNIBLE) the process. That's what we're hearing from A & M Corporate  
28 Finance. That is the submission of the proposal trustee.

29  
30 And, lastly, there's been a suggestion from my friend Ms. Fellowes that her client's  
31 concerns are not being listened to. They're not getting attention. That, Sir, is almost  
32 offensive to the court's officer. That suggests that the proposal trustee is not meeting their  
33 obligations under -- their professional obligations under previous court orders under  
34 the -- the day-to-day business of the proposal trustee.

35  
36 Questions and input were sought - I won't get into the dates again - October 2nd. Here we  
37 are on October 18th. We received an affidavit yesterday from Mr. Gallagher. We are only  
38 hearing about the proposed changes to the SISP for the first time today live. The proposal  
39 trustee has listened but it's difficult to listen and give further consideration when there's  
40 zero time when the -- the suggestions that are being made to SISP are being submitted to  
41 the court without advance notice.

1  
2 So, just on that point, the proposal trustee has listened. They have considered the  
3 submissions and the suggestions but remain steadfastly behind the SISP from the deadlines  
4 that have been put before the court by the company and that are supported by the proposal  
5 trustee.

6  
7 Those are my only submissions, Sir. Everything further is -- it would be a rehash what was  
8 already said.

9  
10 THE COURT: Okay. Thank you all for your submissions. I am  
11 ready to make a decision.

12  
13 **Decision**

14  
15 THE COURT: I have before me an application to approve a  
16 SISP and I always have trouble remembering what that stands for, but it is basically a sales  
17 process with respect to Griffon Partners and related entities, all of which have been  
18 pursuant to a previous order put together into one action, and I am going to grant the  
19 application in the form sought with a slight change that is set out in the version of the  
20 sales -- sale and investment solicitation process that was sent to me earlier today, that slight  
21 change being the addition of a time -- to the timeline of non-binding LOI deadline of  
22 December 12th and a clarification that the due diligence period is October 30th  
23 (INDISCERNIBLE).

24  
25 There were some other -- there is some other slight wording change shown in the red line  
26 in the version that was given to me. Nobody addressed it and so I am assuming it is not  
27 controversial.

28  
29 The reasons for me granting it as -- as in the form it was sought are they start with the fact  
30 that all parties who made representations to me today want these assets to be marketed,  
31 want it, frankly -- even more precisely, want there to be a sales process. The disagreement  
32 is the timeframe and some wordings in the -- very slight wording differences in the SISP.

33  
34 The reason I am accepting what is being put forward and not making the changes, which  
35 the secured creditors have asked, is because what has been put forward to me has been  
36 approved by the trustee and the variations have not. In fact, the trustee has spoken against  
37 them, and that is a factor to be considered under section 65.13(4) of the Act. That has to be  
38 modified because we are talking about a sales process, not a sale, but nevertheless, just as  
39 was done in the *Danier Leather* case, it is relevant for the court to consider, Has the trustee  
40 approved this process or recommended it? And they have and, frankly, recommended  
41 against the other process. That is one reason.

1  
2 Another reason is that I am not satisfied -- despite able representations by Ms. Fellowes in  
3 particular, I am not satisfied that the secured creditors, her clients, will be harmed in any  
4 way by the longer sales process over the shorter one primarily because they are -- they are  
5 at least thinly overcollateralized and arguably significantly overcollateralized.  
6

7 So, those are the two primary reasons I am accepting it as put forward -- three, I guess. One  
8 is everybody wants to have a sales process. Two is the trustee is recommending the one  
9 that is put forward and not their amendments. And three is that I am not satisfied that the  
10 extended time period will prejudice the secured creditors in any significant way.  
11

12 Looking at the other factors set out in section 65.13 with appropriate modifications for sale  
13 process as opposed to a sale, as the process leading to the proposed sale or disposition, is  
14 it reasonable in the circumstances? Well, Ms. Fellowes made some submissions about this  
15 being unreasonable because of what went before. And I accept there may be some merit to  
16 that, but it is not -- it is not enough to make me want to tinker with the timelines and the  
17 wording.  
18

19 The extent to which the creditors were consulted again, Ms. Fellowes has complaints about  
20 how they were consulted. Mr. Kashuba, on behalf of his clients, says, Well, they were  
21 consulted as well as could be done. I cannot really fault that. I mean, we have a notice of  
22 intention that came down the -- came down in August and we had an extension in  
23 September, and we had draft terms without dates in October and then the dates a few days  
24 later. It is fast but these things have to be fast, so I think that the consultation was reasonable  
25 in the circumstances and whether this will result in reasonable and fair value, well, I do not  
26 know, but it is a process on its face what we think would lead to reasonable and fair value.  
27 But time (INDISCERNIBLE) and that will be an issue for the court approving or not any  
28 sale in the future.  
29

30 So, Mr. Van de Mosselaer, I am granting the order in the form you have drafted and you  
31 are going to need to submit it for my signature. It is -- I do not think it needs any other  
32 counsel's approval because everybody has seen it. I have seen it. I know what it is going to  
33 say. You should submit it to the digital filing service. It will --  
34

35 MR. VAN DE MOSSELAER: Yes.

36  
37 THE COURT: -- come to me. Come to me and I will -- I do look  
38 at my site every -- a couple of times a day so I will sign it properly when it gets to me.  
39

40 MR. VAN DE MOSSELAER: Very good, Sir. Thank you. Just so we're clear -- I  
41 guess a couple things. I'm not clear. Did we send you the execution copy or do we have to

- 1 submit it in any case through the digital service?  
2
- 3 THE COURT: You have to send it through the digital service.  
4
- 5 MR. VAN DE MOSSELAER: Okay, we will take care of that. It probably won't  
6 happen until the morning.  
7
- 8 Something just has occurred to me and I wonder if we might be able to do this. I mean,  
9 part -- part of the challenge here, of course, is that there's a lot of history, a lot of  
10 background, and we do have our application for the next stay extension set for November  
11 the 8th, but it's -- it's in front of yet another justice and we are going to have to educate her  
12 all over again. I wonder if perhaps Your Lordship is available on November the 8th to hear  
13 our stay extension application?  
14
- 15 THE COURT: It is doubtful. I have been -- the commercial  
16 coordinator and I have been filling that week up --  
17
- 18 MR. VAN DE MOSSELAER: Yeah.  
19
- 20 THE COURT: And so I know -- so the answer is no.  
21
- 22 MR. VAN DE MOSSELAER: Okay, that's fine.  
23
- 24 THE COURT: All right.  
25
- 26 MR. VAN DE MOSSELAER: I just thought I would ask.  
27
- 28 THE COURT: All right. Anything else?  
29
- 30 MR. VAN DE MOSSELAER: No, I think that's it. So, we will -- we will get that  
31 form of order to you first thing in the morning for your signature and then we'll get that  
32 filed and out to the service list.  
33
- 34 THE COURT: Okay, thank you all for your submissions.  
35
- 36 MR. VAN DE MOSSELAER: Thank you very much for your assistance, Sir.  
37
- 38 THE COURT: I will now adjourn.  
39
- 40 UNIDENTIFIED SPEAKER: Thank you, My Lord.  
41

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PROCEEDINGS CONCLUDED

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**1 Certificate of Record**

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3 I, Mohammed (phonetic) Tajoo, certify that this recording is the record made of the  
4 evidence in the proceedings in the Court of King's Bench, held in courtroom 516,EVK at  
5 Edmonton, Alberta on the 18th day of October, 2023, and that I was the court official in  
6 charge of the sound-recording machine during the proceedings.

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1 **Certificate of Transcript**

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3 I, Janet Harder, certify that

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5 (a) I transcribed the record, which was recorded by a sound-recording machine, to the best  
6 of my skill and ability and the foregoing pages are a complete and accurate transcript  
7 of the contents of the record, and

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9 (b) the Certificate of Record for these proceedings was included orally on the record and  
10 is transcribed in this transcript.

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13 Page by Paige Transcribers

14 Job Number: TDS-1043863

15 Dated: October 26, 2023

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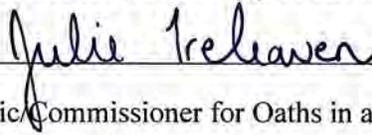
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This is **Exhibit “CC”** to the Affidavit of Daryl Stepanic  
sworn before me this 29<sup>th</sup> day of January 2024.

A handwritten signature in cursive script, reading "Julie Treleaven", is written over a horizontal line.

Notary Public/Commissioner for Oaths in and for Alberta

**Julie Laura Treleaven**  
Barrister & Solicitor



District of **Alberta**  
Division No. **02 - Calgary**  
Court No./Estate No. **25-2979721; 25-2979725; 25-2979732; 25-2979735**  
**25-2979736; 25-2979737; 25-2979738; 25-2979739**

**August 30, 2023**

**In the Matter of the Notice of Intention to Make a Proposal of  
Griffon Partners Operation Corp., Griffon Partners Holding Corp., Griffon Partners Capital  
Management Ltd., Spicelo Limited, Stellion Limited, 2437799 Alberta Ltd., 2437801 Alberta Ltd. and  
2437815 Alberta Ltd.  
(collectively, the “Companies”)**

**TO THE CREDITORS OF the Companies:**

On August 25, 2023, the Companies filed Notices of Intention to Make a Proposal (the “**NOIs**”) pursuant to Section 50.4(1) of the *Bankruptcy and Insolvency Act* (Canada), RSC 1985, c. B-3 (the “**BIA**”) and Alvarez & Marsal Canada Inc. (“**A&M**”) was appointed as Proposal Trustee of the Companies (the “**Proposal Trustee**”). A copy of the NOIs, together with the list of creditors, are enclosed herewith and is available at the Proposal Trustee’s website at: [www.alvarezandmarsal.com/GriffonPartners](http://www.alvarezandmarsal.com/GriffonPartners).

Please be advised that the Companies are not bankrupt and have availed themselves to a procedure whereby an insolvent person, with approval by the creditors and the Court of King’s Bench of Alberta (the “**Court**”), restructures their financial affairs. The role of the Proposal Trustee in this matter is to monitor the cash flow of the Companies during the restructuring process, to assist with the development of the Proposal, and to liaise with creditors, who will ultimately make the decision regarding the Proposal.

Pursuant to section 69(1) of the BIA, upon the filing of the NOIs, that being August 25, 2023, no creditor shall have any remedy against the Companies or their property or shall commence or continue any action, execution or other proceedings for the recovery of a claim provable in bankruptcy until the bankruptcy of the Companies.

The Companies are required to file a Proposal within 30 days from the date of filing of the NOIs, unless the Companies are granted an extension from the Court for a period not exceeding 45 days for any individual extension and not exceeding in the aggregate 5 months after the expiry of the initial 30 day period.

The amounts indicated on the attached list of creditors were estimated by the Companies as at the date of filing the NOIs, and as such, may not be the correct amount of your claim. However, **you do not need to notify the Proposal Trustee of any discrepancies in the claim amount at this time** and you will be provided an opportunity to do so when a Proof of Claim form and related documentation are sent to you at a later date.

Should you require any further information with respect to this matter, please feel free to contact Brinton Wolever by email at [bwolever@alvarezandmarsal.com](mailto:bwolever@alvarezandmarsal.com) or visit the Proposal Trustee’s website at: [www.alvarezandmarsal.com/GriffonPartners](http://www.alvarezandmarsal.com/GriffonPartners).

Sincerely,

**Alvarez & Marsal Canada Inc.,  
in its capacity as Proposal Trustee of  
the Companies**

Per:  
Orest Konowalchuk, LIT  
Senior Vice President

*Enclosure*



Industry Canada  
Office of the Superintendent  
of Bankruptcy Canada

Industrie Canada  
Bureau du surintendant  
des faillites Canada

District of Alberta  
Division No. 02 - Calgary  
Court No. 25-2979735  
Estate No. 25-2979735

In the Matter of the Notice of Intention to make a proposal of:

**Griffon Partners Operation Corp.**

Insolvent Person

**ALVAREZ & MARSAL CANADA INC.**

Licensed Insolvency Trustee

---

Date of the Notice of Intention:

August 25, 2023

---

CERTIFICATE OF FILING OF A NOTICE OF INTENTION TO MAKE A PROPOSAL  
Subsection 50.4 (1)

I, the undersigned, Official Receiver in and for this bankruptcy district, do hereby certify that the aforementioned insolvent person filed a Notice of Intention to Make a Proposal under subsection 50.4 (1) of the Bankruptcy and Insolvency Act;

Pursuant to subsection 69. (1) of the Act, all proceedings against the aforementioned insolvent person are stayed as of the date of filing of the Notice of Intention.

Date: August 25, 2023, 18:02

E-File/Dépôt Electronique

Official Receiver

Harry Hays Building, 220 - 4th Ave SE, Suite 478, Calgary, Alberta, Canada, T2G4X3, (877)376-9902

**Canada**

District of: Alberta  
Division No. 02 - Calgary  
Court No.  
Estate No.

- FORM 33 -  
Notice of Intention To Make a Proposal  
(Subsection 50.4(1) of the Act)

Take notice that:

1. I, Griffon Partners Operation Corp., an insolvent person, state, pursuant to subsection 50.4(1) of the Act, that I intend to make a proposal to my creditors.
2. Alvarez & Marsal Canada Inc. of Bow Valley Square 4, Suite 1110, 250 6th Ave SW, Calgary, AB, T2P 3H7, a licensed trustee, has consented to act as trustee under the proposal. A copy of the consent is attached.
3. A list of the names of the known creditors with claims of \$250 or more and the amounts of their claims is also attached.
4. Pursuant to section 69 of the Act, all proceedings against me are stayed as of the date of filing of this notice with the official receiver in my locality.

Dated at the city of Calgary in the Province of Alberta, this 25th day of August 2023.



---

Griffon Partners Operation Corp.  
Insolvent Person

To be completed by Official Receiver:

---

Filing Date

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Official Receiver

District of: Alberta  
 Division No. 02 - Calgary  
 Court No.  
 Estate No.

- FORM 33 -  
 Notice of Intention To Make a Proposal  
 (Subsection 50.4(1) of the Act)

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
ZCOM CONSULTING INC	BOX 576 OKOTOKS AB T1S 1A7		7,990.52
360 Energy Liability Management	Suite 1600, Bow Valley Square 1, 202 - 6th Avenue SW Calgary AB T2P 2R9		1,517.25
ABADATA INC	4728 - 78A STREET CLOSE RED DEER AB T4P 2J2		5,145.00
APEX DISTRIBUTION INC.	Suite 3000, 300 - 5th Ave SW CALGARY AB T2P 3C4		2,370.27
ARMS REACH MONITORING SERVICE INC.	BOX 1298 DRUMHELLER AB T0J 0Y0		261.98
BARRACUDA WELLSITE MANAGEMENT LTD.	#10, 34 Wrangler Place Rocky View County AB T1X 0L7		8,084.84
BAYTEX ENERGY LTD.	2800, 520 - 3 AVENUE SW Calgary AB T2P 0R3		23,688.58
BIG RACK VAC SERVICES LTD.	BOX 59 COLEVILLE SK S0L 0K0		2,441.88
BILL'S TRUCKING CO. LTD.	P. O. BOX 194 COLEVILLE SK S0L 0K0		20,606.25
BRIAN WHITE			311.50
Brightspot Climate Inc.	401 - 409 Granville St Vancouver BC V6C 1T2		1,470.00
C. FISCHER TRUCKING INC.	BOX 37 HOOSIER SK S0L 1M0		114,187.50
CAMPUS ENERGY PARTNERS INFRASTRUCTURE LP	2400, 411 -1 STREET SE CALGARY AB T2G 4Y5		17,823.58
CANADIAN NATURAL RESOURCES LIMITED	#2500, 855 - 2 STREET SW CALGARY AB T2P 4J8		1,940.74
CGI INFORMATION SYSTEMS AND MANAGEMENT	PO BOX 12535, DOWNTOWN BRANCH Montreal QC H3C 6R1		16,301.25

District of: Alberta  
 Division No. 02 - Calgary  
 Court No.  
 Estate No.

- FORM 33 -  
 Notice of Intention To Make a Proposal  
 (Subsection 50.4(1) of the Act)

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
CINDY CRAWFORD	[REDACTED]		307.74
COMPASS SIGN & SAFETY	BOX 445, 4932 - 51st STREET CONSORT AB T0C 1B0		811.13
COMPLYWORKS LTD	Suite 200, 4838 Richard Rd SW Calgary AB T3E 6L1		13,125.00
COMPUTERSHARE TRUST COMPANY OF CANADA	800, 324 8 AVENUE SW CALGARY AB T2P 2Z2		13,776.87
CORE LABORATORIES CANADA LTD	2810 12th Street NE Calgary AB T2E 7P7		3,224.55
CRITICAL CONTROLS TECHNOLOGIES INC	910, 140 - 10TH AVENUE SW CALGARY AB T2G 0R1		1,953.75
DARRELL GOLDSMITH FAMILY TRUST	[REDACTED]		261.18
DELOITTE MANAGEMENT SERVICES LP	PO Box 4567, Stn A TORONTO ON M5W 0J1		33,705.00
DIRECT ENERGY	PO BOX 1520 STN M CALGARY AB T2P 5R6		442.92
Eclipse E-Line Services Inc	550, 435 - 4th Ave SW Calgary AB T2P 3A8		9,189.60
ECO-GREEN ENERGY TRANSFER LTD.	Box 1461 Okotoks AB T1S 1B4		6,684.17
ENVERUS CANADA INC	585 8th Ave. SW, Ste. 1400 Calgary AB T2P 1G1		345.57
ESTATE OF LARRY JOHN MACINTOSH	[REDACTED]		2,450.00
FREEHOLD ROYALTIES PARTNERSHIP	1000, 517 - 10 AVENUE SW CALGARY AB T2R 0A8		570.12
FULL TILT HOLDINGS LTD.	BOX 1201 KINDERSLEY SK S0L 1S0		2,294.25
GFL Environmental SFS Inc	PO Box 150 Concord ON L4K 1B2		2,136.07

District of: Alberta  
 Division No. 02 - Calgary  
 Court No.  
 Estate No.

- FORM 33 -  
 Notice of Intention To Make a Proposal  
 (Subsection 50.4(1) of the Act)

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
GTX CONSULTING LTD.	3815 Parkhill Place SW Calgary AB T2S 2W6		6,142.50
HOLLAND'S HOT OILING LTD.	BOX 787 KINDERSLEY SK S0L 1S0		1,622.25
Horizon Compliance Group Inc	124 Douglas Glen Mews SE Calgary AB T2Z 2M9		4,450.01
INTERCON MESSAGING	BOX 6295, 6226 - 50 AVE DRAYTON VALLEY AB T7A 1R7		349.59
JAG OILFIELD SERVICES INC.	BOX 69 COMPEER AB T0C 1A0		74,072.93
KELRO PUMP & MECHANICAL LTD.	PO Box 10989 LLOYDMINSTER AB T9V 3B3		2,518.60
LINE FIND GROUP INC.	Box 1621 Brooks AB T1R 1C4		2,501.37
LONGHORN OIL & GAS LTD	BOX 562 KINDERSLEY SK S0L 1S0		8,538.08
MILLENNIUM LAND LTD.	5925 12 St SE #225 Calgary AB T2H 2M3		3,688.36
MTM ENERGY SERVICES INC.	4810A - 62nd AVENUE LLOYDMINSTER AB T9V 2E9		22,273.78
NIGHTHAWK OILFIELD SERVICES LTD.	P. O. BOX 307 MACKLIN SK S0L 2C0		9,654.78
NOVUS ENERGY INC.	#1700, 700 - 4th AVENUE S.W. CALGARY AB T2P 3J4		35,025.05
OBSIDIAN ENERGY PARTNERSHIP	700, 207 9th AVENUE S.W. CALGARY AB T2P 1K3		10,580.58
OUTLAW EQUIPMENT LTD.	BOX 992 KINDERSLEY SK S0L 1S0		100,511.82
Performance Energy Services Limited Partnership	1050, 635 – 8th AVE SW Calgary AB T2P 3M3		39,745.37
PRAIRIE STORM CONTROLS INC.	BOX 671 CONSORT AB T0C 1B0		4,043.74

District of: Alberta  
 Division No. 02 - Calgary  
 Court No.  
 Estate No.

- FORM 33 -  
 Notice of Intention To Make a Proposal  
 (Subsection 50.4(1) of the Act)

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
PRAIRIESKY ROYALTY LTD.	#1700, 350 - 7 AVENUE SW CALGARY AB T2P 3N9		130,519.93
PRECISION INSTRUMENTATION & SUPPLY LTD	BOX 4 COLEVILLE SK S0L 0K0		8,809.06
PROPAK ENERGY SERVICES	440 EAST LAKE ROAD AIRDRIE AB T4A 2J8		191,216.80
PROPIPE Sales & Services Ltd	Box 1101 Nisku AB T9E 8A8		18,798.08
PURE CHEM SERVICES	#1400, 332 - 6th AVENUE S.W. Calgary AB T2P 0B2		28,708.86
Q2 ARTIFICIAL LIFT SERVICES ULC	7883 EDGAR INDUSTRIAL WAY RED DEER AB T4P 3R2		2,136.55
R.A. KROEGER TRUCKING	P. O. BOX 447 CONSORT AB T0C 1B0		5,974.40
R.B.W. Waste Management Ltd	3280 - 10 Street NISKU AB T9E 1E7		30,495.74
R.L. ELECTRIC MOTOR REWINDING 1995 LTD	6506 50th Avenue Lloydminster AB T9V 2W8		1,304.42
RECEIVER GENERAL FOR CANADA	Place du Portage Phase III 11A2-11 Laurier Street Gatineau QC K1A 0S5		368,992.36
Rioview Industries Inc	RR#1 Galahd AB T0B 1R0		4,441.50
ROK RESOURCES INC.	2800, 500 4th Ave SW Calgary AB T2P 2V6		7,386.10
Roke Technologies Ltd.	100 - 1220 28th Street NE Calgary AB T2A 6A2		16,719.56
Saskatchewan Worker's Compensation Board	200 - 1881 Scarth Street Regina AB S4P 4L1		3,263.51
SECURE ENERGY SERVICES	2300, 225 - 6TH AVE SW CALGARY AB T2P 1N2		13,295.83

District of: Alberta  
 Division No. 02 - Calgary  
 Court No.  
 Estate No.

- FORM 33 -  
 Notice of Intention To Make a Proposal  
 (Subsection 50.4(1) of the Act)

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
SHARDI SERVICES (2012) LTD.	P. O. BOX 70 COLEVILLE AB S0L 0K0		12,429.93
SHMITTY'S SHWABBIN' LTD.	P. O. BOX 1823 KINDERSLEY SK S0L 1S0		16,294.18
Signal Capital Partners	4th Floor, 25 Golden Square, London England W1F 9LU London United Kingdom		38,949,736.80
Siren Hotshot & Oilfield Services Ltd	42 West Road Kindersley SK S0L 1S1		924.00
SPROULE ASSET MANAGEMENT LIMITED	900, 140 - 4 AVENUE SW CALGARY AB T2P 3N3		87,594.59
STEEL REEF INFRASTRUCTURE CORP	SUITE 1200, 333 - 7 AVENUE SW Calgary AB T2P 2Z1		274,314.06
STRATHCONA RESOURCES LTD.	1900, 421 - 7 AVENUE SW CALGARY AB T2P 4K9		6,928.20
Tamarack Valley Energy Ltd.	300, 308 – 4th Avenue S.W Calgary AB		22,279,188.08
TEINE ENERGY LTD.	#3000, 520 - 3rd AVENUE S.W. CALGARY AB T2P 0R3		440.79
TGB Industries Inc.	PO Box 3024 Swift Current SK S9H 0W2		10,403.52
Thiessen Land Company Ltd	Box 338 Swift Current SK S9H 3V8		1,817.55
THREE STAR SERVICES LTD.	BOX 354 CONSORT AB T0C 1B0		16,175.25
TONI LAMBERT, IN TRUST			311.50
TORQ TRUCKING (2015) LTD	SUITE 1810, 250 - 6 AVE SW CALGARY AB T2P 3H7		1,228.49
Trafigura Canada Limited	#1700 400 3 Ave SW Calgary AB		12,463,915.34
TRILOGY OILFIELD LTD.	BOX 264 PROVOST AB T0B 3S0		11,578.65

District of: Alberta  
Division No. 02 - Calgary  
Court No.  
Estate No.

- FORM 33 -  
Notice of Intention To Make a Proposal  
(Subsection 50.4(1) of the Act)

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
Triple Deuce Enterprises Ltd	Box 146 Macklin SK S0L 2C0		1,878.41
VANGUARD OIL CORP.	275 - 999, 8 STREET SW CALGARY AB T2R 1J5		1,197.61
VORTRAX CONSTRUCTION LTD.	1012nd Street, BOX 81 ACADIA VALLEY AB T0J 0A0		5,397.00
WEESE ELECTRIC LTD.	BOX 239 PLENTY SK S0L 2R0		50,721.20
WHITECAP RESOURCES INC.	#3800, 525 - 8th AVENUE S.W. CALGARY AB T2P 1G1		14,130.66
Wild Rows Pump & Compression Ltd.	5901-63 Ave Lloydminster AB T9V 3T7		1,735.97
<b>Total</b>			75,681,542.35



Griffon Partners Operation Corp.  
Insolvent Person

**CONSENT TO ACT AS TRUSTEE  
IN THE MATTER OF THE DIVISION I PROPOSAL OF  
Griffon Partners Operation Corp.  
OF THE CITY OF CALGARY, IN THE PROVINCE OF ALBERTA**

We, ALVAREZ & MARSAL CANADA INC., of Bow Valley Square 4, Suite 1110, 250 6<sup>th</sup> Avenue S.W., Calgary, AB T2P 3H7, CONSENT to our acting as Trustee under the Division I proposal and in respect of the Notice of Intention to Make a Proposal of Griffon Partners Operation Corp. contemplated herein.

Dated at Calgary, Alberta this 25<sup>th</sup> day of August, 2023.

**Alvarez & Marsal Canada Inc.**  
*Licensed Insolvency Trustee*

**Per:**



**Orest Konowalchuk**  
*Licensed Insolvency Trustee*



Industry Canada  
Office of the Superintendent  
of Bankruptcy Canada

Industrie Canada  
Bureau du surintendant  
des faillites Canada

District of Alberta  
Division No. 02 - Calgary  
Court No. 25-2979736  
Estate No. 25-2979736

In the Matter of the Notice of Intention to make a proposal of:

**Griffon Partners Holding Corp.**

Insolvent Person

**ALVAREZ & MARSAL CANADA INC.**

Licensed Insolvency Trustee

---

Date of the Notice of Intention:

August 25, 2023

---

CERTIFICATE OF FILING OF A NOTICE OF INTENTION TO MAKE A PROPOSAL  
Subsection 50.4 (1)

I, the undersigned, Official Receiver in and for this bankruptcy district, do hereby certify that the aforementioned insolvent person filed a Notice of Intention to Make a Proposal under subsection 50.4 (1) of the Bankruptcy and Insolvency Act;

Pursuant to subsection 69. (1) of the Act, all proceedings against the aforementioned insolvent person are stayed as of the date of filing of the Notice of Intention.

Date: August 25, 2023, 18:03

E-File/Dépôt Electronique

Official Receiver

Harry Hays Building, 220 - 4th Ave SE, Suite 478, Calgary, Alberta, Canada, T2G4X3, (877)376-9902

**Canada**

District of: Alberta  
Division No. 02 - Calgary  
Court No.  
Estate No.

- FORM 33 -  
Notice of Intention To Make a Proposal  
(Subsection 50.4(1) of the Act)

Take notice that:

1. I, Griffon Partners Holding Corporation, an insolvent person, state, pursuant to subsection 50.4(1) of the Act, that I intend to make a proposal to my creditors.
2. Alvarez & Marsal Canada Inc. of Bow Valley Square 4, Suite 1110, 250 6th Ave SW, Calgary, AB, T2P 3H7, a licensed trustee, has consented to act as trustee under the proposal. A copy of the consent is attached.
3. A list of the names of the known creditors with claims of \$250 or more and the amounts of their claims is also attached.
4. Pursuant to section 69 of the Act, all proceedings against me are stayed as of the date of filing of this notice with the official receiver in my locality.

Dated at the city of Calgary in the Province of Alberta, this 25th day of August 2023.



---

Griffon Partners Holding Corporation  
Insolvent Person

To be completed by Official Receiver:

---

Filing Date

---

Official Receiver

District of: Alberta  
Division No. 02 - Calgary  
Court No.  
Estate No.

- FORM 33 -  
Notice of Intention To Make a Proposal  
(Subsection 50.4(1) of the Act)

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
GRIFFON PARTNERS OPERATION CORP.	140 Fourth Avenue SW, Suite 900, c/o SAML Calgary AB T2P 3N3		20,962.95
Signal Capital Partners	4th Floor, 25 Golden Square London W1F 9LU England		38,949,736.80
Trafigura Canada Limited	#1700 400 3 Ave SW Calgary AB		12,463,915.34
<b>Total</b>			51,434,615.09



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Griffon Partners Holding Corporation  
Insolvent Person

**CONSENT TO ACT AS TRUSTEE  
IN THE MATTER OF THE DIVISION I PROPOSAL OF  
Griffon Partners Holding Corp.  
OF THE CITY OF CALGARY, IN THE PROVINCE OF ALBERTA**

We, ALVAREZ & MARSAL CANADA INC., of Bow Valley Square 4, Suite 1110, 250 6<sup>th</sup> Avenue S.W., Calgary, AB T2P 3H7, CONSENT to our acting as Trustee under the Division I proposal and in respect of the Notice of Intention to Make a Proposal of Griffon Partners Holding Corp. contemplated herein.

Dated at Calgary, Alberta this 25<sup>th</sup> day of August, 2023.

**Alvarez & Marsal Canada Inc.**  
*Licensed Insolvency Trustee*

**Per:**



**Orest Konowalchuk**  
*Licensed Insolvency Trustee*



Industry Canada  
Office of the Superintendent  
of Bankruptcy Canada

Industrie Canada  
Bureau du surintendant  
des faillites Canada

District of Alberta  
Division No. 02 - Calgary  
Court No. 25-2979737  
Estate No. 25-2979737

In the Matter of the Notice of Intention to make a proposal of:

**Griffon Partners Capital Management Ltd.**

Insolvent Person

**ALVAREZ & MARSAL CANADA INC.**

Licensed Insolvency Trustee

---

Date of the Notice of Intention:

August 25, 2023

---

CERTIFICATE OF FILING OF A NOTICE OF INTENTION TO MAKE A PROPOSAL  
Subsection 50.4 (1)

I, the undersigned, Official Receiver in and for this bankruptcy district, do hereby certify that the aforementioned insolvent person filed a Notice of Intention to Make a Proposal under subsection 50.4 (1) of the Bankruptcy and Insolvency Act;

Pursuant to subsection 69. (1) of the Act, all proceedings against the aforementioned insolvent person are stayed as of the date of filing of the Notice of Intention.

Date: August 25, 2023, 18:05

E-File/Dépôt Electronique

Official Receiver

Harry Hays Building, 220 - 4th Ave SE, Suite 478, Calgary, Alberta, Canada, T2G4X3, (877)376-9902

**Canada**

District of: Alberta  
Division No. 02 - Calgary  
Court No.  
Estate No.

- FORM 33 -  
Notice of Intention To Make a Proposal  
(Subsection 50.4(1) of the Act)

Take notice that:

1. I, Griffon Partners Capital Management Ltd., an insolvent person, state, pursuant to subsection 50.4(1) of the Act, that I intend to make a proposal to my creditors.
2. Alvarez & Marsal Canada Inc. of Bow Valley Square 4, Suite 1110, 250 6th Ave SW, Calgary, AB, T2P 3H7, a licensed trustee, has consented to act as trustee under the proposal. A copy of the consent is attached.
3. A list of the names of the known creditors with claims of \$250 or more and the amounts of their claims is also attached.
4. Pursuant to section 69 of the Act, all proceedings against me are stayed as of the date of filing of this notice with the official receiver in my locality.

Dated at the city of Calgary in the Province of Alberta, this 25th day of August 2023.



---

Griffon Partners Capital Management Ltd.  
Insolvent Person

To be completed by Official Receiver:

---

Filing Date

---

Official Receiver

District of: Alberta  
Division No. 02 - Calgary  
Court No.  
Estate No.

- FORM 33 -  
Notice of Intention To Make a Proposal  
(Subsection 50.4(1) of the Act)

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
Burnet, Duckworth & Palmer LLP	2400, 525 - 8 Avenue SW Calgary AB T2P 1G1		153,035.88
GRIFFON PARTNERS OPERATION CORP.	140 Fourth Avenue SW, Suite 900 Calgary AB T2P 3N3		629,670.00
Signal Capital Partners	4th Floor, 25 Golden Square London W1F 9LU England		38,949,736.80
Stikeman Elliott LLP	4200 Bankers Hall West 888 - 3rd Street SW Calgary AB T2P 5C5		149,343.60
Trafigura Canada Limited	#1700 400 3 Ave SW Calgary AB		12,463,915.34
<b>Total</b>			52,345,701.62



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Griffon Partners Capital Management Ltd.  
Insolvent Person

**CONSENT TO ACT AS TRUSTEE  
IN THE MATTER OF THE DIVISION I PROPOSAL OF  
Griffon Partners Capital Management Ltd.  
OF THE CITY OF CALGARY, IN THE PROVINCE OF ALBERTA**

We, ALVAREZ & MARSAL CANADA INC., of Bow Valley Square 4, Suite 1110, 250 6<sup>th</sup> Avenue S.W., Calgary, AB T2P 3H7, CONSENT to our acting as Trustee under the Division I proposal and in respect of the Notice of Intention to Make a Proposal of Griffon Partners Capital Management Ltd. contemplated herein.

Dated at Calgary, Alberta this 25<sup>th</sup> day of August, 2023.

**Alvarez & Marsal Canada Inc.**  
*Licensed Insolvency Trustee*

**Per:**

  
\_\_\_\_\_  
**Orest Konowalchuk**  
*Licensed Insolvency Trustee*



Industry Canada  
Office of the Superintendent  
of Bankruptcy Canada

Industrie Canada  
Bureau du surintendant  
des faillites Canada

District of Alberta  
Division No. 02 - Calgary  
Court No. 25-2979738  
Estate No. 25-2979738

In the Matter of the Notice of Intention to make a proposal of:

**Spicelo Limited**

Insolvent Person

**ALVAREZ & MARSAL CANADA INC.**

Licensed Insolvency Trustee

---

Date of the Notice of Intention:

August 25, 2023

---

CERTIFICATE OF FILING OF A NOTICE OF INTENTION TO MAKE A PROPOSAL  
Subsection 50.4 (1)

I, the undersigned, Official Receiver in and for this bankruptcy district, do hereby certify that the aforementioned insolvent person filed a Notice of Intention to Make a Proposal under subsection 50.4 (1) of the Bankruptcy and Insolvency Act;

Pursuant to subsection 69. (1) of the Act, all proceedings against the aforementioned insolvent person are stayed as of the date of filing of the Notice of Intention.

Date: August 25, 2023, 18:09

E-File/Dépôt Electronique

Official Receiver

Harry Hays Building, 220 - 4th Ave SE, Suite 478, Calgary, Alberta, Canada, T2G4X3, (877)376-9902

**Canada**

District of: Alberta  
Division No. 02 - Calgary  
Court No.  
Estate No.

- FORM 33 -  
Notice of Intention To Make a Proposal  
(Subsection 50.4(1) of the Act)

Take notice that:

1. I, Spicelo Limited, an insolvent person, state, pursuant to subsection 50.4(1) of the Act, that I intend to make a proposal to my creditors.
2. Alvarez & Marsal Canada Inc. of Bow Valley Square 4, Suite 1110, 250 6th Ave SW, Calgary, AB, T2P 3H7, a licensed trustee, has consented to act as trustee under the proposal. A copy of the consent is attached.
3. A list of the names of the known creditors with claims of \$250 or more and the amounts of their claims is also attached.
4. Pursuant to section 69 of the Act, all proceedings against me are stayed as of the date of filing of this notice with the official receiver in my locality.

Dated at the city of Calgary in the Province of Alberta, this 25th day of August 2023.



Spicelo Limited  
Insolvent Person



To be completed by Official Receiver:

---

Filing Date

---

Official Receiver

District of: Alberta  
Division No. 02 - Calgary  
Court No.  
Estate No.

- FORM 33 -  
Notice of Intention To Make a Proposal  
(Subsection 50.4(1) of the Act)

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
Jonathan Klesch	[REDACTED]		885,823.40
Michael Alexander Smurfit	[REDACTED]		304,265.20
Signal Capital Partners	4th Floor, 25 Golden Square London W1F 9LU England		38,949,736.80
Trafigura Canada Limited	#1700 400 3 Ave SW Calgary AB		12,463,915.34
<b>Total</b>			<b>52,603,740.74</b>



Spicelo Limited  
Insolvent Person



**CONSENT TO ACT AS TRUSTEE  
IN THE MATTER OF THE DIVISION I PROPOSAL OF  
Spicelo Limited  
OF THE CITY OF CALGARY, IN THE PROVINCE OF ALBERTA**

We, ALVAREZ & MARSAL CANADA INC., of Bow Valley Square 4, Suite 1110, 250 6<sup>th</sup> Avenue S.W., Calgary, AB T2P 3H7, CONSENT to our acting as Trustee under the Division I proposal and in respect of the Notice of Intention to Make a Proposal of Spicelo Limited contemplated herein.

Dated at Calgary, Alberta this 25<sup>th</sup> day of August, 2023.

**Alvarez & Marsal Canada Inc.**  
*Licensed Insolvency Trustee*

**Per:**

  
\_\_\_\_\_  
**Orest Konowalchuk**  
*Licensed Insolvency Trustee*



Industry Canada  
Office of the Superintendent  
of Bankruptcy Canada

Industrie Canada  
Bureau du surintendant  
des faillites Canada

District of Alberta  
Division No. 02 - Calgary  
Court No. 25-2979739  
Estate No. 25-2979739

In the Matter of the Notice of Intention to make a proposal of:

**Stellion Limited**

Insolvent Person

**ALVAREZ & MARSAL CANADA INC.**

Licensed Insolvency Trustee

---

Date of the Notice of Intention:

August 25, 2023

---

CERTIFICATE OF FILING OF A NOTICE OF INTENTION TO MAKE A PROPOSAL  
Subsection 50.4 (1)

I, the undersigned, Official Receiver in and for this bankruptcy district, do hereby certify that the aforementioned insolvent person filed a Notice of Intention to Make a Proposal under subsection 50.4 (1) of the Bankruptcy and Insolvency Act;

Pursuant to subsection 69. (1) of the Act, all proceedings against the aforementioned insolvent person are stayed as of the date of filing of the Notice of Intention.

Date: August 25, 2023, 18:10

E-File/Dépôt Electronique

Official Receiver

Harry Hays Building, 220 - 4th Ave SE, Suite 478, Calgary, Alberta, Canada, T2G4X3, (877)376-9902

**Canada**

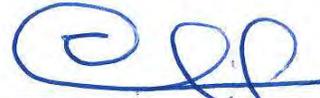
District of: Alberta  
Division No. 02 - Calgary  
Court No.  
Estate No.

- FORM 33 -  
Notice of Intention To Make a Proposal  
(Subsection 50.4(1) of the Act)

Take notice that:

1. I, Stellion Limited, an insolvent person, state, pursuant to subsection 50.4(1) of the Act, that I intend to make a proposal to my creditors.
2. Alvarez & Marsal Canada Inc. of Bow Valley Square 4, Suite 1110, 250 6th Ave SW, Calgary, AB, T2P 3H7, a licensed trustee, has consented to act as trustee under the proposal. A copy of the consent is attached.
3. A list of the names of the known creditors with claims of \$250 or more and the amounts of their claims is also attached.
4. Pursuant to section 69 of the Act, all proceedings against me are stayed as of the date of filing of this notice with the official receiver in my locality.

Dated at the city of Calgary in the Province of Alberta, this 25th day of August 2023.



Stellion Limited  
Insolvent Person



To be completed by Official Receiver:

\_\_\_\_\_

Filing Date

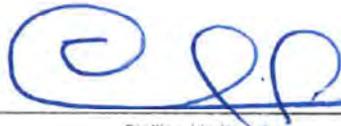
\_\_\_\_\_

Official Receiver

District of: Alberta  
Division No. 02 - Calgary  
Court No.  
Estate No.

- FORM 33 -  
Notice of Intention To Make a Proposal  
(Subsection 50.4(1) of the Act)

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
Jonathan Klesch	[REDACTED]		3,991.59
Signal Capital Partners	4th Floor, 25 Golden Square London W1F 9LU England		38,949,736.80
Spicelo Limited	17 Megalou Alexandro Street 98000 Monaco		15,273.91
Trafigura Canada Limited	#1700 400 3 Ave SW Calgary AB		12,463,915.34
<b>Total</b>			<b>51,432,917.64</b>

  
Stellion Limited  
Insolvent Person



**CONSENT TO ACT AS TRUSTEE  
IN THE MATTER OF THE DIVISION I PROPOSAL OF  
Stellion Limited  
OF THE CITY OF CALGARY, IN THE PROVINCE OF ALBERTA**

We, ALVAREZ & MARSAL CANADA INC., of Bow Valley Square 4, Suite 1110, 250 6<sup>th</sup> Avenue S.W., Calgary, AB T2P 3H7, CONSENT to our acting as Trustee under the Division I proposal and in respect of the Notice of Intention to Make a Proposal of Stellion Limited contemplated herein.

Dated at Calgary, Alberta this 25<sup>th</sup> day of August, 2023.

**Alvarez & Marsal Canada Inc.**  
*Licensed Insolvency Trustee*

**Per:**



**Orest Konowalchuk**  
*Licensed Insolvency Trustee*



Industry Canada  
Office of the Superintendent  
of Bankruptcy Canada

Industrie Canada  
Bureau du surintendant  
des faillites Canada

District of Alberta  
Division No. 02 - Calgary  
Court No. 25-2979721  
Estate No. 25-2979721

In the Matter of the Notice of Intention to make a proposal of:

**2437799 Alberta Ltd.**

Insolvent Person

**ALVAREZ & MARSAL CANADA INC.**

Licensed Insolvency Trustee

---

Date of the Notice of Intention:

August 25, 2023

---

CERTIFICATE OF FILING OF A NOTICE OF INTENTION TO MAKE A PROPOSAL  
Subsection 50.4 (1)

I, the undersigned, Official Receiver in and for this bankruptcy district, do hereby certify that the aforementioned insolvent person filed a Notice of Intention to Make a Proposal under subsection 50.4 (1) of the Bankruptcy and Insolvency Act;

Pursuant to subsection 69. (1) of the Act, all proceedings against the aforementioned insolvent person are stayed as of the date of filing of the Notice of Intention.

Date: August 25, 2023, 17:27

E-File/Dépôt Electronique

Official Receiver

Harry Hays Building, 220 - 4th Ave SE, Suite 478, Calgary, Alberta, Canada, T2G4X3, (877)376-9902

**Canada**

District of: Alberta  
Division No. 02 - Calgary  
Court No.  
Estate No.

- FORM 33 -  
Notice of Intention To Make a Proposal  
(Subsection 50.4(1) of the Act)

Take notice that:

1. I, 2437799 Alberta Ltd., an insolvent person, state, pursuant to subsection 50.4(1) of the Act, that I intend to make a proposal to my creditors.
2. Alvarez & Marsal Canada Inc. of Bow Valley Square 4, Suite 1110, 250 6th Ave SW, Calgary, AB, T2P 3H7, a licensed trustee, has consented to act as trustee under the proposal. A copy of the consent is attached.
3. A list of the names of the known creditors with claims of \$250 or more and the amounts of their claims is also attached.
4. Pursuant to section 69 of the Act, all proceedings against me are stayed as of the date of filing of this notice with the official receiver in my locality.

Dated at the city of Calgary in the Province of Alberta, this 25th day of August 2023.

  
\_\_\_\_\_  
2437799 Alberta Ltd.  
Insolvent Person

To be completed by Official Receiver:

\_\_\_\_\_  
Filing Date

\_\_\_\_\_  
Official Receiver

District of: Alberta  
Division No. 02 - Calgary  
Court No.  
Estate No.

- FORM 33 -  
Notice of Intention To Make a Proposal  
(Subsection 50.4(1) of the Act)

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
Signal Capital Partners	4th Floor, 25 Golden Square London W1F 9LU England		38,949,736.80
Trafigura Canada Limited	#1700 400 3 Ave SW Calgary AB		12,463,915.34
<b>Total</b>			51,413,652.14



2437799 Alberta Ltd.  
Insolvent Person

**CONSENT TO ACT AS TRUSTEE  
IN THE MATTER OF THE DIVISION I PROPOSAL OF  
2437799 ALBERTA LTD.  
OF THE CITY OF CALGARY, IN THE PROVINCE OF ALBERTA**

We, ALVAREZ & MARSAL CANADA INC., of Bow Valley Square 4, Suite 1110, 250 6<sup>th</sup> Avenue S.W., Calgary, AB T2P 3H7, CONSENT to our acting as Trustee under the Division I proposal and in respect of the Notice of Intention to Make a Proposal of 2437799 ALBERTA LTD. contemplated herein.

Dated at Calgary, Alberta this 25<sup>th</sup> day of August, 2023.

**Alvarez & Marsal Canada Inc.**  
*Licensed Insolvency Trustee*

**Per:**



**Orest Konowalchuk**  
*Licensed Insolvency Trustee*



Industry Canada  
Office of the Superintendent  
of Bankruptcy Canada

Industrie Canada  
Bureau du surintendant  
des faillites Canada

District of Alberta  
Division No. 02 - Calgary  
Court No. 25-2979725  
Estate No. 25-2979725

In the Matter of the Notice of Intention to make a proposal of:

**2437801 Alberta Ltd.**

Insolvent Person

**ALVAREZ & MARSAL CANADA INC.**

Licensed Insolvency Trustee

---

Date of the Notice of Intention:

August 25, 2023

---

CERTIFICATE OF FILING OF A NOTICE OF INTENTION TO MAKE A PROPOSAL  
Subsection 50.4 (1)

I, the undersigned, Official Receiver in and for this bankruptcy district, do hereby certify that the aforementioned insolvent person filed a Notice of Intention to Make a Proposal under subsection 50.4 (1) of the Bankruptcy and Insolvency Act;

Pursuant to subsection 69. (1) of the Act, all proceedings against the aforementioned insolvent person are stayed as of the date of filing of the Notice of Intention.

Date: August 25, 2023, 17:37

E-File/Dépôt Electronique

Official Receiver

Harry Hays Building, 220 - 4th Ave SE, Suite 478, Calgary, Alberta, Canada, T2G4X3, (877)376-9902

**Canada**

District of: Alberta  
Division No. 02 - Calgary  
Court No.  
Estate No.

- FORM 33 -  
Notice of Intention To Make a Proposal  
(Subsection 50.4(1) of the Act)

Take notice that:

1. I, 2437801 Alberta Ltd., an insolvent person, state, pursuant to subsection 50.4(1) of the Act, that I intend to make a proposal to my creditors.
2. Alvarez & Marsal Canada Inc. of Bow Valley Square 4, Suite 1110, 250 6th Ave SW, Calgary, AB, T2P 3H7, a licensed trustee, has consented to act as trustee under the proposal. A copy of the consent is attached.
3. A list of the names of the known creditors with claims of \$250 or more and the amounts of their claims is also attached.
4. Pursuant to section 69 of the Act, all proceedings against me are stayed as of the date of filing of this notice with the official receiver in my locality.

Dated at the city of Calgary in the Province of Alberta, this 25th day of August 2023.



---

2437801 Alberta Ltd.  
Insolvent Person

To be completed by Official Receiver:

---

Filing Date

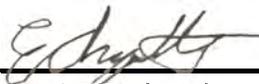
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Official Receiver

District of: Alberta  
Division No. 02 - Calgary  
Court No.  
Estate No.

- FORM 33 -  
Notice of Intention To Make a Proposal  
(Subsection 50.4(1) of the Act)

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
Signal Capital Partners	4th Floor, 25 Golden Square London W1F 9LU England		38,949,736.80
Trafigura Canada Limited	#1700 400 3 Ave SW Calgary AB		12,463,915.34
<b>Total</b>			51,413,652.14



---

2437801 Alberta Ltd.  
Insolvent Person

**CONSENT TO ACT AS TRUSTEE  
IN THE MATTER OF THE DIVISION I PROPOSAL OF  
2437801 ALBERTA LTD.  
OF THE CITY OF CALGARY, IN THE PROVINCE OF ALBERTA**

We, ALVAREZ & MARSAL CANADA INC., of Bow Valley Square 4, Suite 1110, 250 6<sup>th</sup> Avenue S.W., Calgary, AB T2P 3H7, CONSENT to our acting as Trustee under the Division I proposal and in respect of the Notice of Intention to Make a Proposal of 2437801 ALBERTA LTD. contemplated herein.

Dated at Calgary, Alberta this 25<sup>th</sup> day of August, 2023.

**Alvarez & Marsal Canada Inc.**  
*Licensed Insolvency Trustee*

**Per:**

  
\_\_\_\_\_  
**Orest Konowalchuk**  
*Licensed Insolvency Trustee*



Industry Canada  
Office of the Superintendent  
of Bankruptcy Canada

Industrie Canada  
Bureau du surintendant  
des faillites Canada

District of Alberta  
Division No. 02 - Calgary  
Court No. 25-2979732  
Estate No. 25-2979732

In the Matter of the Notice of Intention to make a proposal of:

**2437815 Alberta Ltd.**

Insolvent Person

**ALVAREZ & MARSAL CANADA INC.**

Licensed Insolvency Trustee

---

Date of the Notice of Intention:

August 25, 2023

---

CERTIFICATE OF FILING OF A NOTICE OF INTENTION TO MAKE A PROPOSAL  
Subsection 50.4 (1)

I, the undersigned, Official Receiver in and for this bankruptcy district, do hereby certify that the aforementioned insolvent person filed a Notice of Intention to Make a Proposal under subsection 50.4 (1) of the Bankruptcy and Insolvency Act;

Pursuant to subsection 69. (1) of the Act, all proceedings against the aforementioned insolvent person are stayed as of the date of filing of the Notice of Intention.

Date: August 25, 2023, 17:52

E-File/Dépôt Electronique

Official Receiver

Harry Hays Building, 220 - 4th Ave SE, Suite 478, Calgary, Alberta, Canada, T2G4X3, (877)376-9902

**Canada**

District of: Alberta  
Division No. 02 - Calgary  
Court No.  
Estate No.

- FORM 33 -  
Notice of Intention To Make a Proposal  
(Subsection 50.4(1) of the Act)

Take notice that:

1. I, 2437815 Alberta Ltd., an insolvent person, state, pursuant to subsection 50.4(1) of the Act, that I intend to make a proposal to my creditors.
2. Alvarez & Marsal Canada Inc. of Bow Valley Square 4, Suite 1110, 250 6th Ave SW, Calgary, AB, T2P 3H7, a licensed trustee, has consented to act as trustee under the proposal. A copy of the consent is attached.
3. A list of the names of the known creditors with claims of \$250 or more and the amounts of their claims is also attached.
4. Pursuant to section 69 of the Act, all proceedings against me are stayed as of the date of filing of this notice with the official receiver in my locality.

Dated at the city of Calgary in the Province of Alberta, this 25th day of August 2023.



---

2437815 Alberta Ltd.  
Insolvent Person

To be completed by Official Receiver:

---

Filing Date

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Official Receiver

District of: Alberta  
Division No. 02 - Calgary  
Court No.  
Estate No.

- FORM 33 -  
Notice of Intention To Make a Proposal  
(Subsection 50.4(1) of the Act)

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
Signal Capital Partners	4th Floor, 25 Golden Square London W1F 9LU England		38,949,736.80
Trafigura Canada Limited	#1700 400 3 Ave SW Calgary AB		12,463,915.34
<b>Total</b>			51,413,652.14



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2437815 Alberta Ltd.  
Insolvent Person

**CONSENT TO ACT AS TRUSTEE  
IN THE MATTER OF THE DIVISION I PROPOSAL OF  
2437815 ALBERTA LTD.  
OF THE CITY OF CALGARY, IN THE PROVINCE OF ALBERTA**

We, ALVAREZ & MARSAL CANADA INC., of Bow Valley Square 4, Suite 1110, 250 6<sup>th</sup> Avenue S.W., Calgary, AB T2P 3H7, CONSENT to our acting as Trustee under the Division I proposal and in respect of the Notice of Intention to Make a Proposal of 2437815 ALBERTA LTD. contemplated herein.

Dated at Calgary, Alberta this 25<sup>th</sup> day of August, 2023.

**Alvarez & Marsal Canada Inc.**  
*Licensed Insolvency Trustee*

**Per:**



**Orest Konowalchuk**  
*Licensed Insolvency Trustee*

This is **Exhibit "DD"** to the Affidavit of Daryl Stepanic  
sworn before me this 29<sup>th</sup> day of January 2024.

*Julie Treleaven*

---

Notary Public/Commissioner for Oaths in and for Alberta

**Julie Laura Treleaven**  
Barrister & Solicitor

Clerk's Stamp

COURT FILE NUMBER

COURT

COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE

CALGARY

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

AND IN THE MATTER OF THE COMPROMISE OR  
ARRANGEMENT OF GRIFFON PARTNERS OPERATION  
CORPORATION, GRIFFON PARTNERS HOLDING  
CORPORATION, GRIFFON PARTNERS CAPITAL  
MANAGEMENT LTD., STELLION LIMITED, 2437801  
ALBERTA LTD., 2437799 ALBERTA LTD., 2437815 ALBERTA  
LTD., and SPICELO LIMITED

DOCUMENT

**CONSENT TO ACT AS MONITOR**

ADDRESS FOR  
SERVICE AND  
CONTACT  
INFORMATION OF  
PARTY FILING THIS  
DOCUMENT

**OSLER, HOSKIN & HARCOURT LLP**

Barristers & Solicitors  
Brookfield Place, Suite 2700  
225 6 Ave SW  
Calgary, AB T2P 1N2

Solicitors: Randal Van de Mosselaer / Julie Treleaven  
Telephone: (403) 260-7000  
Facsimile: (403) 260-7024  
Email: [RVandemosselaer@osler.com](mailto:RVandemosselaer@osler.com) / [JTreleaven@osler.com](mailto:JTreleaven@osler.com)  
File Number: 1246361

Alvarez & Marsal Canada Inc. does hereby consent to act as Monitor under the  
*Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended, in respect of these  
proceedings, if so appointed by this Honourable Court.

DATED at the City of Calgary, in the Province of Alberta, this 29<sup>th</sup> day of January, 2024.

**ALVAREZ & MARSAL CANADA INC.**

A handwritten signature in blue ink, consisting of a stylized 'O' followed by a long horizontal stroke that curves upwards at the end.

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

Orest Konowalchuk, LIT  
Senior Vice President