

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 / 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

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

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This is **Exhibit "A"** to the Affidavit of Kenneth Morris
sworn before me this ^{✓ 11th} 30th day of ^{December ✓} November, 2023

Cassandra Betts

CASSANDRA JEAN BETTS
Student-at-Law

Notary Public/Commissioner for Oaths in and for the Province of Alberta

This is **Exhibit "A"** to the Affidavit of Kenneth Morris
sworn before me this ^{✓ 11th} ~~30th~~ day of ^{December ✓} ~~November~~, 2023

Notary Public/Commissioner for Oaths in and for the Province of Alberta

KRM

KENNETH MORRIS

kmorris@imperialcapital.com | 4 Marilyn Court, Eatontown, NJ 07724 | [917-515-8201]

EDUCATION

Master of Arts – Economics <i>Rutgers University (New Jersey, USA)</i>	1985 - 1988
Bachelors of Science – Finance and Economics <i>University of Delaware (Delaware, USA)</i>	1978 - 1982

PROFESSIONAL EXPERIENCE

Managing Director <i>Imperial Capital, LLC (New York & Texas, USA)</i>	2012 - Present
Managing Partner <i>Pritchard Capital Partners (New York & Texas, USA)</i>	2001 - 2012
Managing Director <i>Royal Bank of Canada (New York, USA)</i>	1999 - 2001
Partner <i>Schroeders, Inc. (New York, USA)</i>	1991 - 1999
Equity Trader <i>Arnhold and S. Bleichroeder Inc. (New York, USA)</i>	1982 - 1991

BOARD OF DIRECTOR EXPERIENCE

Heartland Water Technologies	2014 - 2016
Connacher Oil and Gas	2003 - 2009
Appalachian Energy Holdings	2004 - 2008
Pritchard Capital Partners	2001 - 2012

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BOARD OF DIRECTOR EXPERIENCE

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Connacher Oil and Gas	2003 - 2009
Appalachian Energy Holdings	2004 - 2008
Pritchard Capital Partners	2001 - 2012

This is **Exhibit "B"** to the Affidavit of Kenneth Morris
sworn before me this ^{✓ 11th ✓} 30th day of ^{✓ December ✓} ~~November~~, 2023

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Student-at-Law

Notary Public/Commissioner for Oaths in and for the Province of Alberta

This is **Exhibit "B"** to the Affidavit of Kenneth Morris
sworn before me this ^{✓ 11th} day of ^{December ✓} ~~November~~, 2023

Notary Public/Commissioner for Oaths in and for the Province of Alberta

KRM

Imperial Capital LLC's Report Regarding Greenfire Resources Inc.

Introduction

Spicelo Limited (“**Spicelo**”) has retained Imperial Capital LLC (“**Imperial**”) to provide a fundamental valuation of shares in Greenfire Resources Ltd. (“**Greenfire**”) as of November 28, 2023. Subsequent to the closing of the business combination with M3-Brigade Acquisition III Corp., the common shares of Greenfire commenced trading on the NYSE under the symbol “GFR” on September 21, 2023. Given Imperial’s experience in the Energy sector, its expertise in financial valuation methodologies, and its longstanding relationship with Greenfire, Imperial is uniquely qualified to perform a fundamental valuation of the Greenfire equity.

Imperial Capital LLC

Imperial is a full-service investment bank offering a uniquely integrated platform of comprehensive services to institutional investors and middle market companies. Specifically, Imperial’s sales, trading and research platform is comprised of over 80 professionals across offices in New York, London, Los Angeles and Houston, all servicing the needs of over 2,000 Institutional Fund Managers across North America and Europe. Imperial’s core business includes, but is not limited to, high yield bond and equity trading as well as new issue origination of both debt and equity capital.

Imperial has a proven history of securing funds for energy and energy-related services for asset acquisitions and a deep level of understanding of Greenfire’s business and capital structure. For example, Imperial has been involved in the following Greenfire transactions:

1. Greenfire Resources 12.00% \$300 million senior secured notes issuance September 2023

Imperial served as co-manager to Greenfire in connection with the issuance of \$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.

2. GAC Holdco Inc. 12.00% \$312.5 Million Units Issuance September 2021

Imperial served as lead-left placement agent to Greenfire in connection with the issuance of \$312.5 million 12.00% senior secured notes with warrants. Proceeds from the offering allowed Greenfire to fully fund its acquisition of the Hangingstone Expansion Project from Japan Canadian Oil Sands Limited, refinance its existing credit facility, and finance an oil production hedge to mitigate oil price risk.

3. GAC Holdco Inc. December 2019

Imperial served as exclusive financial advisor and sole placement agent to Greenfire in connection with the issuance of a \$50 million senior secured credit facility. Proceeds were used to refinance existing bridge loans associated with the acquisition of the Japan Canada Oil Sands Limited Hangingstone Demonstration Asset.

As such Imperial Capital is in a position to provide a fundamental valuation of the Greenfire Equity

Special Purpose Acquisition Company (“SPAC”) Transactions

SPAC Generally

The Greenfire business combination with M3-Brigade Acquisition III Corp. which closed on September 20, 2023 was structured as a “SPAC” transaction. Special Purpose Acquisition Companies (“SPACs”) are companies formed to raise capital in an initial public offering (“IPO”) with the purpose of using the proceeds to acquire one or more unspecified businesses or assets to be identified after the IPO. A SPAC will go through the typical IPO process of filing a registration statement with the U.S. Securities and Exchange Commission (“SEC”), clearing SEC comments, and undertaking a road show followed by a firm commitment underwriting. The IPO proceeds will be held in a trust account until released to fund the business combination or used to redeem shares sold in the IPO. Offering expenses, including the up-front portion of the underwriting discount, and a modest amount of working capital will be funded by the entity or management team that forms the SPAC (the “Sponsor”). After the IPO, the SPAC will pursue an acquisition opportunity and negotiate a merger or purchase agreement to acquire a business or assets (referred to as the “business combination”). If the SPAC needs additional capital to pursue the business combination or pay its other expenses, the Sponsor may loan additional funds to the SPAC.

De-SPAC Structure

After an IPO, a SPAC will pursue an acquisition opportunity and negotiate a merger or purchase agreement to acquire a business or assets. In advance of signing an acquisition agreement, the SPAC will often arrange committed debt or equity financing, such as a private investment in public equity commitment, to finance a portion of the purchase price for the business combination and thereafter publicly announce both the acquisition agreement and the committed financing. Following the announcement of signing, the SPAC will undertake a mandatory shareholder vote or tender offer process, in either case offering the public investors the right to return their public shares to the SPAC in exchange for an amount of cash roughly equal to the IPO price paid. Once the business combination is approved by the shareholders and the financing and other conditions specified in the acquisition agreement are satisfied, the business combination will be consummated (a process known as “De-SPAC”), and the SPAC and the target business will combine into a publicly traded operating company. This was the process followed by Greenfire and M3-Brigade Acquisition III Corp. which led to the closing of the business combination on September 20, 2023 and the subsequent trading of Greenfire shares on the NYSE under the symbol “GFR”. Accordingly, Greenfire is now considered a De-SPAC. Additionally, SPAC sponsors will also often agree to subject their founder shares to lock-up agreements, vesting and forfeiture provisions (e.g., a portion of sponsor shares are forfeited if the De-SPAC company stock does not trade above a certain price threshold within a certain time period). This vesting structure is seen as a way to align the incentives of SPAC sponsors, target shareholders, and public shareholders, and mitigate some of the criticisms that SPAC sponsors will pick any deal over a good deal for SPAC public shareholders. It is typical that as part of the SPAC process insiders or founders will enter into lock up agreements which would prohibit

trading of their shares for a period of six months. The purpose of a lock up period is to preserve the value of the business combination and prevent an oversupply of shares entering the market in a short period of time. The Greenfire management team and initial investors who collectively hold insider and founder shares in Greenfire (including the Greenfire shares held by Spicelo) fall into this category.

Fundamental Valuation

Imperial Capital considered three valuation methodologies in performing the fundamental valuation of Greenfire shares, the Comparable Company Analysis, the Precedent Transaction Analysis, and the Discounted Cash Flow Analysis.

Imperial Capital relied solely on publicly available information in completion of the analysis contained herein.

Comparable Company Analysis

The Comparable Company Analysis evaluates the value of a company using the metrics of other publicly traded businesses of similar size in the same industry. Based on location, geology and SAGD extraction, Imperial determined that there are two relevant comparable companies to Greenfire. These public companies are Athabasca Oil Corporation (TSX: ATH) and MEG Energy (TSX: MEG). Imperial Capital used Enterprise Value / 2023E EBITDA and Enterprise Value / Producing Barrel as the relevant comparable metrics for determining value. See Schedule A Table [1] for Enterprise Value / 2023E EBITDA and Enterprise Value / Producing Barrel for the comparable companies. Imperial Capital has applied a 1.0x discount to the comparable companies' average Enterprise Value / 2023E EBITDA to account for size and liquidity differences between the comparable companies and Greenfire. Likewise, Imperial Capital has applied a 15% discount to the comparable companies' average Enterprise Value / Producing Barrel to account for size and liquidity differences between the comparable companies and Greenfire. The adjusted averages of the comparable companies' metrics are applied to Greenfire to determine the implied enterprise value of Greenfire. See Schedule A Table [2] for application of comparable company multiples to the corresponding Greenfire metrics. Within the Comparable Company Analysis, the two metrics used have been given equal weighting (i.e. 50% each) in the calculation of the implied enterprise value. The implied enterprise value of Greenfire as determined by the Comparable Company Analysis is CAD \$1,007 million.

Precedent Transaction Analysis

The Precedent Transaction Analysis evaluates the value of a company using the historical prices paid in transactions for businesses of similar size in the same industry. Based on location, geology and SAGD extraction, Imperial determined that there is only one relevant precedent transaction. This precedent transaction is the Strathcona Resources Ltd. acquisition of Tucker Lake. Imperial Capital used Enterprise Value / Producing Barrel as the relevant comparable metric for determining value, as Enterprise Value / 2023E EBITDA was not publicly disclosed. See Schedule A Table [3] for Enterprise Value / Producing Barrel for the precedent transaction. Imperial Capital did not discount the Enterprise Value / Producing Barrel multiple, as the size of the precedent transaction is sufficiently close to Greenfire. The precedent transaction metric is

applied to Greenfire to determine the implied enterprise value of Greenfire. See Schedule A Table [4] for application of the precedent transaction multiple to the corresponding Greenfire metric. The implied enterprise value of Greenfire as determined by the Precedent Transaction Analysis is CAD \$813 million.

Discounted Cash Flow Analysis

N/A. in order to complete a Discounted Cash Flow Analysis, a long-term forecast from management is required. As stated above, Imperial Capital has based its analysis solely on publicly available information, and no long-term forecast has been made available to the public.

Valuation Conclusions

The results of the valuation methodologies described above are weighted based on the merits and limitations of each methodology in each specific instance. As the Precedent Transaction Analysis was limited to a single relevant transaction, and all relevant metrics were not publicly disclosed, Imperial Capital weighted the resulting implied enterprise value at 33%, versus 66% for the Comparable Company Analysis. The implied enterprise value determined by this weighting was adjusted by subtracting the Greenfire Total Debt and adding Cash & Equivalents in order to calculate implied equity value and the implied price per share. The weighting and the calculation of implied equity value and price per share are detailed in Schedule A Table [5]. The implied equity value is converted from CAD to USD, detailed in Schedule A Table [5]. The implied price per share based on Imperial Capital's analysis is USD \$6.30.

Schedule A
Fundamental Valuation

Figures in millions of CAD where applicable unless otherwise specified

Table 1

Comparable Public Companies								EV/	
Company	2023E EBITDA	Production (bbl) ⁽³⁾	Cash & Equivalents	Total Debt	Market Cap ⁽⁴⁾	Enterprise Value	2023E EBITDA ⁽⁵⁾	Producing Barrel ⁽⁵⁾	
Athabasca Oil Corporation ⁽¹⁾	\$ 323	36,176	\$ 337	\$ 212	\$ 2,217	\$ 2,092	6.49x	\$ 57,838	
MEG Energy Corp. ⁽²⁾	1,350	85,974	66	1,382	7,266	8,582	6.36x	99,824	
Mean	\$ 836	\$ 61,075	\$ 202	\$ 797	\$ 4,742	\$ 5,337	6.40x	\$ 79,000	

(1) Financial information as provided in Management's Discussion and Analysis report dated 10/31/2023.

(2) 2023E EBITDA as provided in August 2023 Investor Presentation. Other financial information as provided in Shareholder Report dated 6/30/2023.

(3) Barrels.

(4) Based on share price as of 11/28/2023. ATH shares outstanding as provided in Management's Discussion and Analysis report dated 10/31/2023. MEG shares outstanding as provided in Shareholder Report dated 6/30/2023.

(5) Mean EV / 2023E EBITDA and EV / Producing Barrel are rounded.

Table 2

Comparable Public Company Analysis			
Mean EV / 2023E EBITDA	6.40x	Mean EV / Producing Barrel	\$ 79,000
Less: Size & Liquidity Discount	-1.0x	Less: Size & Liquidity Discount	-15.0%
Adjusted Mean EV / EBITDA	5.40x	Adjusted Mean EV / PB	\$ 67,150
GFR 2023E EBITDA ⁽¹⁾	\$ 133	GFR Production ⁽²⁾	19,304
Implied EV	\$ 718	Implied EV	\$ 1,296
Weighting	50%	Weighting	50%
Implied EV:			
\$1,007			

(1) As provided in Form F-4 Registration No. 333-271381.

(2) As provided in Form 8-K Commission File Number 001-40946.

CB

Table 3

Precedent Transactions						
Transaction Date⁽¹⁾	Acquiror	Target	Production (bbl)⁽¹⁾	Implied EV⁽¹⁾	Producing Barrel	EV /
12/16/2021	Strathcona Resources, Ltd.	Tucker Lake	19,000	\$ 800	\$	42,105

(1) Source: Press releases.

Table 4

Precedent Transaction Analysis	
Mean EV / Producing Barrel	\$ 42,105
GFR Production	19,304
Implied EV	\$ 813

Table 5

Valuation Conclusion		
Implied Enterprise Value		Weighting
Comparable Public Company Analysis	\$ 1,007	66.6%
Precedent Transaction Analysis	\$ 813	33.3%
Weighted Average Implied EV	\$ 941	
Less: Total Debt ⁽¹⁾	(407)	
Plus: Cash & Equivalents ⁽²⁾	\$ 84	
Implied Equity Value⁽³⁾	\$ 619	CAD
	\$ 456	USD
Shares Outstanding ⁽⁴⁾	72.3	
Implied Price per Share	\$ 6.30	

(1) Source: Press release. Converted from USD to CAD at a rate of 1.36 as of 11/28/2023.

(2) As provided in Form 8-K Commission File Number 001-40946.

(3) CAD converted to USD at a rate of 1.36 as of 11/28/2023.

(4) As provided in October 2023 Corporate Presentation.

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Imperial Capital relied solely on publicly available information in completion of the analysis contained herein.

Comparable Company Analysis

The Comparable Company Analysis evaluates the value of a company using the metrics of other publicly traded businesses of similar size in the same industry. Based on location, geology and SAGD extraction, Imperial determined that there are two relevant comparable companies to Greenfire. These public companies are Athabasca Oil Corporation (TSX: ATH) and MEG Energy (TSX: MEG). Imperial Capital used Enterprise Value / 2023E EBITDA and Enterprise Value / Producing Barrel as the relevant comparable metrics for determining value. See Schedule A Table [1] for Enterprise Value / 2023E EBITDA and Enterprise Value / Producing Barrel for the comparable companies. Imperial Capital has applied a 1.0x discount to the comparable companies' average Enterprise Value / 2023E EBITDA to account for size and liquidity differences between the comparable companies and Greenfire. Likewise, Imperial Capital has applied a 15% discount to the comparable companies' average Enterprise Value / Producing Barrel to account for size and liquidity differences between the comparable companies and Greenfire. The adjusted averages of the comparable companies' metrics are applied to Greenfire to determine the implied enterprise value of Greenfire. See Schedule A Table [2] for application of comparable company multiples to the corresponding Greenfire metrics. Within the Comparable Company Analysis, the two metrics used have been given equal weighting (i.e. 50% each) in the calculation of the implied enterprise value. The implied enterprise value of Greenfire as determined by the Comparable Company Analysis is CAD \$1,007 million.

Precedent Transaction Analysis

The Precedent Transaction Analysis evaluates the value of a company using the historical prices paid in transactions for businesses of similar size in the same industry. Based on location, geology and SAGD extraction, Imperial determined that there is only one relevant precedent transaction. This precedent transaction is the Strathcona Resources Ltd. acquisition of Tucker Lake. Imperial Capital used Enterprise Value / Producing Barrel as the relevant comparable metric for determining value, as Enterprise Value / 2023E EBITDA was not publicly disclosed. See Schedule A Table [3] for Enterprise Value / Producing Barrel for the precedent transaction. Imperial Capital did not discount the Enterprise Value / Producing Barrel multiple, as the size of the precedent transaction is sufficiently close to Greenfire. The precedent transaction metric is

applied to Greenfire to determine the implied enterprise value of Greenfire. See Schedule A Table [4] for application of the precedent transaction multiple to the corresponding Greenfire metric. The implied enterprise value of Greenfire as determined by the Precedent Transaction Analysis is CAD \$813 million.

Discounted Cash Flow Analysis

N/A. in order to complete a Discounted Cash Flow Analysis, a long-term forecast from management is required. As stated above, Imperial Capital has based its analysis solely on publicly available information, and no long-term forecast has been made available to the public.

Valuation Conclusions

The results of the valuation methodologies described above are weighted based on the merits and limitations of each methodology in each specific instance. As the Precedent Transaction Analysis was limited to a single relevant transaction, and all relevant metrics were not publicly disclosed, Imperial Capital weighted the resulting implied enterprise value at 33%, versus 66% for the Comparable Company Analysis. The implied enterprise value determined by this weighting was adjusted by subtracting the Greenfire Total Debt and adding Cash & Equivalents in order to calculate implied equity value and the implied price per share. The weighting and the calculation of implied equity value and price per share are detailed in Schedule A Table [5]. The implied equity value is converted from CAD to USD, detailed in Schedule A Table [5]. The implied price per share based on Imperial Capital's analysis is USD \$6.30.

Schedule A
Fundamental Valuation

Figures in millions of CAD where applicable unless otherwise specified

Table 1

Comparable Public Companies								EV/	
Company	2023E EBITDA	Production (bbl) ⁽³⁾	Cash & Equivalents	Total Debt	Market Cap ⁽⁴⁾	Enterprise Value	2023E EBITDA ⁽⁵⁾	Producing Barrel ⁽⁵⁾	
Athabasca Oil Corporation ⁽¹⁾	\$ 323	36,176	\$ 337	\$ 212	\$ 2,217	\$ 2,092	6.49x	\$ 57,838	
MEG Energy Corp. ⁽²⁾	1,350	85,974	66	1,382	7,266	8,582	6.36x	99,824	
Mean	\$ 836	\$ 61,075	\$ 202	\$ 797	\$ 4,742	\$ 5,337	6.40x	\$ 79,000	

(1) Financial information as provided in Management's Discussion and Analysis report dated 10/31/2023.

(2) 2023E EBITDA as provided in August 2023 Investor Presentation. Other financial information as provided in Shareholder Report dated 6/30/2023.

(3) Barrels.

(4) Based on share price as of 11/28/2023. ATH shares outstanding as provided in Management's Discussion and Analysis report dated 10/31/2023. MEG shares outstanding as provided in Shareholder Report dated 6/30/2023.

(5) Mean EV / 2023E EBITDA and EV / Producing Barrel are rounded.

Table 2

Comparable Public Company Analysis			
Mean EV / 2023E EBITDA	6.40x	Mean EV / Producing Barrel	\$ 79,000
Less: Size & Liquidity Discount	-1.0x	Less: Size & Liquidity Discount	-15.0%
Adjusted Mean EV / EBITDA	5.40x	Adjusted Mean EV / PB	\$ 67,150
GFR 2023E EBITDA ⁽¹⁾	\$ 133	GFR Production ⁽²⁾	19,304
Implied EV	\$ 718	Implied EV	\$ 1,296
Weighting	50%	Weighting	50%
Implied EV:			
\$1,007			

(1) As provided in Form F-4 Registration No. 333-271381.

(2) As provided in Form 8-K Commission File Number 001-40946.

Table 3

Precedent Transactions						
Transaction Date ⁽¹⁾	Acquiror	Target	Production (bbl) ⁽¹⁾	Implied EV ⁽¹⁾	Producing Barrel	EV /
12/16/2021	Strathcona Resources, Ltd.	Tucker Lake	19,000	\$ 800	\$	42,105

(1) Source: Press releases.

Table 4

Precedent Transaction Analysis	
Mean EV / Producing Barrel	\$ 42,105
GFR Production	19,304
Implied EV	\$ 813

Table 5

Valuation Conclusion		
Implied Enterprise Value		Weighting
Comparable Public Company Analysis	\$ 1,007	66.6%
Precedent Transaction Analysis	\$ 813	33.3%
Weighted Average Implied EV	\$ 941	
Less: Total Debt ⁽¹⁾	(407)	
Plus: Cash & Equivalents ⁽²⁾	\$ 84	
Implied Equity Value ⁽³⁾	\$ 619	CAD
	\$ 456	USD
Shares Outstanding ⁽⁴⁾	72.3	
Implied Price per Share	\$ 6.30	

(1) Source: Press release. Converted from USD to CAD at a rate of 1.36 as of 11/28/2023.

(2) As provided in Form 8-K Commission File Number 001-40946.

(3) CAD converted to USD at a rate of 1.36 as of 11/28/2023.

(4) As provided in October 2023 Corporate Presentation.