

Clerk's stamp

COURT FILE NUMBER 2401 03920

COURT COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

MATTERS IN THE MATTER OF AN APPLICATION UNDER  
SECTION 243 OF THE *BANKRUPTCY AND*  
*INSOLVENCY ACT*, R.S.C. 1985, c. B-3, AS  
AMENDED;  
  
AND IN THE MATTER OF AN APPLICATION UNDER  
SECTION 13(2) OF THE *JUDICATURE ACT*, R.S.A  
2000 J-2

APPLICANTS TRAFIGURA CANADA LIMITED and SIGNAL ALPHA  
C4 LIMITED

RESPONDENT SPICELO LIMITED

DOCUMENT **AFFIDAVIT**

ADDRESS FOR SERVICE **STIKEMAN ELLIOTT LLP**  
AND CONTACT Barristers & Solicitors  
INFORMATION OF 4300 Bankers Hall West  
PARTY FILING THIS 888-3rd Street SW  
DOCUMENT Calgary, AB T2P 5C5

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

File No.: 137093.1011



**AFFIDAVIT NO. 1 OF MATTHIEU MILANDRI**

**Sworn on March 18, 2024**

I, Matthieu Milandri, of the City of Geneva, in Switzerland, SWEAR AND SAY THAT:

1. I am Head of Upstream Finance of Trafigura PTE 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 Trafigura Canada Limited ("**Trafigura**") and Signal Alpha C4 Limited ("**Signal**" and with Trafigura, the "**Lenders**").

3. All references to monetary amounts in this Affidavit are in Canadian dollars unless otherwise noted.

**I. The Parties**

4. The Applicants, Signal and Trafigura, are the only secured creditors of Spicelo Limited ("**Spicelo**"). Spicelo is one of seven corporate guarantors who are indebted to the Lenders in the amount of approximately \$51M CAD relating to a loan advanced to Griffon Partners Operation Corp. ("**GPOC**") in July of 2022 for certain oil and gas assets (the "**GPOC Assets**").
5. The Respondent, Spicelo, is an investment corporation incorporated pursuant to the laws of the Republic of Cyprus. Spicelo has no corporate relationship to GPOC or the other guarantors, but is a private holding company for one of GPOC's directors, Jonathan Klesch. Attached and marked as **Exhibit "A"** is a copy of the extra-provincial corporate registry search for Spicelo.
6. Spicelo has no assets except 1,125,002 common shares in the capital of Greenfire Resources Inc. (which are pending to be exchanged for 5,499,506 shares in the capital of Greenfire Resources Ltd. ("**Greenfire**")) (before and after such exchange being referred to as the "**Pledged Shares**"), which have specifically been pledged to the Lenders in support of Spicelo's guarantee of the Loan (as defined below).
7. Spicelo does not carry on business or have any employees. Spicelo has no proven creditors except the Lenders. Attached hereto and marked as **Exhibit "B"** is a copy of Spicelo's Notice to Creditors dated August 25, 2023.

**II. The Loan and the Lenders' Security**

8. On July 21, 2022, the Lenders advanced a total of USD\$35,869,565.21 (the "**Loan**") to GPOC pursuant to the terms of a loan agreement (the "**Loan Agreement**") to partially finance an asset purchase and sale transaction to obtain the GPOC Assets between Tamarack Valley Energy Ltd. and GPOC. The Collateral Agent was engaged by the Lenders to act as agent for and on behalf of the Lenders in respect of the Loan Agreement. Attached hereto and marked as **Exhibit "C"** is a copy of the Loan Agreement.
9. In order to fully collateralize the Loan it was agreed that the Lenders would receive certain security pursuant to the Loan Agreement, including:
- (a) a fixed and floating charge debenture over all GPOC's present and future real and personal property;

- (b) six corporate guarantees from Griffon Partners Capital Management Ltd. ("**GPCM**") Griffon Partners Holding Corp. ("**GPHC**"), Stellion Limited ("**Stellion**"), 2437801 Alberta Ltd. ("**2437801**"), 2437799 Alberta Ltd. ("**2437799**"), 2437815 Alberta Ltd. ("**2437815**") (collectively with Spicelo, the "**Guarantors**" and each a "**Guarantor**") as security for payment and performance of all GPOC's obligations under the Loan Agreement; and
  - (c) a Limited Recourse Guarantee and Securities Pledge Agreement dated July 21, 2022 (the "**Share Pledge**") from Spicelo with respect to the Pledged Shares and a special dividend in the pre-tax amount of USD \$6,600,000 (the "**Special Dividend**"). Attached hereto and marked as **Exhibit "D"** is a copy of the Share Pledge.
10. The Pledged Shares and Special Dividend have considerable value. As of March 15, 2024, the combined value of the Pledged Shares and Special Dividend is approximately USD\$33,537,490.48 (USD\$27,937,490.48 for the Pledged Shares; USD\$5,600,000 after withholding tax for the Special Dividend) or approximately CAD\$45,411,942.05. Attached hereto and marked as **Exhibit "E"** is a copy of certain summary and historical trading information in relation to the Pledged Shares from the New York Stock Exchange over the period from initial listing on September 21, 2024 to and including March 18, 2024.

### **III. Default and Indebtedness**

11. On November 1, 2022, GPOC defaulted on the Loan Agreement by failing to meet mandatory principal amortization payments as required under the Loan Agreement. The Loan remains in default to the present date with costs and expenses continuing to accrue thereunder.
12. As a result of GPOC's defaults, on August 16, 2023, the Lenders issued formal demands for repayment from GPOC and the Guarantors concurrently with notices to enforce security pursuant to section 244 of the *BIA* (the "**Section 244 Notice**"). Attached hereto and marked as **Exhibit "F"** is a copy of the Section 244 Notice with respect to Spicelo.
13. As of March 1, 2024, the Lenders were owed the following amounts:
- (a) the original principal amount, accrued interest and fees equalling USD\$39,512,590.96 (CAD\$53,517,827.53); and
  - (b) additional fees, costs, expenses and other charges which are due and payable pursuant to the terms of the Loan Agreement (collectively, the "**Indebtedness**").

**IV. NOI & CCAA Proceedings**

14. GPOC and the Guarantors, including Spicelo, filed a Notice of Intention to Make a Proposal (“**NOI Proceeding**”) under the *BIA* on August 25, 2023. In accordance with the *BIA*, the Debtors were required to make a Proposal to their creditors within 6 months – the latest date being February 25, 2024 (the “**Proposal Period**”).
15. Since October 18, 2023, GPOC and the Guarantors have been engaged in a Sales and Investment Solicitation Process (the “**SISP**”) to sell GPOC or the GPOC Assets. The Pledged Shares were not offered for sale, but instead offered up as part of collateral package in the event there was a bidder willing to do a full refinancing of GPOC’s debt.
16. The deadline for final bids pursuant to the SISP expired on January 22, 2024 (after being extended) and after further extensions, a successful bid was selected on February 22, 2024 (the “**Successful Bid**”). The Successful Bid does not include the Pledged Shares, nor is it sufficient to fully repay the Indebtedness.
17. As it became apparent that the SISP process would not be concluded prior to the expiry of the Proposal Period, the NOI Proceeding was continued under the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36 in Alberta Court of King’s Bench Action No. 2401-01422 (the “**CCAA Proceedings**”) on February 7, 2024.
18. At the hearing on February 7, 2024, the Lenders brought an application for the appointment of a receiver of Spicelo only – that application was denied by the Justice Johnston on the basis that a winning bid had not yet been selected under the SISP, so there was some uncertainty in the process. Attached hereto and marked as **Exhibit “G”** is a copy of the transcript of reasons for decision of the Honourable Justice Johnston from the February 7, 2024 hearing.
19. The Lenders did consent to an extension of the CCAA Proceedings for GPOC to allow the SISP to conclude. However, further delays have occurred, and definitive documents have not yet been signed. The SISP process deadlines have again been extended and on March 6, 2024, the Lenders again agreed to consent to an order extending the CCAA Proceeding for GPOC to April 17, 2024.
20. Upon the consent of the parties, the CCAA Proceedings for Spicelo were extended to March 26, 2024 only, in order to enable the Lenders to make the within application, and/or for Spicelo to make an application for enhanced powers for the Monitor.



**V. Sub-Agency Agreement**

21. GLAS America LLC (the “**Collateral Agent**”) is collateral agent for the Lenders in relation to the Loan and the collateral pledged thereunder. The Collateral Agent was engaged pursuant to the terms of the Loan Agreement and an Intercreditor Agreement dated July 21, 2022 (the “**Intercreditor Agreement**”), the terms which were acknowledged and agreed to by GPOC. Attached hereto and marked as **Exhibit “H”** is a copy of the Intercreditor Agreement.
22. The Share Pledge provides that the Collateral Agent is entitled to seek repayment from Spicelo as a separate and distinct obligation and, in the event of non-payment by Spicelo, is entitled to seek enforcement via the Pledged Shares and Special Dividend. The Share Pledge allows the Collateral Agent to, *inter alia*, appoint a receiver to take enforcement steps with respect to the Pledged Shares and Special Dividend.
23. On March 18, 2024, Trafigura and the Collateral Agent entered into a Sub-Agency Agreement with respect to all enforcement steps under the Share Pledge. Attached hereto and marked as **Exhibit “I”** is a copy of the Sub-Agency Agreement.
24. The Loan Agreement at Section 9.10 provides as follows:
  - (a) that the Collateral Agent may assign its rights and duties thereunder to the Lenders without the prior written consent of, or prior written notice to GPOC;
  - (b) that the Collateral Agent may perform any and all of its duties and exercise its rights and powers under the Loan Agreement or through any Credit Document, including the Share Pledge, by or through any one or more sub agents appointed by the Collateral Agent; and
  - (c) in the event that the Collateral Agent appoints a sub-agent to carry out its duties the sub-agent shall have an independent right of action to enforce such rights, benefits and privileges directly and without the consent or joinder of any person against any or all of the Credit Parties, including Spicelo.
25. The Collateral Agent and Lenders have determined that the most efficient and cost-effective manner to enforce the Share Pledge is to assign such right to Trafigura on behalf of the Lenders, given their familiarity with these proceedings and lack of involvement of the Collateral Agent to date.

**VI. Appointment of a Receiver over Spicelo**

26. As the Lenders have always contended, liquidation of the Spicelo assets is the only way in which the Lenders will be fully repaid. There is no proposal which Spicelo could make which would be acceptable to the Lenders, nor is there any restructuring to be had of Spicelo. Spicelo is simply a holding company which owns stock in a publicly traded company, which stock was specifically pledged to the Lenders.
27. Considering the facts and circumstances described above, the Lenders believe that it is necessary to appoint Grant Thornton Limited ("**GT**") as receiver over Spicelo. The Lenders have met with GT to discuss the engagement and have been assured that GT will be able to quickly come up to speed and commence a cost-effective sales process under the Court's supervision. Attached hereto as **Exhibit "J"** is a copy of GT's consent to act as receiver.
28. The Lenders have had several meetings with GT and GT has advised that it has investigated the nature of the assets and had discussions with counsel for Greenfire. As a result of these efforts, it has formulated a preliminary plan by which it intends to carry out the liquidation of the Pledged Shares, subject to further review and discussion with all stakeholders. Attached and marked as **Exhibit "K"** is a copy of an email exchange with Neil Honess, partner with GT, outlining his preliminary views.
29. The Lenders believe they can work with GT in an effective manner, which unfortunately, has not been their experience working with Alvarez & Marsal Canada Inc. (the "**Monitor**") in its current role as Monitor or its previous role as Proposal Trustee. The Lenders have expressed their concerns with respect to the Monitor's actions (including errors in their and delayed reporting, inability to control professional fees and stick to timelines) in multiple emails, meetings with the Monitor and counsel, and in previous affidavits filed by the Lenders.
30. In the event this Court is prepared to grant an order appointing GT as receiver over Spicelo, the Lenders are prepared to provide funding to GT through the form of receiver certificates for the cost of liquidation. The Lenders are not prepared to provide any funding for A&M to carry out the enhanced powers sought by the Debtor applicants.
31. Unfortunately, the Lenders have faced over seven months of delay tactics, missed deadlines and overbudget fees, with no liquidation of any kind having taken place to-date. Despite initial forecasts assuring the Lenders that the proceedings would be completed within six-months and within budget, they have seen approximately \$2.7M CAD in professional fees (pre-filing payments to legal and financial advisors, Proposal Trustee/Monitor and counsel, Debtors' counsel, and Transaction Agent) charged against their collateral over a six-month period.

32. Trafigura is already a holder of 3.9% of shares in Greenfire by virtue of earlier and unrelated acquisitions of Greenfire securities, reflecting a material interest in Greenfire. Trafigura believes that it is well suited to provide GT with relevant market information that would assist in facilitating a timely and cost-effective liquidation process.
33. The Lenders have lost faith in the ability of the Monitor and/or Transaction Agent to realize on the assets in an efficient and cost-effective manner. Further, the Lenders have no confidence in the ability of Spicelo to manage its assets in any other way than to obstruct the Lenders, and the principle of Spicelo (Jonathn Klesch) has recently contacted the Lenders expressing his belief that the Lenders should accept less than their contractual rights. The Lenders believe that a debtor-in-possession scenario (even with the insertion of a super monitor with enhanced powers) is not in the Lenders' best interests, as Jonathan Klesch will continue to use this process to obstruct the Lenders.

**VII. The Lenders' Deteriorating Position**

34. Since the commencement of these proceedings in August 2023, the value of the Pledged Shares has fluctuated from a high of approximately \$10.10 USD/share (September 21, 2023) to a low of \$4.68 USD/share (February 27, 2024) on the NYSE. On March 15, 2024, the closing price of the Pledged Shares was \$5.08 USD/share on the NYSE. Volumes traded over the same period averaged 12,901 shares per day. These price fluctuations and low trading volumes highlight the volatility of the Pledged Shares, and the Lenders' exposure to risk of under collateralization should the share price drop further.
35. Currently, a significant portion of the public Greenfire shares are subject to a Lock Up Agreement whereby certain corporate holders of the Greenfire shares were restricted from selling such shares until, *inter alia*, at least March 18, 2024. It is the Lender's belief, based on past experience, that the increased market liquidity which will occur as a result of the expiration of the Lock Up Agreement, could depress the share value for the Greenfire Shares, at least temporarily.
36. Throughout these proceedings the Debtors and Proposal Trustee (now Monitor) have repeatedly alleged that the Lenders are overcollateralized and have downplayed the Lenders' concerns about their deteriorating position, in order to minimize their concerns as the legitimate fulcrum creditor. Examples of these statements include the following:
- (a) in the Affidavit of Daryl Stepanic filed September 15, 2023 (the "**Stepanic Affidavit**") at paragraph 71: "In short, the Lenders are over collateralized. The New Greenfire shares alone should be sufficient to satisfy all obligations due and owing both to the Lenders and Tamarack without even considering the significant value of the Griffon Entities' current

licensed assets and production..." (attached and marked as **Exhibit "L"** is a copy of the Stepanic Affidavit);

- (b) in the submissions of counsel for the Debtors on February 6, 2024 at page 15 lines 16-17: "... and because the lenders are over-collateralized they will be paid out unless a meteor hits the earth, the lenders will be paid out" (attached and marked as **Exhibit "M"** is a copy of the transcript);
- (c) the Five Reports filed by the Proposal Trustee (and statements made by counsel for GPOC in Court) are replete with references to the Lenders being overcollateralized to various degrees (attached and marked as **Exhibit "N"** are copies of the Five Reports); and
- (d) in the Fifth Report of the Proposal Trustee dated February 1, 2024 (the "**Fifth Report**") at paragraph 48: "Based on the non-binding offers received on the GPOC assets to date (as disclosed in the Confidential Appendix 1) and the estimated value of the GFR shares, it appears that the Senior Secured Lenders are over-collateralized, which has been the case since the start of the NOI Proceedings and by the Senior Secured Lenders own admission".

37. In contrast, the Lenders have repeatedly filed affidavits underlying their concerns with respect to deteriorating asset value, excessive delay, increasing risk profile based on fluctuating commodity pricing and stock market fluctuations, and excessive professional fees, which have drained the cash which would otherwise still be sitting in GPOC's bank accounts for the benefit of creditors. Examples of these statements include the following:

- (a) in Dave Gallagher's Affidavit filed on September 20, 2023 (the "**First Affidavit**"), the Lenders raised concerns about the forecasted professional fees in the amount of CAD\$1,200,000 (paragraph 46) (which have now accrued to CAD\$2,700,000), the inability of the Debtors to put forward any viable proposal (paragraphs 47-50), the liquidity of the Pledged Shares (paragraphs 62-69) and the necessity to liquidate the Pledged Shares forthwith (paragraphs 70-72). Attached and marked as **Exhibit "O"** are excerpts from the First Affidavit.
- (b) in Dave Gallagher's Affidavit filed on October 18, 2023 (the "**Second Affidavit**"), the Lenders raised concerns regarding the Debtors' ability to put forward a viable proposal (paragraph 21), fluctuations in the Greenfire share price, cash flow available for debt servicing and excessive accruing professional fees (paragraphs 25-30). Attached and marked as **Exhibit "P"** are excerpts from the Second Affidavit.
- (c) in Dave Gallagher's Affidavit filed on November 6, 2023 (the "**Third Affidavit**"), the Lenders raised concerns about the excessive professional fees priming their secured position

(paragraphs 23-28) and concerns about delay and lack of direction in the SISP marketing process (paragraphs 32-36). Attached and marked as **Exhibit “Q”** are excerpts from the Third Affidavit.

- (d) in Dave Gallagher’s Affidavit filed on November 27, 2023 (the “**Fourth Affidavit**”), the Lenders raised their concerns regarding the delay in liquidating the Pledged Shares (paragraphs 19-28). Attached and marked as **Exhibit “R”** are excerpts from the Fourth Affidavit.
  - (e) in Dave Gallagher’s Affidavit filed on December 11, 2023 (the “**Fifth Affidavit**”), the Lenders raised concerns about rapidly declining commodity prices and the resulting impact on the value of the GPOC assets and Pledged Shares (paragraphs 8-12). Attached and marked as **Exhibit “S”** are excerpts from the Fifth Affidavit.
  - (f) in Dave Gallagher’s Affidavit filed on January 29, 2024 (the “**Sixth Affidavit**”), the Lenders raised concerns about continued delay, the SISP process and the lack of communication and responsiveness from the Proposal Trustee (paragraphs 26-33). Attached and marked as **Exhibit “T”** are excerpts from the Sixth Affidavit.
38. I am dismayed that the Proposal Trustee (now Monitor) has failed to highlight the many instances where we have expressed our concerns about risk of under collateralization in any of its reports. The First Report of the Monitor dated February 28, 2024, does not mention any of the many emails and meetings we have had with respect to this issue recently and in the last several months, and the Fifth Report wrongly leaves the impression that we are “admitting” our over collateralization. To be clear, if the Lenders were ever over collateralized in August 2023, that is not the case now.
39. Respectfully, since August 2023, the nature of these proceedings has changed considerably, and the evidence no longer supports the view that the Lenders suffer no material risk of under collateralization for the following reasons:
- (a) this process has been ongoing since August 2023 and there has been absolutely no liquidation of any assets in what is supposed to be a “liquidation” proceeding;
  - (b) the SISP (while confidential) has resulted in a bid which is not yet finalized and will leave a substantial deficit owing to the Lenders;
  - (c) liquidation of the Pledged Shares is the only way the Lenders may be repaid in full;
  - (d) Greenfire share prices have fluctuated substantially;

- (e) crude oil and natural gas prices have remained volatile and have declined significantly since Q3 2023 when the NOI process commenced; and
- (f) Greenfire share prices may be negatively impacted by expiry of the Lock Up Period on March 18, 2024, which will result in increased trading volumes and selling pressure from shareholders who were previously bound by the Lock Up Agreement.

40. The Lenders have also seen \$2,700,000 in professional fees incurred since the commencement of these insolvency proceedings, all of which have primed their primary secured position. The actual professional fees incurred are summarized as follows:

<b>Disbursements</b>	<b>Actuals During NOI Period (August 25, 2023 – January 19, 2024)</b>	<b>Actuals During 4-week CCAA Period (January 20, 2024 to February 16, 2024)</b>
<b>Tory's retainer</b>	\$50,000	-
<b>Pre-filing professional fees</b>	\$110,000	-
<b>Companies' counsel fees</b>	\$603,000	\$148,000
<b>Transaction agent fees</b>	\$829,000	\$148,000
<b>Proposal Trustee's fees</b>	\$409,000	\$100,000
<b>Proposal Trustee's counsel fees</b>	\$233,000	\$70,000
<b>TOTALS:</b>	<b>\$2,234,000.00</b>	<b>\$466,000.00</b>

41. Further, an additional \$688,000 in professional fees are expected to accrue over the next 9-week period to April 19, 2024. These forecasted fees are summarized as follows:

<b>Disbursements</b>	<b>13-week forecasted fees in Pre-Filing Monitor Report</b>	<b>Actuals During 4-week CCAA Period</b>	<b>9-week forecasted fees in First Monitor Report to April 19, 2024</b>
<b>Companies' counsel fees</b>	\$375,000	\$148,000	\$250,000
<b>Transaction agent fees</b>	\$175,000	\$148,000	\$68,000
<b>Monitor's fees</b>	\$250,000	\$100,000	\$270,000
<b>Monitor's counsel fees</b>	\$150,000	\$70,000	\$100,000
<b>TOTALS:</b>	<b>\$400,000.00</b>	<b>\$466,000.00</b>	<b>\$688,000.00</b>

42. The Lenders have repeatedly expressed their concern about the excessive professional fees accruing in these proceedings and the impact of those fees on the Lenders' potential for overall recovery. Notably, GPOC is forecasted to have a negative cash flow position over the next several weeks for the first time since the SISF began in August 2023, a distressing reflection of the further deteriorating financial position of GPOC.

43. The Lenders believe that this process has been too slow, too lengthy, too expensive and has unnecessarily exposed the Lenders to risk. Further, the Lenders believe that their position is not being fairly considered or reflected in the Proposal Trustee or Monitor reports, and I make this affidavit to, once again, underline the Lenders' concerns with this unduly protracted and to date, unsuccessful process.

***Remote Commissioning***

44. 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 18th day  
of March, 2024.

*Archer Bell*

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

*Matthieu Milandri*

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**MATTHIEU MILANDRI**

This is **Exhibit “A”** referred to in the Affidavit of  
Matthieu Milandri sworn before me via video  
technology this 18 day of March, 2024.

*Archer Bell*

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Commissioner for Oaths in and for the  
Province of Alberta

**ARCHER BELL**  
Barrister & Solicitor



Government Corporation/Non-Profit Search  
of Alberta ■ Corporate Registration System

Date of Search: 2023/08/25  
Time of Search: 10:05 AM  
Search provided by: STIKEMAN ELLIOTT  
Service Request Number: 40362469  
Customer Reference Number: 137093.1011

Corporate Access Number: 2125417580  
Business Number:  
Legal Entity Name: SPICELO LIMITED

Legal Entity Status: Active  
Extra-Provincial Type: Foreign Corporation  
Registration Date: 2023/08/23 YYYY/MM/DD  
Date Of Formation in Home Jurisdiction: 2019/11/15 YYYY/MM/DD  
Home Jurisdiction: CYPRUS  
Home Jurisdiction CAN: HE404146

Head Office Address:  
Street: MEGALOU ALEXANDROU 17, AGLANTZIA  
City: NICOSIA  
Postal Code: 2121  
Country: CYPRUS  
Email Address: CEO@ICCSOVEREIGNGROUP.COM

Primary Agent for Service:

Last Name	First Name	Middle Name	Firm Name	Street	City	Province	Postal Code	Email
VAN DE MOSSELAER	RANDAL	S.	OSLER, HOSKIN & HARCOURT LLP	2700, 225 - 6TH AVENUE SW	CALGARY	ALBERTA	T2P1N2	CORPORATESERVICESCALGARY@OSLER.COM

Directors:

Last Name: CHARALAMBIDES  
First Name: IOANNIS  
Street/Box Number: AMFISSIS 16, AGLANTZIA  
City: NICOSIA  
Postal Code: 2121  
Country: CYPRUS

Other Information:

Filing History:

List Date (YYYY/MM/DD)	Type of Filing
2023/08/23	Register Extra-Provincial Profit / Non-Profit Corporation

**Attachments:**

Attachment Type	Microfilm Bar Code	Date Recorded (YYYY/MM/DD)
Foreign Charter	10000707125165661	2023/08/23

The Registrar of Corporations certifies that, as of the date of this search, the above information is an accurate reproduction of data contained in the official public records of Corporate Registry.



This is **Exhibit “B”** referred to in the Affidavit of  
Matthieu Milandri sworn before me via video  
technology this 18 day of March, 2024.

*Archer Bell*

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Commissioner for Oaths in and for the  
Province of Alberta

**ARCHER BELL**  
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, Stellation 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. 25-2979738  
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

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Date of the Notice of Intention:

August 25, 2023

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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**

*AB MM*

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>			52,603,740.74



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*



This is **Exhibit “C”** referred to in the Affidavit of  
Matthieu Milandri sworn before me via video  
technology this 18 day of March, 2024.

*Archer Bell*

---

Commissioner for Oaths in and for the  
Province of Alberta

**ARCHER BELL**  
Barrister & Solicitor

**GRIFFON PARTNERS OPERATION CORP.**

as Borrower

and

**GRIFFON PARTNERS CAPITAL MANAGEMENT LTD. AND  
GRIFFON PARTNERS HOLDING CORP.**

as Guarantors

and

**TRAFIGURA CANADA LIMITED, SIGNAL ALPHA C4 LIMITED AND  
THOSE OTHER PERSONS WHICH  
HEREAFTER BECOME LENDERS  
UNDER THIS AGREEMENT**

as Lenders

and

**GLAS USA LLC**

as Administrative Agent

and

**GLAS AMERICAS LLC**

as Collateral Agent

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**LOAN AGREEMENT**

**July 21, 2022**

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## TABLE OF CONTENTS

### ARTICLE 1 INTERPRETATION

Section 1.1	Defined Terms.....	1
Section 1.2	Gender and Number.....	24
Section 1.3	Headings, etc.....	24
Section 1.4	Currency.....	24
Section 1.5	Certain Phrases, etc.....	24
Section 1.6	Non-Business Days.....	24
Section 1.7	Accounting Terms.....	25
Section 1.8	Incorporation of Schedules and Exhibits.....	26
Section 1.9	Severability.....	26
Section 1.10	Enurement.....	26
Section 1.11	Time of the Essence.....	26
Section 1.12	Conflict.....	26
Section 1.13	Permitted Liens.....	26
Section 1.14	References to Agreements.....	26
Section 1.15	Statutes.....	26

### ARTICLE 2 CREDIT FACILITY

Section 2.1	Credit Facility.....	27
Section 2.2	Non-Revolver Commitment.....	27
Section 2.3	Use of Proceeds.....	27
Section 2.4	Procedure for Advance.....	27
Section 2.5	Repayments.....	27
Section 2.6	Interest.....	29
Section 2.7	Payments under this Agreement.....	30
Section 2.8	Optional Prepayments.....	30
Section 2.9	Fees.....	30
Section 2.10	Application of Payments and Prepayments and Payment of MOIC Amount.....	31
Section 2.11	Computations of Interest and Fees.....	31

### ARTICLE 3 SECURITY

Section 3.1	Security.....	32
Section 3.2	Exclusivity of Remedies.....	33
Section 3.3	Form of Security.....	33
Section 3.4	After-Acquired Property.....	34
Section 3.5	Undertaking to Grant Fixed Charge Security.....	34
Section 3.6	Further Assurances re: Security.....	34
Section 3.7	Swap Obligations and Sharing of Certain Security.....	35
Section 3.8	Discharge of Security.....	35

### ARTICLE 4 CONDITIONS PRECEDENT

Section 4.1	Conditions Precedent to the Advance.....	35
Section 4.2	Deemed Representation and Warranty.....	38
Section 4.3	No Waiver.....	38

**ARTICLE 5  
REPRESENTATIONS AND WARRANTIES**

Section 5.1	Representations and Warranties.....	38
Section 5.2	Survival of Representations and Warranties.....	46

**ARTICLE 6  
COVENANTS**

Section 6.1	Affirmative Covenants.....	46
Section 6.2	Negative Covenants.....	54
Section 6.3	Financial Covenants.....	57

**ARTICLE 7  
OTHER COVENANTS**

Section 7.1	Taxes.....	58
Section 7.2	Sanctions.....	59

**ARTICLE 8  
EVENTS OF DEFAULT**

Section 8.1	Events of Default.....	60
Section 8.2	Acceleration.....	62
Section 8.3	Waivers.....	63
Section 8.4	Remedies upon Default.....	63
Section 8.5	Power of Attorney.....	63
Section 8.6	Right of Set-off.....	64
Section 8.7	Application of Cash Proceeds of Realization.....	64
Section 8.8	Adjustments Among Lenders.....	65

**ARTICLE 9  
ADMINISTRATION OF THE CREDIT FACILITY**

Section 9.1	Authorization and Action.....	66
Section 9.2	Procedure for Advance.....	70
Section 9.3	Remittance of Payments.....	70
Section 9.4	Redistribution of Payment.....	70
Section 9.5	Duties and Obligations.....	71
Section 9.6	Prompt Notice to the Lenders.....	72
Section 9.7	Agent and Agent Authority.....	72
Section 9.8	Lenders' Credit Decisions.....	72
Section 9.9	Indemnification.....	73
Section 9.10	Successor Agent.....	73
Section 9.11	Taking and Enforcement of Remedies.....	74
Section 9.12	Reliance Upon Agent.....	75
Section 9.13	Agent May Perform Covenants.....	75
Section 9.14	No Liability of Agent.....	75
Section 9.15	Nature of Obligations under this Agreement.....	76
Section 9.16	Lender Consent.....	76
Section 9.17	Specific Collateral Agency Provisions.....	76

**ARTICLE 10  
MISCELLANEOUS**

Section 10.1	Amendments.....	77
Section 10.2	Waiver.....	77

Section 10.3	Notices; Effectiveness; Electronic Communication. ....	78
Section 10.4	Expenses; Indemnity; Damage Waiver. ....	80
Section 10.5	Successors and Assigns. ....	81
Section 10.6	Judgment Currency. ....	82
Section 10.7	Governing Law; Jurisdiction; Etc. ....	82
Section 10.8	Waiver of Jury Trial. ....	83
Section 10.9	No Partnership, etc. ....	83
Section 10.10	Counterparts. ....	83
Section 10.11	Electronic Execution. ....	83
Section 10.12	Waiver of Law. ....	83
Section 10.13	Entire Agreement. ....	83
Section 10.14	Treatment of Certain Information; Confidentiality. ....	83
Section 10.15	Changes in LMR. ....	84
Section 10.16	Acknowledgment Regarding Any Supported QFCs. ....	84
Section 10.17	No Fiduciary Duty. ....	85

## SCHEDULES AND EXHIBITS

Schedule A	(Leased Properties)
Schedule B	(Owned Properties)
Schedule C	(Permitted Liens)
Schedule 2.5	(Amortization Schedule)
Schedule 5.1(a)	(Jurisdictions of Incorporation)
Schedule 5.1(p)	(Environmental Laws)
Schedule 5.1(s)	(Material Agreements)
Schedule 5.1(w)	(Corporate Structure)
Exhibit 1	(Form of Compliance Certificate)
Exhibit 2	(Form of Environmental Certificate)
Exhibit 3	(Form of Oil and Gas Ownership Certificate)
Exhibit 4	(Form of Notice of Advance)

## LOAN AGREEMENT

Loan agreement dated as of July 21, 2022 among Griffon Partners Operation Corp., as Borrower, Griffon Partners Capital Management Ltd. and Griffon Partners Holding Corp., as Guarantors, Trafigura Canada Limited, Signal Alpha C4 Limited and those other Persons which hereafter become lenders under this Agreement, as Lenders, GLAS USA LLC, as Administrative Agent and GLAS Americas LLC, as Collateral Agent.

### PREAMBLE:

- A. The Lenders wish to provide the Credit Facility to the Borrower and on the terms and conditions set forth herein.

### AGREEMENT:

In consideration of the covenants and agreements between the parties hereto contained in this Agreement and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

## ARTICLE 1 INTERPRETATION

### Section 1.1 Defined Terms.

As used in this Agreement, the following terms have the following meanings:

**"Abandonment/Reclamation Order"** means any order, directive or demand, including to post security deposits, issued by any Energy Regulator which relates to any of the producing petroleum and natural gas properties and interests or related facilities of the Borrower or any other Credit Party, including, without limitation, abandonment and reclamation liabilities associated therewith.

**"Accounting Change"** has the meaning specified in Section 1.7(3).

**"Acquisition"** means the acquisition by the Borrower of the Tamarack Assets pursuant to the terms of the Acquisition Agreement, such that following the completion of such Acquisition the Borrower will be the legal and beneficial owner of the Tamarack Assets.

**"Acquisition Agreement"** means the purchase and sale agreement dated June 9, 2022 entered into between GPCM, as purchaser, and Tamarack, as vendor, in respect of the purchase and sale of the Tamarack Assets, as amended by the amending agreement dated June 30, 2022 and as assigned by GPMC to the Borrower by the assignment and amendment agreement dated July 15, 2022.

**"Acquisition Closing"** means the completion of the Acquisition in accordance with the Acquisition Agreement.

**"Acquisition Documents"** means, collectively, the Acquisition Agreement and all other ancillary documents contemplated or referred to in the Acquisition Agreement.

**"Administrative Agent"** means GLAS USA LLC, in its capacity as administrative agent for and on behalf of the Lenders and in accordance with the provisions of this Agreement, and its successors and permitted assigns pursuant to the terms hereof.

**"Advance"** means the advance made by the Lenders under the Credit Facility pursuant to Article 2.

**"Affiliate"** means, with respect to a specified Person, another Person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with the Person specified.

**"Agreement"** means this loan agreement as amended, modified, extended, renewed, replaced, restated, supplemented or refinanced from time to time, whether with the same or different Lenders, Administrative Agent or Collateral Agent.

**"Amortization Schedule"** means the schedule of payments of Outstanding Principal set forth in Schedule 2.5.

**"Anti-Corruption Controls"** has the meaning specified in Section 5.1(hh)(vi)(A).

**"Anti-Corruption Laws"** means all laws concerning or relating to bribery or public corruption, including the *Corruption of Foreign Public Officials Act* (Canada), the UK Bribery Act and the FCPA and any similar laws currently in force or hereafter enacted (and including any regulations, rules, guidelines or orders thereunder) and, in any case, which are applicable to the Borrower, any Subsidiary, or the Administrative Agent, Collateral Agent, any Lender or Affiliate of the foregoing.

**"Anti-Money Laundering/ Anti-Terrorist Financing Laws"** means all laws concerning or relating to money laundering or terrorist financing, including Part II.1 of the *Criminal Code* (Canada), the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada), regulations promulgated pursuant to the *Special Economic Measures Act* (Canada) and the *United Nations Act* (Canada), the *Bank Secrecy Act*, 31 U.S.C. sections 5301 et seq., the *Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001*, Pub. L. 107-56 (a/k/a the USA Patriot Act), *Laundering of Monetary Instruments*, 18 U.S.C. section 1956, *Engaging in Monetary Transactions in Property Derived from Specified Unlawful Activity*, 18 U.S.C. section 1957, the *Financial Recordkeeping and Reporting of Currency and Foreign Transactions Regulations*, 31 C.F.R. Chapter X (Parts 1000 et. seq.) and any similar laws currently in force or hereafter enacted (and including any regulations, rules, guidelines or orders thereunder) and, in any case, which are applicable to the Borrower, any Subsidiary, or the Administrative Agent, Collateral Agent, any Lender or Affiliate of the foregoing.

**"Applicable Law"** means, (a) any domestic or foreign statute, law (including common and civil law), treaty, code, ordinance, rule, regulation, restriction or by-law (zoning or otherwise); (b) any judgment, order, writ, injunction, determination, decision, ruling, decree or award; (c) any regulatory policy, practice, guideline or directive; or (d) any Authorization or other written approval of any Governmental Authority, binding on or affecting the Person referred to in the context in which the term is used or binding on or affecting the Assets of such Person, in each case whether or not having the force of law.

**"Applicable LMR Jurisdiction"** means with respect to the Borrower or any other Credit Party, any jurisdiction in Canada in which the Borrower or such other Credit Party directly owns P&NG Leases, P&NG Rights or other facilities or assets relevant to the determination of the LMR in such jurisdiction.

**"Applicable Rate"** means a rate of interest per annum equal to the Prime Rate plus 9.5% per annum.

**"Asset"** means, with respect to any Person, any property (including real property), assets and undertakings of such Person of every kind and wheresoever situated, whether now owned or hereafter acquired (and, for greater certainty, includes any Equity Securities or like interest of such Person in any other Person).



**"Assignee"** has the meaning specified in Section 10.5(2).

**"Authorization"** or **"Authorizations"** means any authorization, qualification, consent, approval, waiver, order, decree, demand, license, grant, franchise, right, privilege, exemption, certification, permit, registration, filing, qualification or declaration of or with any Person or Governmental Authority or the giving of notice to any Person or Governmental Authority or any other action in respect of a Person or Governmental Authority.

**"Blocked Account Agreement"** means a blocked account agreement among the Borrower, the Lenders and the relevant depository bank with respect to the Collection Account, in form and substance satisfactory to the Lenders, which shall provide the Collateral Agent with sole control of the Borrower's account containing any proceeds of the Borrower's Collateral following the delivery of an activation notice pursuant to such agreement, as the same may be amended, modified, extended, renewed, replaced, restated or supplemented from time to time.

**"Borrower"** means Griffon Partners Operation Corp., a corporation incorporated under the laws of Alberta, and its successors and permitted assigns pursuant to the terms hereof.

**"Business"** means the business carried on by the Borrower which comprises the development, production and/or acquisition of P&NG Rights and Petroleum Substances.

**"Business Day"** means any day, other than a Saturday or Sunday, on which banks are open for domestic and foreign exchange business in Calgary, Alberta and New York, New York.

**"Capital Lease"** means any lease which has been or should be capitalized on the books of the Borrower in accordance with GAAP.

**"Cash Proceeds of Realization"** means the aggregate of (a) all Proceeds of Realization in the form of cash, and (b) all cash proceeds of the sale or Disposition of non-cash Proceeds of Realization.

**"Change in Law"** means the occurrence, after the date of this Agreement, of any of the following: (a) the adoption or taking effect of any Applicable Law, (b) any change in any Applicable Law or in the administration, interpretation or application thereof by any Governmental Authority, or (c) the making or issuance of any Applicable Law by any Governmental Authority.

**"Change of Control"** means (a) the occurrence of any transaction or event as a result of which a Person other than the GPCM Shareholder Guarantors owns (legally or beneficially) any Equity Securities in the capital of GPCM, (b) the occurrence of any transaction or event as a result of which a Person other than GPCM or a Lender owns (legally or beneficially) any Equity Securities in the capital of GPHC, (c) the occurrence of any transaction or event as a result of which a Person other than GPHC owns (legally or beneficially) any Equity Securities in the capital of the Borrower, or (d) the direct or indirect Disposition of all or substantially all of the Assets of a Credit Party to any Person or group of Persons (other than another Credit Party).

**"Closing Date"** means the date of satisfaction or waiver of all conditions set out in Section 4.1 and the making available of the Credit Facility hereunder, or such other date as agreed by the Borrower and the Lenders.

**"COGE Handbook"** means the Canadian Oil and Gas Evaluation Handbook prepared jointly by The Society of Petroleum Evaluation Engineers (Calgary Chapter) and the Canadian Institute of Mining, Metallurgy & Petroleum (Petroleum Society) as amended or superseded from time to time.

**"Collateral"** means any and all Assets of any Credit Party in respect of which the Collateral Agent, for the benefit of the Secured Parties, has or is intended to have a Lien pursuant to a Security Document.

**"Collateral Agent"** means GLAS Americas LLC, in its capacity as collateral agent for and on behalf of the Lenders and in accordance with the provisions of this Agreement, and its successors and permitted assigns pursuant to the terms hereof.

**"Collection Account"** means the bank account of the Borrower that is (or will be) subject to the Blocked Account Agreement, which account is maintained at Royal Bank of Canada and has account number 1041540.

**"Commercial Agreement"** means the marketing agreement entered into between the Borrower and Trafigura or an Affiliate thereof whereby Trafigura or an Affiliate thereof shall purchase and market one hundred percent (100%) of the Borrower's existing and future production of Petroleum Substances in accordance with the provisions thereof.

**"Commitment"** means the principal amount of U.S. \$35,869,565.21.

**"Compliance Certificate"** means a certificate of the Borrower substantially in the form of Exhibit 1 signed on its behalf by any senior financial officer of the Borrower, acceptable to the Lenders and provided to the Administrative Agent.

**"Contaminant"** means any waste, pollutant, hazardous substance, toxic substance, hazardous waste, special waste, petroleum or petroleum-derived substance or waste, asbestos in any form or condition, PCBs, or any hazardous or toxic constituent of any such substance or waste, in each case, which is listed or regulated under any Environmental Law.

**"Control"** means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise. **"Controlling"** and **"Controlled"** have corresponding meanings.

**"Credit Documents"** means this Agreement, the Security Documents, the Intercreditor Agreement (Borrower), the Intercreditor Agreement (Swap Counterparty) and all other documents executed and delivered to the Administrative Agent or the Collateral Agent, in each case for the benefit of the Lenders or the Secured Parties, as applicable, by the Credit Parties from time to time in connection with this Agreement or any other Credit Document (including, without limitation, any Blocked Account Agreement).

**"Credit Facility"** means the non-revolving, single advance, term loan facility in the maximum principal amount of the Commitment to be made available hereunder to the Borrower by the Lenders in accordance with the provisions hereof.

**"Credit Parties"** means, collectively, the Borrower, GPCM, GPHC, the GPCM Shareholder Guarantors and Spicelo Limited, and **"Credit Party"** means any one of them.

**"Current Assets"** means, at any time, all current Assets of the Borrower, determined on a consolidated basis as of such time in accordance with GAAP, excluding any deferred tax Assets and any hedges under Swap Agreements (to the extent reflected as an Asset on the balance sheet of the Borrower).

**"Current Liabilities"** means, at any time, all current liabilities of the Borrower, determined on a consolidated basis as of such time in accordance with GAAP, excluding the current Obligations of the Credit Facility.

**“Current Ratio”** means the ratio of Current Assets to Current Liabilities.

**“Debt”** of any Person means all indebtedness and obligations in respect of amounts borrowed which, in accordance with GAAP, on a consolidated basis, would be recorded in such Person's consolidated financial statements (including the notes thereto), and in any event including, without duplication:

- (a) all indebtedness of such Person for borrowed money, including bankers' acceptances or letters of guarantee;
- (b) the stated amount of letters of credit supporting obligations which would otherwise constitute Debt within the meaning of this definition or any other letters of credit if drawn and not reimbursed;
- (c) all indebtedness of such Person for the deferred purchase price of property or services, other than for property and services purchased in the ordinary course of business and paid for in accordance with customary practice and not represented by a note, bond, debenture or other evidence of Debt;
- (d) all indebtedness created or arising under any conditional sale or other title retention agreement with respect to property acquired by such Person (even though the rights and remedies of the seller or lender under such agreement in the event of default are limited to repossession or sale of such Assets);
- (e) all obligations of such Person represented by a note, bond, debenture or other evidence of Debt;
- (f) all obligations under purchase money security interests, Capital Leases (other than in respect of office space or operating leases, in each case entered into in the ordinary course of business) and all obligations under synthetic leases, in each case, in respect of which such Person is liable as lessee;
- (g) sale-leaseback payment obligations;
- (h) any off-balance sheet transactions, arrangements or other obligations;
- (i) all obligations to purchase, redeem, retire or otherwise acquire for value (other than for other Equity Securities) any Equity Securities in the capital of the Person which, by their terms (or by the terms of any security into which they are convertible or for which they are exchangeable), or upon the happening of any event (i) mature or are mandatorily redeemable pursuant to a sinking fund obligation or otherwise, (ii) are redeemable for cash or debt at the sole option of the holder, or (iii) provide for scheduled payments of dividends in cash, in each case, on or prior to the Maturity Date;
- (j) the net amount of all obligations of such Person (determined on a mark-to-market basis) under Swap Agreements which are due and owing by such Person;
- (k) all obligations to deliver commodities, goods or services, including, without limitation, Petroleum Substances, in consideration of one or more advance payments for periods in excess of 120 days prior to the date of delivery, other than in the ordinary course of business; and
- (l) all Debt of another entity of a type described in clauses (a) through (g) which is directly or indirectly guaranteed by such Person, which is secured by a Lien on any Assets of such Person, which such Person has agreed (contingently or otherwise) to purchase or

otherwise acquire, or in respect of which such Person has otherwise assured a creditor or other entity against loss,

but shall exclude each of the following, determined (as required) in accordance with GAAP:

- (m) the unrealized amount of all obligations of such Person (determined on a mark-to-market basis) under Swap Agreements which are not yet due and owing by such Person;
- (n) trade payables and accrued liabilities in the ordinary course of business;
- (o) current taxes payable and deferred taxes; and
- (p) accrued interest payable.

The Debt of any Person shall include the Debt of any other entity (including a partnership in which such Person is a general partner) to the extent such Person is liable therefor as a result of such Person's ownership interest in or relationship with such entity, except (other than in the case of general partner liability) to the extent that the terms of such Debt expressly provide that such Person is not liable therefor.

**"Decommissioning Budget"** means the budget delivered by the Borrower to the Administrative Agent, for the benefit of the Lenders, pursuant to Section 6.1(b)(x).

**"Default"** means an event which, with the giving of notice or passage of time, or both, would (if not cured or otherwise remedied during such time) constitute an Event of Default.

**"Default Rate"** means two percent (2%) per annum.

**"Disposition"** means any sale, assignment, transfer, conveyance, lease, license, granting of an option, demolition, abandonment or other disposition (or agreement to dispose) of any nature or kind whatsoever of any property or of any right, title or interest in or to any property, and the verb **"Dispose"** has a correlative meaning.

**"Distribution"** means, with respect to any Person, any payment (whether by cash, property or both) by such Person (a) of any dividend or other distribution on issued Equity Securities of such Person or any of its Subsidiaries, (b) on account of, or for the purpose of setting apart any property for a sinking or other analogous fund for, the purchase, redemption, retirement, retraction or other acquisition of any issued Equity Securities of such Person or any of its Subsidiaries, (c) of any amount, whether as consulting fees, management fees, service fees or otherwise to (i) any Affiliate of such Person, (ii) any Person that directly or indirectly owns or controls Equity Securities of such Person, (iii) any Affiliate of a Person described in clause (ii), (iv) any Person that is an officer or director of such Person or of any Affiliate of such Person or of any Person described in clause (ii) or clause (iii), or (v) any immediate family member of any of the foregoing (the Persons referred to in subparagraphs (i) through (v) inclusive of paragraph (b) of this definition are referred to in this definition of Distribution as the **"Restricted Parties"** and each a **"Restricted Party"**), (d) of principal or other amounts in respect of Debt owed to Restricted Parties, or (e) any payments outside of the ordinary course of business. A Distribution also includes any transfer by a Person of such Person's Assets for consideration less than Fair Market Value to any Restricted Party. For the avoidance of doubt, and without limiting the foregoing, GPCM, GPHC, the GPCM Shareholder Guarantors and their respective Subsidiaries are each a Restricted Party.

**"EBITDAX"** means, for any fiscal period and as determined in accordance with GAAP (on a consolidated basis) in respect of the Borrower:

- (a) all Net Income for such period; plus
- (b) Interest Expense to the extent deducted in determining such Net Income; plus
- (c) all amounts deducted in the calculation of such Net Income in respect of the provision for income taxes; plus
- (d) all amounts deducted in the calculation of such Net Income in respect of non-cash items, including depreciation, depletion, amortization (including amortization of goodwill and other intangibles), accretion, deferred income taxes, foreign currency obligations, non-cash losses resulting from marking-to-market any outstanding hedging and financial instrument obligations, non-cash compensation expenses, provisions for impairment of oil and gas assets and any other non-cash expenses for such period; plus
- (e) exploration expenses; and
- (f) losses attributable to extraordinary and non-recurring losses, in each case to the extent deducted in the calculation of such Net Income;

less (on a consolidated basis), without duplication:

- (g) earnings attributable to extraordinary and non-recurring earnings and gains, in each case to the extent included in the calculation of such Net Income (including interest income);
- (h) to the extent included in the calculation of such Net Income, gains from asset sales;
- (i) all cash payments during such period relating to non-cash charges which were added back in determining EBITDA in any prior period; and
- (j) to the extent included in such Net Income, any other non-cash items increasing such Net Income for such period, including non-cash gains resulting from marking-to-market any outstanding hedging and financial instrument obligations for such period.

**“Energy Regulator”** means (a) with respect to the Province of Alberta, the Alberta Energy Regulator, (b) with respect to the Province of British Columbia, the BC Oil and Gas Commission, (c) with respect to the Province of Saskatchewan, the Saskatchewan Ministry of Energy and Resources, and (d) with respect to any other Applicable LMR Jurisdiction, the regulatory body with responsibility for regulating the development of, including the oversight of environmental matters in, the oil and gas industry in such jurisdiction; and in each case, together with any successor or replacement agency, department, ministry or commission thereto.

**“Engineering Report”** means a report (in form and substance satisfactory to the Lenders, acting reasonably) prepared by the Independent Engineer respecting the reserves of Petroleum Substances attributable to the assets and undertakings of the Borrower, which report shall, as of the effective date of such report, set forth, *inter alia*, (a) the proved, developed producing reserves of Petroleum Substances, (b) proved, developed nonproducing reserves of Petroleum Substances, (c) proved and undeveloped reserves of Petroleum Substances, and (d) the probable reserves of Petroleum Substances, in each case, attributable to the assets and undertakings of the Borrower and, for each 12 month period starting on the date of such report: anticipated rates of production, depletion and reinjection of Petroleum Substances; Crown, freehold and overriding royalties and freehold mineral taxes with respect to Petroleum Substances produced from or attributable to such assets and undertakings; production, revenue, value-added, wellhead or severance Taxes with respect to Petroleum Substances produced from or attributable to such assets and undertakings; operating costs; gathering, transporting, processing, marketing and storage fees payable with respect to Petroleum Substances produced

from or attributable to such assets and undertakings; capital expenditures expected to be necessary to achieve anticipated rates of production; and net cash flow with respect to such assets and undertakings, including all revenues, expenses and expenditures described above.

**"Environment"** means all components of the earth, including all layers of the atmosphere, air, land (including all underground spaces and cavities and all lands submerged under water), soil, water (including surface and underground water), organic and inorganic matter and living organisms, and the interacting natural systems that include the components referred to in this definition.

**"Environmental Certificate"** means a certificate substantially in the form of Exhibit 2.

**"Environmental Laws"** means, in respect of a Person, all Applicable Law and agreements between such Person and a Governmental Authority relating to pollution, public health, the protection or enhancement of the Environment, the release of Contaminants, air emissions and discharges to waster or public systems, materials and occupational health and safety.

**"Environmental Liabilities"** means all liabilities imposed by, under or pursuant to Environmental Laws or which relate to the existence of Contaminants on, under or about the Subject Properties.

**"Equity Securities"** means, with respect to any Person, any and all securities (as defined in the STA), shares, interests, participations, rights in, or other equivalents (however designated and whether voting or non-voting) of, such Person's capital, including any interest in a partnership, limited partnership or other similar Person and any beneficial interest in a trust, and any and all rights, warrants, options or other rights exchangeable for or convertible into any of the foregoing.

**"Equivalent Amount"** means, on any day with respect to any two currencies, the amount obtained in one such currency (the **"first currency"**) when an amount in the other currency is converted into the first currency using the Royal Bank of Canada's spot rate for the conversion of the applicable amount of the other currency into the first currency in effect as of 10:00 a.m. (Calgary time) on such day, if such day is a Business Day or, if such day is not a Business Day, then on the immediately preceding Business Day, or, in the absence of such spot rate on such day, using such other rate as the Lenders may reasonably select.

**"Event of Default"** has the meaning specified in Section 8.1.

**"Excess Cash Flow"** means, in respect of a Financial Quarter, the difference between:

- (a) the aggregate of all cash revenue of any kind received by the Borrower (on a consolidated basis) during such period, including from:
  - (i) the operation of its business; and
  - (ii) proceeds from any Swap Agreements; and
  - (iii) business interruption insurance, penalties and liquidated damages that, in each case, compensate for lost income; and
  - (iv) the sale of any Assets, any insurance proceeds and any proceeds from the issuance of any Equity Securities or incurrence of any Debt (but, for certainty, not the amount of the Advance hereunder); and
  - (v) any interest earned on any accounts,



provided, however, that the foregoing calculation of revenue received by the Borrower shall exclude any amounts received by the Borrower which are required to be paid to the Lenders (and which are paid to the Lenders) pursuant to Section 2.5(4),

less,

(b) the sum (without duplication) of the following:

- (i) all cash costs and expenses incurred on a consolidated basis by the Borrower during such period in respect of its operations as (without duplication) maintenance and operating costs, capital expenditures, costs of consumables, insurance costs, general and administrative expenses, royalties, and taxes, in each case as determined by the Borrower and approved in writing by the Lenders, acting reasonably (excluding, for certainty, any payments permitted to be made or otherwise made in respect of the Tamarack Obligations); and
- (ii) the amount of the Obligations paid on scheduled due date pursuant to Section 2.5(2) during such Financial Quarter; and
- (iii) the amount, on a dollar-for-dollar basis, of any voluntary prepayments of the Obligations made pursuant to Section 2.8 during such Financial Quarter; and
- (iv) the amount of the upfront fees paid to the Lenders pursuant to Section 2.9(2); and
- (v) the amount of cash required to be retained by the Borrower in order to satisfy the covenant set forth in Section 6.3(d); and
- (vi) any cash shortfall projected to occur in the following Financial Quarter based upon the Borrower's current operating budget (but not, for certainty, having regard to the payment of any portion of the Tamarack Obligations), as approved in writing by all of the Lenders,

in each case as all of the foregoing is determined by the Borrower and approved in writing by the Lenders, acting reasonably.

**"Excluded Taxes"** means, with respect to any Lender or any other recipient of any payment to be made by or on account of any obligation of the Borrower hereunder, (a) Taxes imposed on or measured by its net income and capital, and franchise taxes imposed on it (in lieu of net income and capital taxes), by the jurisdiction (or any political subdivision thereof) under the laws of which such recipient is organized or in which its principal office is located or, in the case of any of the Lenders, in which its applicable lending office is located, (b) any branch profits taxes or any similar tax imposed by any jurisdiction in which such Lender is located and (c) in the case of any of the Foreign Lenders, any withholding tax that is attributable to such Foreign Lender's failure or inability (other than as a result of a Change in Law) to comply with Section 7.1(5).

**"Fair Market Value"** means, with respect to any asset or property, the price which could be negotiated in an arm's length, free market transaction, for cash, between a willing seller and a willing and able buyer, neither of whom is under undue pressure or compulsion to complete the transaction.

**"FATCA"** means Sections 1471 through 1474 of the Internal Revenue Code of 1986 as of the date of the Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with) and any current or future regulations or official

interpretations thereof and, for the avoidance of doubt, any intergovernmental agreements and any "foreign financial institution" agreements entered into to implement the foregoing.

**"Federal Reserve Board"** means the Board of Governors of the United States Federal Reserve System, or any successor thereto.

**"Financial Assistance"** means with respect of any Person and without duplication, any loan, Guarantee, indemnity, assurance, acceptance, extension of credit, loan purchase, share purchase, equity or capital contribution, investment or other form of direct or indirect financial assistance or support of any other Person or any obligation (contingent or otherwise) primarily for the purpose of enabling another Person to incur or pay any Debt or to comply with agreements relating thereto or otherwise to assure or protect creditors of the other Person against loss in respect of Debt of the other Person and includes any Guarantee of or indemnity in respect of the Debt of the other Person and any absolute or contingent obligation to (directly or indirectly):

- (a) advance or supply funds for the payment or purchase of any Debt of any other Person;
- (b) purchase, sell or lease (as lessee or lessor) any property, assets, goods, services, materials or supplies primarily for the purpose of enabling any Person to make payment of Debt or to assure the holder thereof against loss;
- (c) Guarantee, indemnify, hold harmless or otherwise become liable to any creditor of any other Person from or against any losses, liabilities or damages in respect of Debt;
- (d) make a payment to another for goods, property or services regardless of the non-delivery or non-furnishing thereof to a Person;
- (e) make an advance, loan or other extension of credit to or to make any subscription for Equity Securities, equity or capital contribution, or investment in or to maintain the capital, working capital, solvency or general financial condition of another Person;
- (f) to maintain working capital, equity capital solvency, or any other balance sheet, income statement or other financial statement condition or liquidity of the primary credit party so as to enable the primary credit party to pay such Debt or other obligation;
- (g) to be an account party in respect of any letter of credit or letter of guarantee issued to support such Debt or other obligation; or
- (h) to purchase or pay (or advance or supply funds for the purchase or payment of) such Debt or other obligation or to purchase (or to advance or supply funds for the purchase of) any security for the payment thereof (whether in the form of a loan, advance, stock purchase, capital contribution or otherwise).

The amount of any Financial Assistance is the amount of any loan or direct or indirect financial assistance or support, without duplication, given, or all Debt of the obligor to which the Financial Assistance relates, unless the Financial Assistance is limited to a determinable amount, in which case the amount of the Financial Assistance is the determinable amount.

**"Financial Calculation"** has the meaning specified in Section 1.7(4).

**"Financial Quarter"** means a period of three consecutive calendar months in each Financial Year ending on March 31, June 30, September 30 and December 31 such year.

**"Financial Year"** means, in relation to the Borrower, its financial year commencing on January 1 of each calendar year and ending on December 31 of such year.



**"Foreign Lender"** means, in respect of a particular Credit Party, a Lender that is not organized under the laws of the jurisdiction in which such Credit Party is resident for tax purposes by application of the laws of that jurisdiction and that is not otherwise considered or deemed in respect of any amount payable to it hereunder or under any Credit Document to be resident for income tax or withholding tax purposes in the jurisdiction in which such Credit Party is resident for tax purposes by application of the laws of that jurisdiction. For the purposes of this definition, Canada and each Province and Territory thereof shall be deemed to constitute a single jurisdiction and the United States of America, each State thereof and the District of Columbia shall be deemed to constitute a single jurisdiction.

**"Funded Loan Amount"** means the amount equal to: (a) the Outstanding Principal of all Advances made by the Lenders under this Agreement since the Closing Date; less (b) the OID.

**"GAAP"** means, at any time, accounting principles generally accepted in Canada as recommended in the *CPA Canada Handbook - Accounting* at the relevant time applied on a consistent basis.

**"Governmental Authority"** means the government of Canada or any other nation, or of any political subdivision thereof, whether state, provincial or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government, including any supranational bodies such as the European Union or the European Central Bank and including a Minister of the Crown, Superintendent of Financial Institutions or other comparable authority or agency.

**"GPHC"** means Griffon Partners Holding Corp., a corporation incorporated under the laws of Alberta, and its successors and permitted assigns

**"GPCM"** means Griffon Partners Capital Management Ltd., a corporation incorporated under the laws of Alberta, and its successors and permitted assigns.

**"GPCM Shareholder Guarantors"** means 2437801 Alberta Ltd., 2437799 Alberta Ltd., 2437815 Alberta Ltd. and Stellion Limited and their respective successors and permitted assigns, and **"GPCM Shareholder Guarantor"** means any one of them.

**"Greenfire Pledge"** has the meaning specified in Section 3.1(d).

**"Greenfire Shares"** has the meaning specified in Section 3.1(d).

**"Guarantee"** of or by any Person (in this definition, the **"guarantor"**) means any obligation, contingent or otherwise, of the guarantor guaranteeing or having the economic effect of guaranteeing any Debt or other obligation of any other Person (in this definition, the **"primary credit party"**) in any manner, whether directly or indirectly. The term "Guarantee" shall not include endorsements of instruments for deposit or collection in the ordinary course of business. The amount of any Guarantee in respect of Debt shall be deemed to be an amount equal to the stated or determinable amount of the related Debt (unless the Guarantee is limited by its terms to a lesser amount, in which case to the extent of such amount) or, if not stated or determinable, the maximum reasonably anticipated liability in respect thereof as determined by the guarantor in good faith.

**"Hydrocarbon Interests"** means all rights, options, titles, interests and estates now or hereafter acquired in and to oil and gas leases, oil, gas and mineral leases, or other liquid or gaseous hydrocarbon leases, mineral fee interests, overriding royalty and royalty interests, net profit interests and production payment interests, including any reserved or residual interests of whatever nature.

**"Indemnified Taxes"** means (a) Taxes other than Excluded Taxes, and, (b) to the extent not described in (a), Other Taxes.

**"Independent Engineer"** means such firm or firms of independent engineers as may be selected from time to time by the Borrower and approved by the Administrative Agent, acting reasonably.

**"Individual Commitment Amount"** means, from time to time, in respect of a Lender, that portion of the Commitment which such Lender has severally agreed to make available to the Borrower in accordance with the terms and conditions of this Agreement, subject to adjustment pursuant to the terms of this Agreement. As of the Closing Date, the Individual Commitment Amount of Signal Alpha C4 Limited is U.S. \$25,000,000.00 and the Individual Commitment Amount of Trafigura Canada Limited is \$10,869,565.21.

**"Information"** has the meaning specified in Section 10.14(2).

**"Intercreditor Agreement (Borrower)"** means the intercreditor agreement entered into as of the date hereof among the Borrower, Tamarack, the Administrative Agent, the Collateral Agent and the Swap Counterparty, as amended, modified, replaced, restated or supplemented from time to time.

**"Intercreditor Agreement (Swap Counterparty)"** means the collateral agency and intercreditor agreement entered into as of the date hereof among the Borrower, GPHC, the Administrative Agent, the Collateral Agent and the Swap Counterparty, as amended, modified, replaced, restated or supplemented from time to time.

**"Intercreditor Agreements"** means, collectively, the Intercreditor Agreement (Borrower) and the Intercreditor Agreement (Swap Counterparty).

**"Interest Expense"** means, for any fiscal period, without duplication, interest expense of the Borrower determined on a consolidated basis in accordance with GAAP, as the same would be set forth or reflected in a consolidated statement of operations of the Borrower and, in any event and without limitation, shall include:

- (a) all interest accrued or payable in respect of such period, including capitalized interest and imputed interest with respect to lease obligations included as Debt;
- (b) all fees (including standby and commitment fees, acceptance fees in respect of bankers' acceptances and fees payable in respect of letters of credit, letters of guarantee and similar instruments) accrued or payable in respect of such period, prorated (as required) over such period;
- (c) any difference between the face amount and the discount proceeds of any bankers' acceptances, commercial paper and other obligations issued at a discount, prorated (as required) over such period;
- (d) the aggregate of all purchase discounts relating to the sale of accounts receivable in connection with any asset securitization program; and
- (e) all net amounts charged or credited to interest expense under any interest rate Swap Agreement in respect of such period.

**"Investment"** in any Person means (a) any advances, loans or other extensions of credit, Guarantees, indemnities or other contingent liabilities in the nature of a Guarantee or indemnity or capital contributions (other than prepaid expenses in the ordinary course of business) to such Person (by means of transfers of money or other Assets), (b) any purchase of any Equity Securities, bonds, notes, debentures or other securities of such Person, or (c) the acquisition of

all or substantially all the Assets of such Person or of a business carried on by, or a division of, such Person.

**"Leased Properties"** means, collectively, the real properties forming the subject matter of the Leases and more particularly described in Schedule A.

**"Leases"** means the leases, subleases, rights to occupy and licences of or relating to real property or Buildings and Fixtures to which the Borrower is a party.

**"Lenders"** means Trafigura Canada Limited, Signal Alpha C4 Limited and those other Persons which hereafter become lenders under this Agreement, and their successors and permitted assigns from time to time, and **"Lender"** means any one of them.

**"Lien"** means any mortgage, charge, pledge, hypothecation, security interest, assignment, encumbrance, lien (statutory or otherwise), conditional sale agreement, Capital Lease or other title retention agreement or arrangement, defect of title, adverse claim, set off arrangement (other than a set off arrangement arising in the ordinary course) or any other arrangement or condition that in substance secures payment or performance of an obligation.

**"Liquidity"** means the amount of unencumbered (other than in favour of the Collateral Agent) and unrestricted cash (determined in accordance with GAAP) of the Borrower on hand.

**"LMR"** means, with respect to the Borrower or any other Credit Party and subject to Section 10.15, for any Applicable LMR Jurisdiction, the liability management rating (or equivalent) established by the applicable Energy Regulator with respect to the abandonment and reclamation policies, regulations and directives of such Energy Regulator in such jurisdiction, in each case, as determined in accordance with Applicable Law (including the rules and regulations of such Energy Regulator in respect thereof for the then relevant period) as calculated and published publicly by such Energy Regulator, and as adjusted to remove any security, cash, letters of credit or other security deposits or credit.

**"Majority Lenders"** means, in all cases, the Lender or Lenders holding, in aggregate at least 66 2/3% of the Commitment.

**"Material Adverse Effect"** means (a) a material adverse effect on the business, operations, results of operations, prospects, Assets, liabilities or financial condition of the Credit Parties taken as a whole, (b) a material adverse effect on the ability of any of the Credit Parties to perform its obligations under any Credit Document to which it is a party, or (c) a material adverse effect on the rights and remedies of the Administrative Agent, the Collateral Agent or the Lenders under any Credit Document.

**"Material Agreements"** means the Commercial Agreement, the Acquisition Agreement, the other Acquisition Documents, the Permitted Swap Agreement, the Tamarack Promissory Note and the agreements listed in Schedule 5.1(s) and any agreement, contract or similar instrument to which the Borrower is a party or to which any of its Assets may be subject for which breach, non-performance, cancellation, termination or failure to renew could reasonably be expected to have a Material Adverse Effect.

**"Maturity Date"** means January 31, 2025.

**"MOIC"** has the meaning specified in the definition of **"MOIC Amount"**.

**"MOIC Amount"** means, on the applicable date, an amount sufficient to achieve a 1.4 multiple on each Lender's Rateable Portion of the Funded Loan Amount (**"MOIC"**). MOIC shall be calculated based upon (a) the sum of all interest, fees and Outstanding Principal, in each case, received in

cash by the Lenders in respect of the Funded Loan Amount (excluding any reimbursement of costs and expenses and any indemnification payments made to the Lenders), as the numerator, and (b) the Funded Loan Amount, as the denominator

**"Net Income"** means, for any fiscal period, the net income of the Borrower determined on a consolidated basis in accordance with GAAP, as set forth in the consolidated financial statements of the Borrower for such period, and for greater certainty shall exclude minority interests, less the sum of the following:

- (a) the income (or loss) of any Person (other than a Subsidiary of the Borrower) in which any other Person (other than the Borrower or any of its Subsidiaries) has a joint interest, except to the extent of the amount of dividends or other distributions actually paid to the Borrower or any of its Subsidiaries by such Person during such period; plus
- (b) the income (or loss) of any Person accrued prior to the date it becomes a Subsidiary of the Borrower or is merged into or consolidated with the Borrower or any of its Subsidiaries or that Person's assets are acquired by the Borrower or any of its Subsidiaries; plus
- (c) the income (or loss) of any Person accrued after to the date it ceases to be a Subsidiary of the Borrower or that Person's assets are sold by the Borrower or any of its Subsidiaries; plus
- (d) the income of any Subsidiary of the Borrower to the extent that the declaration or payment of dividends or similar distributions by that Subsidiary of that income is not at the time permitted by operation of the terms of its charter or any agreement, instrument, judgment, decree, order, statute, rule or governmental regulation applicable to that Subsidiary; plus
- (e) any after tax gains or losses attributable to Asset Sales; plus
- (f) the net income (or loss) of any Person acquired in a pooling-of-interests transaction for any period prior to the date of such transaction.

**"Net Proceeds"** means any one or more of the following:

- (a) with respect to any sale or other Disposition of Assets by the Borrower, the net amount equal to the aggregate amount received in cash (including any cash received by way of deferred payment pursuant to a note receivable, other non-cash consideration or otherwise, and the release of any amount from an indemnity reserve, escrow or similar fund, but in each case only as and when such cash is so received) in connection with such Disposition, less the sum of (v) reasonable fees (including, without limitation, reasonable accounting, advisory and legal fees), commissions and other out-of-pocket expenses incurred or paid for by the Borrower in connection with such Disposition (as evidenced by supporting documentation provided to the Administrative Agent upon request therefor by the Administrative Agent), (w) taxes incurred in connection with such Disposition, whenever payable, and (x) the principal amount of any Debt (other than Debt under the Credit Documents) that is secured by such Asset and that is required to be repaid in connection with such Disposition;
- (b) with respect to any issuance or creation of Debt or Equity Securities of any of the Credit Parties or of any capital contributions by any Person in the Borrower, the net amount equal to the aggregate amount received in cash in connection with such issuance, creation or capital contribution, less the sum of reasonable fees (including, without limitation, reasonable accounting, advisory and legal fees), commissions and other out-

of-pocket expenses incurred or paid for by the Borrower in connection with the issuance, creation or capital contribution (as evidenced by supporting documentation provided to the Administrative Agent upon request therefor by the Administrative Agent); and

- (c) with respect to the receipt of proceeds by any of the Credit Parties under any insurance, the net amount equal to the aggregate amount received in cash in connection with such receipt of insurance proceeds less taxes incurred attributable to such proceeds, whenever payable.

**"Notice of Advance"** has the meaning specified in Section 2.4.

**"NYMEX/AECO Pricing"** shall mean, as of any date of determination with respect to any month (a) for crude oil, the closing settlement price for the Light, Sweet Crude Oil futures contract for each month as published by New York Mercantile Exchange (NYMEX) on its website currently located at [www.nymex.com](http://www.nymex.com) or any successor thereto (as such pricing may be corrected or revised from time to time by the NYMEX in accordance with its rules and regulations), and (b) for natural gas, the NGX AB-NIT Same Day Index (5A) in dollars per gigajoule as published in the Canadian Gas Price Reporter in the table "NGX AB-NIT Same Day Index 5A" or the replacement pricing reference which is the then recognized industry index for same day gas at such pricing point should such pricing reference cease to exist.

**"Obligations"** means all debts, liabilities and obligations, present or future, direct or indirect, absolute or contingent, matured or unmatured, at any time or from time to time due or accruing due and owing by or otherwise payable by the Credit Parties, or any of them, to the Administrative Agent, the Collateral Agent and/or the Lenders, under, in connection with or pursuant to the Credit Documents (including, without limitation, all interest, fees, premiums, fees, expenses, penalties, reimbursements, indemnification and the MOIC Amount), and Obligations of a particular Credit Party shall mean all debts, liabilities and obligations, present or future, direct or indirect, absolute or contingent, matured or unmatured, at any time or from time to time due or accruing due and owing by or otherwise payable by such Credit Party to the Administrative Agent, the Collateral Agent and/or the Lenders, under, in connection with or pursuant to the Credit Documents to which such Credit Party is a party. For the avoidance of doubt, it is understood and agreed that any MOIC Amount shall be presumed and deemed to be the liquidated damages sustained by each Lender as a result of the early repayment or termination of the Obligations and the Credit Parties agree that such amounts shall constitute Obligations under this Agreement.

**"OFAC"** means The Office of Foreign Assets Control of the U.S. Department of the Treasury.

**"OID"** has the meaning specified in Section 2.1(2).

**"Oil and Gas Ownership Certificate"** means a certificate substantially in the form of Exhibit 3.

**"Oil and Gas Properties"** means (a) Hydrocarbon Interests; (b) the Assets now or hereafter pooled or unitized with Hydrocarbon Interests; (c) all presently existing or future unitization, pooling agreements and declarations of pooled units and the units created thereby (including without limitation all units created under orders, regulations and rules of any Governmental Authority) which may affect all or any portion of the Hydrocarbon Interests; (d) all operating agreements, contracts and other agreements, including production sharing contracts and agreements, which relate to any of the Hydrocarbon Interests or the production, sale, purchase, exchange or processing of Petroleum Substances from or attributable to such Hydrocarbon Interests; (e) all Petroleum Substances in and under and which may be produced and saved or attributable to the Hydrocarbon Interests, including all oil in tanks, and all rents, issues, profits, proceeds, products, revenues and other incomes from or attributable to the Hydrocarbon Interests; (f) all tenements, hereditaments, appurtenances and Assets in any manner appertaining, belonging, affixed or incidental to the Hydrocarbon Interests; and (g) all Assets, rights, titles, interests and estates described or referred to above, including any and all Assets,

real or personal, now owned or hereafter acquired and situated upon, used, held for use or useful in connection with the operating, working or development of any of such Hydrocarbon Interests or Assets (excluding drilling rigs, automotive equipment, rental equipment or other personal property which may be on such premises for the purpose of drilling a well or for other similar temporary uses) and including any and all oil wells, gas wells, injection wells or other wells, buildings, structures, fuel separators, liquid extraction plants, plant compressors, pumps, pumping units, field gathering systems, tanks and tank batteries, fixtures, valves, fittings, machinery and parts, engines, boilers, meters, apparatus, equipment, appliances, tools, implements, cables, wires, towers, casing, tubing and rods, surface leases, rights-of-way, easements and servitudes together with all additions, substitutions, replacements, accessions and attachments to any and all of the foregoing. Unless the context otherwise requires, the term Oil and Gas Properties refers to Oil and Gas Properties of the Borrower.

**"Original Currency"** has the meaning specified in Section 10.6(1).

**"Other Currency"** has the meaning specified in Section 10.6(1).

**"Other Taxes"** means all present or future stamp or documentary taxes or any other excise or property taxes, charges or similar levies arising from any payment made hereunder or under any other Credit Document or from the execution, delivery or enforcement of, or otherwise with respect to, this Agreement or any other Credit Document, in each case, including any interest, additions to tax or penalties applicable thereto.

**"Outstanding Principal"** means the aggregate of the principal amount outstanding from time to time under the Credit Facility.

**"Owned Properties"** means, collectively, (a) the land and premises owned by the Borrower on the date of this Agreement and which are listed on Schedule B, and (b) after the date of this Agreement, the lands and premises notified to the Administrative Agent pursuant to each Compliance Certificate, but shall exclude lands and premises sold or otherwise disposed of as permitted in this Agreement as and from the date of such sale or Disposition.

**"P&NG Leases"** means, collectively, any and all documents of title including leases, reservations, permits, licences, unit agreements, assignments, trust declarations, participation, exploration, farm-out, farm-in, royalty, purchase or other agreements by virtue of which the Borrower is entitled to explore for, drill for, recover, take or produce Petroleum Substances of any kind whatsoever from or with respect to P&NG Rights owned by the Borrower, or to share in the production or proceeds of production or any part thereof or proceeds of royalty, production, profits or other interests out of, referable to or payable in respect of Petroleum Substances of any kind whatsoever from or with respect to P&NG Rights owned by the Borrower, and the rights of the Borrower thereunder.

**"P&NG Rights"** means all of the right, title, estate and interest, whether contingent or absolute, legal or beneficial, present or future, vested or not, and whether or not an "interest in land", of the Borrower at such time in and to any, or such as are stipulated, of the following, by whatever name the same are known:

- (a) rights to explore for, drill for, produce, take, save or market Petroleum Substances from or allocated to its lands or lands with which the same have been pooled or unitized;
- (b) rights to a share of the production of Petroleum Substances from or allocated to lands or lands with which the same have been pooled or unitized;



- (c) rights to a share of the proceeds of, or to receive payments calculated by reference to the quantity or value of, the production of Petroleum Substances from or allocated to lands or lands with which the same have been pooled or unitized;
- (d) rights in any of the lands described in paragraphs (a) through (c) of this definition or documents of title related thereto, including leases, subleases, licenses, permits, reservations, rights and privileges; and
- (e) rights to acquire any of the above rights described in paragraphs (a) through (d) of this definition,

and includes interests and rights known as working interests, royalty interests, overriding royalty interests, gross overriding interests, production payments, profits interests, net profits interests, revenue interests, net revenue interests and other economic interests.

**"PCBs"** means polychlorinated biphenyls.

**"PDP Coverage Ratio"** means, as of any date of determination, the ratio of (a) PV10 of Proved Developed Producing Reserves owned by the Borrower to (b) the sum of (i) the Senior Debt, and (ii) without duplication of paragraph (a) above in this definition, all obligations (after giving effect to any netting requirements) under any Swap Agreement that such Person would be required to pay if the Swap Agreement were terminated at such time as of such date. Notwithstanding anything to the contrary contained herein, after giving effect to the netting contemplated by paragraph (ii) above in this definition, in no event shall amounts owing to the Borrower under any Swap Agreement result in a reduction of the obligations referred to in paragraph (b) above in this definition.

**"Pension Plan"** means any plan, program or arrangement which is considered to be a pension plan for the purposes of any applicable pension benefits standards, or any applicable tax, statute and/or regulation thereof established, maintained or contributed to by, or to which there is or may be an obligation to contribute by, any Obligor, its employees or former employees, in each case whether written or oral, funded or unfunded, insured or self-insured, reported or unreported, and includes any "registered pension plan" as defined under the Tax Act and contributed to by the Borrower for its employees (including, without limitation, any such plan that contains a "defined benefit provision" as such term is defined under the Tax Act) or any "negotiated contribution plan", as such term is defined under the *Pension Benefits Standards Act* (Canada) or any similar plan registered under pension standards legislation in another jurisdiction in Canada.

**"Permitted Contest"** means action taken by or on behalf of a Credit Party in good faith by appropriate proceedings diligently pursued to contest a Tax, claim or Lien, provided that:

- (a) the Person to which the Tax, claim or Lien being contested is relevant (and, in the case of a Credit Party, the Borrower on a consolidated basis) has established reasonable reserves therefor if and to the extent required by GAAP;
- (b) proceeding with such contest does not have, and would not reasonably be expected to have, a Material Adverse Effect; and
- (c) proceeding with such contest will not create a material risk of sale, forfeiture or loss of, or interference with the use or operation of, a material part of the property of the Credit Parties.

**"Permitted Debt"** means:

- (a) the Swap Obligations;

- (b) the Tamarack Obligations; provided, however, that the aggregate principal amount of the Tamarack Obligations does not exceed \$20,000,000.00 plus the amount of any PIK Interest (as defined in the Tamarack Promissory Note);
- (c) Debt of the Borrower to the Administrative Agent, the Collateral Agent and the Lenders under the Credit Documents; and
- (d) Debt under Capital Leases (including a sale-leaseback agreement) and under purchase money security interest financings permitted by paragraph (m) of the definition of "Permitted Liens.

**"Permitted Liens"** means, in respect of any Person, any one or more of the following:

- (a) undetermined or inchoate Liens arising in the ordinary course of and incidental to construction or current operations which have not been filed pursuant to Applicable Law against the Borrower or in respect of which no steps or proceedings to enforce such Lien have been initiated or which relate to obligations which are not due or delinquent or, if due or delinquent, any Lien which any Credit Party is contesting at the time by a Permitted Contest;
- (b) Liens incurred or created in the ordinary course of business and in accordance with sound industry practice in respect of the joint operation of P&NG Rights or related production or processing facilities as security in favour of any other Person conducting the development or operation of the property to which such Liens relate, for the Borrower's portion of the costs and expenses of such development or operation, provided such costs or expenses are not due or delinquent or if due or delinquent, any Lien which the Borrower is contesting at the time by a Permitted Contest;
- (c) to the extent a Lien is created thereby, a sale or Disposition of P&NG Rights resulting from any pooling or unitization agreement entered into in the ordinary course of business when, in the Borrower's reasonable judgment, it is necessary to do so in order to facilitate the orderly exploration, development or operation of such properties, provided that, the Borrower's resulting pooled or unitized interest is proportional (either on an acreage or reserve basis) to the interest contributed by it and is not materially less than the Borrower's interest in such P&NG Rights prior to such pooling or unitization and its obligations in respect thereof are not greater than its proportional share based on the interest acquired by it and further provided that such pooling or unitization results from a Disposition permitted under this Agreement;
- (d) to the extent a Lien is created thereby, farm-out interests or overriding royalty interests, net profit interests, reversionary interests and carried interests in respect of the Borrower's P&NG Rights that are or were entered into with or granted to arm's length third parties in the ordinary course of business and in accordance with sound industry practice and provided that such Liens are subordinated to the Security in accordance with the terms of a subordination agreement in form and substance satisfactory to the Majority Lenders;
- (e) easements, rights-of-way, servitudes, zoning or other similar rights or restrictions in respect of land held by the Borrower (including rights-of-way and servitudes for railways, sewers, drains, pipelines, gas and water mains, electric light and power and telephone or telegraph or cable television conduits, poles, wires and cables) which, either alone or in the aggregate, do not materially detract from the value of the property and assets concerned or the use of the affected property and assets or would not reasonably be expected to have a Material Adverse Effect;



- (f) any Lien or trust arising in connection with worker's compensation, employment insurance, pension and employment Applicable Law;
- (g) the right reserved to or vested in any municipality or governmental or other public authority by the terms of any lease, license, franchise, grant or permit acquired by the Borrower or by any statutory provision to terminate any such lease, license, franchise, grant or permit or to require annual or other periodic payments as a condition of the continuance thereof;
- (h) all reservations in the original grant from the Crown of any lands and premises or any interests therein and all statutory exceptions, qualifications and reservations in respect of title which, either alone or in the aggregate, do not materially detract from the value of the property and assets concerned or the use of the affected property and assets;
- (i) any right of first refusal in favour of any Person granted in the ordinary course of business with respect to all or any of the P&NG Rights or related facilities of the Borrower; provided that when exercised, such rights of first refusal would relate to Assets, the Disposition of which would be permitted under this Agreement;
- (j) public and statutory Liens not yet due and similar Liens arising by operation of Applicable Law;
- (k) bankers' liens, rights of set-off and other similar Liens existing solely with respect to cash on deposit in one or more accounts maintained by the Credit Parties granted in the ordinary course of business in favour of a bank with which such accounts are maintained, securing amounts owing to such bank with respect to operating account arrangements;
- (l) Liens on cash or securities pledged to secure performance of tenders, surety and appeal bonds, government contracts, performance and return of money bonds, bids, trade contracts, leases, statutory obligations, regulatory obligations and other obligations of a like nature incurred in the ordinary course of business;
- (m) any other Liens (including Liens in respect of purchase money security interests and Capital Leases (which, for certainty, shall not include any operating leases entered into in connection with any sale-leaseback) which would have been operating leases under GAAP as in effect on December 31, 2018, regardless of whether such lease was entered into prior to or after December 31, 2018) which are not otherwise Permitted Liens; provided that the aggregate principal amount of Debt or other obligations secured thereby does not exceed the amount of \$5,000,000.00;
- (n) the Security;
- (o) the Tamarack Security so long as the Intercreditor Agreement (Borrower) remains in full force and effect;
- (p) any Lien from time to time which is consented to in writing to by all of the Lenders; and
- (q) any extension, renewal or replacement (or successive extensions, renewals or replacements), as a whole or in part, of any Lien referred to in the preceding paragraphs (a) through (q) inclusive of this definition, so long as any such extension, renewal or replacement of such Lien is limited to all or any part of the same property that secured the Lien extended, renewed or replaced (plus improvements on such property) and the Debt, liability or obligation secured thereby is not increased.

**"Permitted Swap Agreement"** means:

- (a) the ISDA Master Agreement dated as of the date hereof and entered into between the Borrower and the Swap Counterparty, as amended, modified, replaced, restated or supplemented from time to time as permitted under the terms of this Agreement, and all confirmations thereunder (including the confirmation entered into on the date hereof); provided, however, that such agreement and confirmations only provide for arrangements that comply with the provisions of Section 6.1(w); provided, however, that any failure of an ISDA Master Agreement entered into between the Borrower and the Swap Counterparty or any confirmation thereunder, individually or collectively, to provide for arrangements that comply with the provisions of Section 6.1(w) shall not in any way adversely affect the Swap Counterparty, and in particular any such failure shall not result in the obligations and liabilities of the Borrower thereunder not representing Swap Obligations or Secured Obligations hereunder or Hedge Facility Obligations or Swap Indebtedness, as applicable, for purposes of the Intercreditor Agreements nor prevent such ISDA Master Agreement and all confirmations thereunder from constituting Hedge Agreements for purposes of the Intercreditor Agreement (Swap Counterparty); and
- (b) any other Swap Agreement that the Lenders have agreed will be a "Permitted Swap Agreement" hereunder;

**"Person"** means a natural person, sole proprietorship, corporation, limited liability company, trust, joint venture, association, company, partnership, institution, public benefit corporation, investment or other fund, Governmental Authority or other entity, and pronouns have a similarly extended meaning.

**"Petroleum Substances"** means crude oil, bitumen, synthetic crude oil, petroleum, gas, coal seam gas, casinghead gas, drip gasoline, natural gasoline, natural gas liquids, condensate, distillate, all other liquid and gaseous hydrocarbons and all products refined or separated therefrom or produced or to be produced in conjunction therewith from a well bore and all products, by-products, and other substances derived therefrom or the processing thereof, and all other minerals and substances produced in conjunction with such substances, liquid or gaseous, whether hydrocarbons or not, including, but not limited to, sulfur, hydrogen sulphide, geothermal steam, water, carbon dioxide, helium, and any and all minerals, ores, or substances of value and the products and proceeds therefrom.

**"PPSA"** means the *Personal Property Security Act* (Alberta) (or any successor statute) or similar legislation of any other jurisdiction the laws of which are required by such legislation to be applied in connection with the issue, perfection, enforcement, validity or effect of security interests.

**"Prime Rate"** means, for any period, a fluctuating rate per annum as shall be in effect from time to time, which rate per annum shall be equal to the greater of (i) the rate of interest last quoted by The Wall Street Journal as the "Prime Rate" in the United States or, if The Wall Street Journal ceases to quote such rate, the highest rate *per annum* interest rate published by the Federal Reserve Board in Federal Reserve Statistical Release H.15 (519) (Selected Interest Rates) as the "bank prime loan" rate or, if such rate is no longer quoted therein, any similar rate quoted therein (as determined by the Administrative Agent) or any similar release by the Federal Reserve Board (as determined by the Administrative Agent) and (ii) 3.50% per annum. The Prime Rate is a reference rate and does not necessarily represent the lowest or best rate actually charged to any customer.

**"Proceeds of Realization"** means all cash and non-cash proceeds derived from any sale, Disposition or other realization of the Collateral (a) after any notice by the Administrative Agent to the Borrower pursuant to Section 8.2 declaring all indebtedness of the Borrower hereunder to be immediately due and payable or the automatic acceleration of such indebtedness, (b) upon any dissolution, liquidation, winding-up, reorganization, bankruptcy, insolvency or receivership of any of the Credit Parties (or any other arrangement or marshalling of the Collateral that is similar thereto) or (c) upon the enforcement of, or any action taken with respect to, any of the Credit

Documents. For greater certainty, prior to the occurrence of an Event of Default (y) insurance proceeds less than \$100,000 derived as a result of the loss or destruction of any of the Collateral or (z) cash or non-cash proceeds derived from any expropriation or other condemnation of any of the Collateral shall not constitute Proceeds of Realization.

**"Property Loss Event"** means, with respect to any property, any loss of or damage to such property or any taking of such property or condemnation thereof.

**"Proved Developed Producing Reserves"** has the meaning assigned such term in the COGE Handbook.

**"Proved Reserves"** has the meaning assigned such term in the COGE Handbook.

**"Purchase Price"** has the meaning specified in the Acquisition Agreement.

**"PV10"** means, in respect of either of the Proved Developed Producing Reserves or the Proved Reserves, respectively, of the Borrower's Oil and Gas Properties, the net present value (on a before income tax basis) of future cash flows (discounted at ten percent (10%) per annum) calculated by the Borrower and acceptable to the Majority Lenders in their sole and reasonable judgment (including using the production and cost profiles in the most recent Engineering Report and using then current Strip Prices and curves, adjusted for hedging and other required discounts, in each case satisfactory to the Lenders) after having reviewed the information from the most recent Engineering Report delivered by the Borrower hereunder and taking into account all other factors which the Majority Lenders reasonably deem material, but provided that each calculation of such expected future cash flow shall be made in accordance with the then existing standards of The Society of Petroleum Evaluation Engineers (Calgary Chapter), provided that in any event (a) appropriate deductions shall be made for severance and ad valorem taxes or goods and services taxes, and for operating, gathering, transportation and marketing costs required for the production and sale of such reserves, (b) the pricing assumptions used in determining PV10 for any particular reserves shall be based upon the Strip Price (as reasonably determined by the Majority Lenders) and (c) the cash-flows derived from the pricing assumptions set forth in paragraph (b) above shall be further adjusted to account for the historical basis differential, in each case, in a manner reasonably acceptable to the Majority Lenders.

**"Rateable Portion"** means, at any time, the proportion of the Individual Commitment Amount of a Lender at such time relative to the aggregate Individual Commitment Amounts of all Lenders at such time.

**"Related Parties"** means, with respect to any Person, such Person's Affiliates and the directors and officers, employees and advisors of such Person and of such Person's Affiliates.

**"Sanctioned Person"** means:

- (a) a Person that is designated under, listed on, or owned or controlled by a Person designated under or listed on, or acting on behalf of a Person designated under or listed on, any Sanctions List;
- (b) a Person that is located in, incorporated under the laws of, or owned or (directly or indirectly) controlled by, or acting on behalf of, a Person located in or organized under the laws of a country or territory that is the target of country-wide or territory-wide Sanctions;
- (c) a Person that is otherwise a target of Sanctions ("target of Sanctions" signifying a person with whom a person or other national of a Sanctions Authority would be prohibited or restricted by law from engaging in trade, business or other activities); or

- (d) any other Person to which any Lender would not be permitted to make a loan, or provide funding, in accordance with the Sanctions, or otherwise deal with pursuant to the Sanctions.

**"Sanctions"** means the economic sanctions laws, regulations, embargoes or restrictive measures administered, enacted or enforced by any Sanctions Authority, including any sanctions or requirements imposed by, or based upon the obligations or authorities set forth in, the *Special Economic Measures Act* (Canada), the *United Nations Act* (Canada), the *Criminal Code* (Canada), the *Freezing of Assets of Corrupt Foreign Officials Act* (Canada), the Executive Order, the U.S. *Bank Secrecy Act* (31 U.S.C. §§ 5311 et seq.), the U.S. *Money Laundering Control Act of 1986* (18 U.S.C. §§ 1956 et seq.), the *USA Patriot Act of 2001*, the U.S. *International Emergency Economic Powers Act* (50 U.S.C. §§ 1701 et seq.), the U.S. *Trading with the Enemy Act* (50 U.S.C. App. §§ 1 et seq.), the U.S. *United Nations Participation Act*, the U.S. *Syria Accountability and Lebanese Sovereignty Act*, the U.S. *Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010* or the *Iran Sanctions Act* (United States), or any of the foreign assets control regulations of the U.S. Department of the Treasury (including but not limited to 31 CFR, Subtitle B, Chapter V) or any other law or executive order relating thereto or regulation administered by OFAC.

**"Sanctions Authority"** means any of: (a) the Canadian government; (b) the United States government; (c) the United Nations; (d) the European Union; (e) the United Kingdom; or (f) the respective governmental institutions, departments and agencies of any of the foregoing, including Foreign Affairs, Trade and Development Canada, Public Safety Canada, OFAC, the United States Department of State, and Her Majesty's Treasury of the United Kingdom; **"Sanctions Authorities"** means all of the foregoing Sanctions Authorities, collectively.

**"Sanctions List"** means the "Specially Designated Nationals and Blocked Persons" list maintained by OFAC, the Consolidated List of Financial Sanctions Targets and the Investment Ban List maintained by Her Majesty's Treasury of the United Kingdom, or any substantially similar list maintained by, or public announcement of Sanctions designation made by, any of the Sanctions Authorities.

**"Secured Obligations"** means: (a) in respect of the Borrower and GPHC, the Obligations and the Swap Obligations, and (b) in respect of each Credit Party (other than the Borrower and GPHC), the Obligations.

**"Secured Parties"** means, collectively, the Administrative Agent, the Collateral Agent, each of the Lenders and the Swap Counterparty, in each case from time to time, including any successors or assigns of any such Persons.

**"Security"** means, at any time, the Liens in favour of the Collateral Agent, for the benefit of the Secured Parties, in the Collateral securing the Obligations described in the applicable Security Documents.

**"Security Documents"** means, collectively, the Shared Security Documents and the Supplemental Security Documents.

**"Senior Debt"** means all of the consolidated Debt of the Borrower other than the Debt under the Tamarack Promissory Note.

**"Shared Security Documents"** means the agreements described as such in Section 3.1(1), and any other security granted to the Collateral Agent, for the benefit of the Secured Parties that secures, or is required to secure, the Secured Obligations of the Borrower and GPHC under this Agreement, the other Credit Documents and the Permitted Swap Agreement, or any of them.

**"Solvent"** means, with respect to any Person on a particular date, that on such date, (a) such Person is not for any reason unable to meet its obligations as they generally become due, (b) such Person has not ceased paying its current obligations in the ordinary course of business as they generally become due, and (c) the aggregate property of such Person is, at a fair valuation, sufficient, or, if disposed of at a fairly conducted sale under legal process, would be sufficient, to enable payment of all its obligations, due and accruing due.

**"STA"** means the *Securities Transfer Act* (Alberta).

**"Strip Price"** shall mean, at any time, (a) for the remainder of the current calendar year, the average NYMEX/AECO Pricing for the remaining contracts in the current calendar year, (b) for each of the succeeding four complete calendar years, the average NYMEX/AECO Pricing for the twelve months in each such calendar year, and (c) for the succeeding fifth complete calendar year, and for each calendar year thereafter, the average NYMEX/AECO Pricing for the twelve months in such fifth calendar year.

**"Subject Properties"** means collectively, the Owned Properties and the Leased Properties.

**"Subsidiary"** means, with respect to any Person (in this definition, the **"parent"**), at any date, (a) any corporation, limited liability company, association or other business entity of which securities or other ownership interests representing more than 50% of the voting power of all equity interests entitled to vote in the election of the directors thereof are, as of such date, owned, controlled or held by the parent and/or one or more subsidiaries of the parent, (b) any partnership, (i) the sole general partner or the managing general partner of which is the parent and/or one or more subsidiaries of the parent or (ii) the only general partners of which are the parent and/or one or more subsidiaries of the parent, and (c) any other Person that is otherwise Controlled by the parent and/or one or more subsidiaries of the parent.

**"Supplemental Security Documents"** means the agreements described in Section 3.1(2) granted to the Collateral Agent, for the benefit of the Lenders, the Administrative Agent and the Collateral Agent, by any of the Persons that are Credit Parties as at the date hereof (other than the Borrower and GPHC), in each case as security for the Secured Obligations of such Credit Parties under this Agreement and the other Credit Documents, or any of them.

**"Swap Agreement"** means any transaction (including an agreement with respect thereto) now existing or hereafter entered by any Person which is a rate swap, basis swap, forward rate transaction, commodity swap, commodity option, equity or equity index swap, equity or equity index option, bond option, interest rate option, foreign exchange transaction, cap transaction, floor transaction, collar transaction, forward transaction, currency swap transaction, cross-currency rate swap transaction, currency option or any other similar transaction (including any option with respect to any of these transactions) or any combination thereof, whether linked to one or more rates, currencies, commodities, equity or debt instruments or securities, or economic, financial or pricing indices or measures of economic, financial or pricing risk or value or other financial measures and whether exchange traded, "over-the-counter" or otherwise.

**"Swap Counterparty"** means J. Aron & Company LLC.

**"Swap Obligations"** means the Borrower's and any Subsidiaries' obligations and liabilities under the Permitted Swap Agreement.

**"Tamarack"** means Tamarack Valley Energy Ltd., a corporation amalgamated under the laws of Alberta, and its successors and permitted assigns.

**"Tamarack Assets"** means the "Assets" as defined in the Acquisition Agreement.

**"Tamarack Obligations"** means the Borrower's and any Subsidiaries' obligations and liabilities under the Tamarack Promissory Note.

**"Tamarack Promissory Note"** means the promissory note dated as of July 20, 2022 granted by the Borrower in favour of Tamarack in the amount of \$20,000,000, as amended, modified, extended, renewed, replaced, restated or supplemented from time to time in accordance with the provisions of this Agreement.

**"Tamarack Security"** means, at any time, the Liens in favour of Tamarack securing the Tamarack Obligations.

**"Tax Act"** means the Income Tax Act (Canada), R.S.C. 1985, c.1 (5<sup>th</sup> Supp.), as amended.

**"Taxes"** means all present or future taxes, levies, imposts, duties, deductions, withholdings, assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

**"Total Leverage Ratio"** means, at any time, the ratio of Senior Debt at such time to EBITDAX for the most recently completed four Financial Quarters.

**"Trafigura"** means Trafigura Canada Limited and its successors and assigns.

## **Section 1.2 Gender and Number.**

Any reference in the Credit Documents to gender includes all genders and words importing the singular number only include the plural and vice versa.

## **Section 1.3 Headings, etc.**

The provision of a Table of Contents, the division of this Agreement into Articles and Sections and the insertion of headings are for convenient reference only and are not to affect the interpretation of this Agreement. The expressions **"Article"**, **"Section"**, **"Schedule"** and **"Exhibit"** followed by a number or other reference mean and refer to the specified Article, Section, Schedule or Exhibit of this Agreement.

## **Section 1.4 Currency.**

All references in the Credit Documents to "Dollars" or "\$", unless otherwise specifically indicated, are expressed in the lawful currency of Canada. All references to "U.S. \$" or "U.S. Dollars" are references to the lawful currency of the United States of America.

## **Section 1.5 Certain Phrases, etc.**

In any Credit Document (i) the words "including" and "includes" mean "including (or includes) without limitation", and the phrase "the aggregate of", "the total of", "the sum of", or a phrase of similar meaning means "the aggregate (or total or sum), without duplication, of", (ii) In the computation of periods of time from a specified date to a later specified date, unless otherwise expressly stated, the word "from" means "from and including" and the words "to" and "until" each mean "to but excluding", and references to "this Agreement", "hereof" and "herein" and like references refer to such Credit Document and not to any particular Article, Section or other subdivision of such Credit Document.

## **Section 1.6 Non-Business Days.**

Whenever any payment to be made hereunder shall be stated to be due or any action to be taken hereunder shall be stated to be required to be taken on a day other than a Business Day, such payment shall be made or such action shall be taken on the next succeeding Business Day and, in the case of the payment of any amount, the extension of time shall be included for the purposes of computation of interest, if any, thereon.



### Section 1.7 Accounting Terms.

- (1) Except as otherwise expressly provided, all accounting terms, principles and calculations applicable to the Credit Facility will be interpreted, applied and calculated, as the case may be, in accordance with GAAP. The basis of accounting and all calculations set out in this Agreement will be applied and made on a consistent basis and will not be changed for the purposes of this Agreement unless required by GAAP or as agreed to by the Lenders in writing, such agreement not to be unreasonably withheld. It will be reasonable for the Lenders to withhold its consent if a proposed change could adversely affect the obligations of the Borrower or rights of the Lenders under the Credit Documents.
- (2) If the Borrower adopts a change in an accounting policy in the preparation of its financial statements in order to conform to accounting recommendations, guidelines, or similar pronouncements, or legislative requirements, and such change would require disclosure thereof under GAAP, or would reasonably be expected to materially and adversely affect (a) the rights of, or the protections afforded to, the Lenders hereunder or (b) the position either of the Borrower or of the Lenders hereunder, the Borrower shall so notify the Lenders, describing the nature of the change and its effect on the current and immediately prior year's financial statements in accordance with GAAP and in detail sufficient for the Lenders to make the determination required of it in the following sentence. If either of the Borrower or the Lenders determine at any time that such change in accounting policy results in a material adverse change either (i) in the rights of, or protections afforded to, the Lenders intended to be derived, or provided for, hereunder or (ii) in the position either of the Borrower or of the Lenders hereunder, written notice of such determination shall be delivered by the Borrower to the Lenders, in the case of a determination by the Borrower, or by the Lenders to the Borrower, in the case of a determination by the Lenders.
- (3) Upon the delivery of a written notice pursuant to Section 1.7(2) the Borrower and the Lenders shall meet to consider the impact of such change in GAAP or such change in accounting policy (in each case, an "**Accounting Change**"), as the case may be, on the rights of, or protections afforded to, the Lenders or on the position of the Borrower or of the Lenders and shall in good faith negotiate to execute and deliver an amendment or amendments to this Agreement in order to preserve and protect the intended rights of, or protections afforded to, the Borrower or the Lenders (as the case may be) on the date hereof or the position of the Borrower or the Lenders (as the case may be); provided that, until this Agreement has been amended in accordance with the foregoing, then for all purposes hereof, the applicable changes from GAAP or in accounting policy (as the case may be) shall be disregarded hereunder and any amount required to be determined hereunder shall, nevertheless, continue to be determined under GAAP prior to such change and the Borrower's prior accounting policy. For the purposes of this Section 1.7, the Borrower and the Lenders acknowledge that the amendment or amendments to this Agreement are to provide substantially the same rights and protection to the Borrower and the Lenders as is intended by this Agreement as at the Closing Date. If the Borrower and the Lenders do not (for any reason whatsoever) mutually agree (in their respective sole and absolute discretions, without any obligation to so agree) on such amendment or amendments to this Agreement within sixty (60) days following the date of delivery of such written notice, the Borrower shall either continue to provide financial statements in accordance with GAAP prior to such change or provide all such financial information as is reasonably required (or requested by the Lenders acting reasonably) in order for any amount required to be determined hereunder to be determined in accordance with GAAP prior to such change and/or the Borrower's prior accounting policy, including to the extent applicable the calculation of and the reason for the changed amounts as between GAAP prior to such change and GAAP, and, for all purposes hereof, the applicable changes from GAAP prior to such change or in accounting policy (as the case may be) shall be disregarded hereunder and any amount required to be determined hereunder shall, nevertheless, continue to be determined under GAAP prior to such change and/or the Borrower's prior accounting policy. The Borrower will notify the Administrative Agent as to any agreement or other resolution as to the change to GAAP reached pursuant to this section.

- (4) If a Compliance Certificate is delivered in respect of a Financial Quarter or Financial Year in which an Accounting Change is implemented without giving effect to any revised method of calculating a financial calculation hereunder (each a “**Financial Calculation**”), and subsequently, as provided above, the method of calculating the Financial Calculation is revised in response to such Accounting Change, or the amount to be determined pursuant to the Financial Calculation is to be determined without giving effect to such Accounting Change, the Borrower shall deliver a revised Compliance Certificate. Any Event of Default which arises as a result of the Accounting Change and which is cured by this Section 1.7 shall be deemed never to have occurred.

**Section 1.8 Incorporation of Schedules and Exhibits.**

The schedules and exhibits attached to this Agreement shall, for all purposes of this Agreement, form an integral part of it.

**Section 1.9 Severability.**

If the whole or any portion of the Credit Documents or the application thereof to any circumstance will be held invalid or unenforceable to an extent that does not affect the operation of the Credit Document in question in a fundamental way, the remainder of the Credit Document in question, or its application to any circumstance other than that to which it has been held invalid or unenforceable, will not be affected thereby and will be valid and enforceable to the fullest extent permitted by Applicable Law.

**Section 1.10 Enurement.**

This Agreement shall become effective when executed by the Borrower, the Administrative Agent, the Collateral Agent and the Lenders and after that time shall be binding upon and enure to the benefit of the Borrower, the Administrative Agent, the Collateral Agent and the Lenders and their respective successors and permitted assigns.

**Section 1.11 Time of the Essence.**

Time is of the essence in respect of the Credit Documents.

**Section 1.12 Conflict.**

To the extent that there is any inconsistency or ambiguity between the provisions of this Agreement and any other Credit Document, the provisions of this Agreement will govern to the extent necessary to eliminate such inconsistency or ambiguity.

**Section 1.13 Permitted Liens.**

Any reference in this Agreement or any of the other Credit Documents to a Permitted Lien or a Lien permitted by this Agreement is not intended to subordinate or postpone, and shall not be interpreted as subordinating or postponing, or as any agreement to subordinate or postpone, any Lien created by any of the Credit Documents to any Permitted Lien or any Lien permitted hereunder.

**Section 1.14 References to Agreements.**

Except as otherwise provided in this Agreement, any reference in this Agreement to any agreement or document means such agreement or document as the same may have been or may from time to time be amended, modified, extended, renewed, restated, replaced or supplemented in accordance herewith and therewith.

**Section 1.15 Statutes.**

Except as otherwise provided in this Agreement, any reference in this Agreement to a statute refers to such statute and all rules and regulations made under it as the same may have been or may from time to time be amended or re-enacted.



## ARTICLE 2 CREDIT FACILITY

### Section 2.1 Credit Facility.

- (1) Subject to the terms and conditions hereof and effective on the Closing Date, the Lenders hereby establish the Credit Facility in favour of the Borrower. The Lenders agree, on the terms and conditions of this Agreement, to make one (1) Advance to the Borrower on or after the Closing Date in respect of the Commitment (and each in their Individual Commitment Amount).
- (2) The Advance under the Credit Facility shall be made to the Borrower with an original issue discount of U.S. \$2,869,565.21 (the "**OID**"). The OID shall not be a credit against interest payable pursuant to this Agreement but shall constitute additional interest paid on the amount of the Advance (by way of netting off of the principal amount of the Advance) in advance.

### Section 2.2 Non-Revolving Commitment.

- (1) The Outstanding Principal shall not at any time exceed the Commitment.
- (2) The Credit Facility does not revolve, and any amount repaid or prepaid under the Credit Facility cannot be re-borrowed and shall permanently reduce the Individual Commitment Amount of each Lender the Credit Facility in the amount of such Lender's Rateable Portion.

### Section 2.3 Use of Proceeds.

The Borrower shall use the proceeds of the Advance (after netting off the amount of the OID) solely for the purposes of (a) completing the Acquisition and paying cash portion of the Purchase Price pursuant to the Acquisition Agreement, (b) repaying existing Debt obligations of GPMC to Trafigura and (c) thereafter for general corporate purposes of the Borrower, GPMC and GPHC.

### Section 2.4 Procedure for Advance.

The Advance under the Credit Facility shall be made on two (2) Business Days' prior written notice, given not later than 9:00 a.m. (Calgary time) by the Borrower to the Administrative Agent, in substantially the form of Exhibit 4 (the "**Notice of Advance**"), and shall be irrevocable and binding on the Borrower. Upon fulfilment of the conditions precedent set forth in Article 4, the Lenders will make such funds available to the Borrower.

### Section 2.5 Repayments.

- (1) The Borrower shall repay (subject to Section 7.2 and Section 8.1) to the Administrative Agent, for the benefit of and remittance to the Lenders in accordance with their Rateable Portion, the full amount of the Outstanding Principal, together with all accrued unpaid interest and fees and all other Obligations in connection with the Credit Facility (including, without limitation, any applicable MOIC Amount owing to the Lenders), on the Maturity Date.
- (2) On the first (1<sup>st</sup>) day of each calendar month commencing on October 1, 2022 the Borrower shall pay (subject to Section 7.2 and Section 8.1) to the Administrative 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; and
  - (b) all interest accrued on the Outstanding Principal in accordance with this Agreement which is then unpaid.
- (3) Within 5 days following the delivery of the Compliance Certificate for the second and the fourth Financial Quarters (which Financial Quarters end on June 30 and December 31, respectively) in each Financial Year (commencing with the Financial Quarter ending on December 31, 2022), the

Borrower shall pay (subject to Section 7.2 and Section 8.1) to the Administrative Agent, for the benefit of and remittance to the Lenders in accordance with their Rateable Portion, an amount equal to 75% of the Excess Cash Flow calculated for such Financial Quarter and the immediately preceding Financial Quarter.

- (4) In addition to any other payments required to be made by the Borrower under this Agreement, the Borrower shall pay to the Administrative Agent, for the benefit of and remittance to the Lenders in accordance with their Rateable Portion, the following amounts:
- (a) 100% of the Net Proceeds arising from any sale or other Disposition relating to all or any part of the Collateral or any interest therein;
  - (b) 100% of the Net Proceeds from any issuance of Debt for borrowed money (other than Permitted Debt), including by way of bonds, promissory notes, debentures or similar evidences of indebtedness by the Credit Parties;
  - (c) 100% of the Net Proceeds of insurance received in excess of \$1,000,000.00 as a result of any damage or destruction of an Asset; provided, however, that if the Borrower has insurance on a replacement cost basis in respect of such Asset and the proceeds or an amount not less than the proceeds of such insurance has been expended by the Borrower for the repair or replacement of such Asset within one hundred eighty (180) days following the date of any damage to such Asset, then the Borrower shall not be required to pay to the Administrative Agent the amount of such proceeds of insurance so expended so long as the Borrower has provided to the Administrative Agent evidence reasonably satisfactory to the Administrative Agent of such expenditure;
  - (d) 100% of any and all damages, payments or other recoveries received by the Borrower under or in respect of any claim or claims made by the Borrower under the Acquisition Documents (including for any breach of a representation or warranty thereunder), net of the costs incurred by the Borrower in pursuing such damages, payments or other recoveries;
  - (e) 100% of any grants, rebates or refunds received by the Borrower from any Governmental Authority except to the extent that any such grants, rebates or refunds are in accordance with the terms thereof required by the applicable Governmental Authority to be used for a particular purpose other than for the repayment of Debt; and
  - (f) 100% of the amounts received from Spicelo Limited which are required to be paid, directly or indirectly, by Spicelo Limited to the Borrower in accordance with Section 37(s) of the Greenfire Pledge.

in each case within five (5) Business Days of the receipt thereof or, in the case of Net Proceeds of insurance, within five (5) Business Days of the expiry of the one hundred eighty (180) day period in which the Borrower may expend such funds for the repair or replacement of the applicable Assets if (and to the extent) the Net Proceeds of such insurance have not been so used to repair or replace the applicable Assets. The Borrower shall give the Administrative Agent ten (10) Business Days prior written notice of any mandatory prepayment to this Section, including the reason for the mandatory prepayment and the amount of such mandatory prepayment (with reasonable evidence supporting such amount). The Administrative Agent will remit to the Lenders within two (2) Business Days of receipt of the payment by the Borrower.

The Borrower shall not be required to pay to the Administrative Agent or the Lenders the Net Proceeds from any issuance of Equity Securities (including, for the purposes of this paragraph, any proceeds received from the exercise of any warrants) by any Credit Party; provided, however, that no Credit Party may use such Net Proceeds from any issuance of Equity Securities

to redeem or repay any Debt other than the Obligations without the prior written consent of all of the Lenders.

- (5) Upon the occurrence and during the continuance of a Default or an Event of Default, the Collateral Agent may, pursuant to the Blocked Account Agreement, deliver notice to the depository bank with respect to the Collection Account (in this Section 2.5(5), a **"Trigger Notice"**), and upon and following delivery of any such Trigger Notice, the relevant depository bank will wire, or otherwise transfer, in immediately available funds, all funds received or deposited into the Collection Account to such bank account as the Collateral Agent may from time to time designate for such purpose. On each Business Day during which a Trigger Notice is in effect, the Collateral Agent shall apply all amounts received by it by no later than the next following Business Day from the Collection Account to the Obligations in accordance with Section 2.10 hereof. The Borrower agrees that all payments made to the Collection Account shall, upon the issuance of a Trigger Notice, be subject to the Collateral Agent's sole control and shall be treated as payments to the Collateral Agent in respect of the Obligations in accordance with Section 2.10 hereof and therefore shall constitute the property of the Collateral Agent and the Lenders to the extent of the amount of the outstanding Obligations. The receipt of any payment item by the Collateral Agent (whether from transfers to the Collateral Agent pursuant to the Blocked Account Agreement or otherwise) shall not be considered a payment on account unless such payment item is a wire transfer of immediately available funds made to the Collateral Agent's bank account or unless and until such payment item is honoured when presented for payment. Should any payment item be paid to the Collateral Agent in a foreign currency, the Collateral Agent shall not be obligated to apply any particular exchange rate to such currency and may rely on the depository bank (identified in the Blocked Account Agreement) to convert such foreign currency into Canadian Dollars. The Collateral Agent shall not be liable or be required to indemnify the Borrower or any other Person or its depository bank for any foreign exchange losses, fluctuations, etc. The Collateral Agent is not required to credit any Obligations for the amount of any item of payment which is returned to the Collateral Agent unpaid. If and when the Default or Event of Default which gave rise to the delivery of a Trigger Notice is no longer continuing, and so long as no other Default or Event of Default shall have occurred and be continuing, the Collateral Agent shall either (i) provide written notice to the depository bank withdrawing or revoking such Trigger Notice following which payments made to the Collection Account shall no longer be required to be paid over to the Collateral Agent or subject to the Collateral Agent's sole control, as contemplated in this Section 2.5(5) until delivery of a new Trigger Notice under the Blocked Account Agreement, or (ii) terminate the then existing Blocked Account Agreement and enter into new Blocked Account Agreement with the depository bank on substantially the same terms as the ones so terminated pursuant to which payments made to the Collection Account shall be subject to the sole control of the applicable Borrower until delivery of a Trigger Notice thereunder.

## **Section 2.6 Interest.**

- (1) All Obligations shall bear interest, as well after as before maturity, default and judgment, with interest on overdue interest, from the date of the Advance until all Obligations are indefeasibly paid in full in cash, at the Applicable Rate.
- (2) Interest under this Agreement shall accrue and be calculated (but not compounded) on a daily basis and on the basis of the actual number of days elapsed in the period for which such interest is payable (including the first day of such period but excluding the date on which such interest is payable) divided by 360. The annual rates of interest to which the rates determined in accordance with the foregoing provisions of this Section 2.6 are equivalent, are the rates so determined multiplied by the actual number of days in the relevant calendar year and divided by 360.
- (3) Interest accrued in accordance with this Agreement on the Outstanding Principal shall be payable monthly for each calendar month, in arrears, commencing on August 1, 2022, in accordance with the provisions of Section 2.5(2).

- (4) Interest accrued on Obligations other than the Outstanding Principal will be payable, in arrears, by the Borrower to the Administrative Agent, for the benefit of the Lenders in accordance with their Rateable Portion, within three (3) Business Days of demand by any Lender.
- (5) If any Default or Event of Default occurs, then from the date such Default or Event of Default occurs until such default is no longer continuing, or until all Obligations are irrevocably and indefeasibly paid in cash and performed in full, the Borrower will be obligated to pay interest on the unpaid Obligations at a per annum rate that is equal to the Applicable Rate plus the Default Rate. Such additional interest at the Default Rate shall be payable in full, in arrears, by the Borrower to the Administrative Agent, for the benefit of and remittance to the Lenders in accordance with their Rateable Portion, in accordance with the provisions of Section 2.5(2).

#### **Section 2.7 Payments under this Agreement.**

- (1) Unless otherwise expressly provided in this Agreement, the Borrower shall make any payment required to be made by it to the Administrative Agent, for the benefit of and remittance to the Lenders in accordance with their Rateable Portion, by depositing the amount of the payment to the Administrative Agent, for the benefit of the Lenders in accordance with their Rateable Portion, in immediately available funds not later than 2:00 p.m. (Calgary time) on the date the payment is due.
- (2) Payments made hereunder shall be made on a Business Day. Payments received by the Administrative Agent before 2:00 p.m. (Calgary time) on a Business Day will be given value on that Business Day. All payments received by the Administrative Agent after 2:00 p.m. (Calgary time) will be given value on the next following Business Day. The Administrative Agent will remit to the Lenders not later than the next following Business Day.
- (3) The Borrower shall make each such payment under the Credit Documents in Dollars.

#### **Section 2.8 Optional Prepayments.**

The Borrower may prepay all or any portion of the Outstanding Principal at any time prior to the Maturity Date upon 5 days' prior written notice of such payment, without bonus or penalty but subject to payment of any applicable MOIC Amount, which notice shall be irrevocable and binding on the Borrower and shall specify the date of repayment, which date shall be a Business Day, and the amount of Outstanding Principal to be prepaid. Upon exercise of such option and the giving of such notice: (a) the Outstanding Principal specified in such notice, together with all accrued but unpaid interest thereon and any MOIC Amount with respect thereto shall become due and payable on the expiry of such 5 day period; and (b) the Borrower shall pay to the Administrative Agent, for the benefit of and remittance to the Lenders in accordance with their Rateable Portion, upon the expiry of such 5 day period the Outstanding Principal identified in such written notice together with all accrued but unpaid interest thereon and any MOIC Amount with respect thereto. Any Outstanding Principal or interest prepaid and MOIC Amount paid pursuant to this Section 2.8 shall be in addition to, and not in lieu of, all payments otherwise required to be paid under the Credit Documents at the time of such prepayment. The Administrative Agent will remit to the Lenders not later than the next following Business Day.

#### **Section 2.9 Fees.**

- (1) On the first Business Day of each Financial Quarter, the Borrower shall pay to the Administrative Agent, for the benefit of and remittance to the Lenders in accordance with their Rateable Portion, an administration fee equal to equal to \$25,000.00.
- (2) The Borrower shall pay to the Administrative Agent, for the benefit of and remittance to the Lenders in accordance with their Rateable Portion, an upfront fee equal to \$600,000.00, which upfront fee shall be payable in equal payments of \$200,000.00 on October 1, 2022, November 1, 2022 and December 1, 2022.

- (3) The Borrower shall pay all fees and expenses of the Administrative Agent and the Collateral Agent to them in accordance with the provisions of a fee letter to be entered into by the Borrower, the Administrative Agent and the Collateral Agent.
- (4) The Administrative Agent will remit the fees so received to the Lenders within two (2) Business Days of receipt of the same day value funds.

**Section 2.10 Application of Payments and Prepayments and Payment of MOIC Amount.**

- (1) Except for amounts paid by the Borrower pursuant to Section 2.5(2) (which shall be applied as contemplated in Section 2.5(2)), all amounts received by the Administrative Agent, for the benefit of and remittance to the Lenders in accordance with their Rateable Portion, from or on behalf of the Borrower shall be applied by the Administrative Agent in accordance with the provisions of Section 8.7, *mutatis mutandis*. The Administrative Agent may, at the direction of all of the Lenders, vary such order of application in its sole and absolute discretion and without the consent of the Borrower. Notwithstanding the foregoing, the Administrative Agent may apply any payments made under Section 2.5(3), Section 2.5(4) and Section 2.8 in inverse order of maturity.
- (2) Concurrent with the prepayment or repayment of the Outstanding Principal and other Obligations (whether at maturity or otherwise) or following acceleration of the maturity of the Obligations pursuant to the terms hereof, and/or in or in connection with a voluntary or involuntary bankruptcy or insolvency or otherwise, the Borrower shall pay to the Administrative Agent, for the benefit of all Lenders, the MOIC Amount on the portion of the Funded Loan Amount so prepaid, repaid or due. For the avoidance of doubt, the Obligations shall not be considered extinguished nor shall the Liens on the Collateral be released until the MOIC Amount is paid in full in cash. Any payment required pursuant to this Section 2.10(2) is in addition to, and not a replacement of any amount paid in respect of the Outstanding Principal, interest or fees under this Agreement or the other Credit Documents. For the avoidance of doubt, this Section 2.10(2) is for the benefit of the Lenders only and is not intended to be the sole remedy for the Borrower's breach of any provision of this Agreement. Notwithstanding the foregoing, the MOIC Amount shall not be payable on any repayment or prepayment under this Loan Agreement in connection with: (a) the financing by each of the Lenders of any new acquisition of Assets or Equity Securities by GPCM, GPHC or the Borrower; or (b) the refinancing of the Tamarack Indebtedness by each of the Lenders.
- (3) Concurrently with any repayment or prepayment of any Obligations pursuant to this Agreement (including, without limitation, Section 2.5, Section 2.8, Section 8.2) the Borrower shall deliver to the Administrative Agent for delivery to the Lenders a certificate of a senior financial officer demonstrating the calculation of: (a) the amount of the applicable proceeds giving rise to the prepayment in the case of a prepayment pursuant to Section 2.5(4), (b) the amount of the applicable prepayment or repayment; and (c) the MOIC Amount in respect thereof, including reasonably detailed calculations thereof, in form and substance satisfactory to the Lenders.

**Section 2.11 Computations of Interest and Fees.**

- (1) The Administrative Agent will maintain records, in written or electronic form, evidencing the Advance and all other Obligations owing by the Borrower to each Secured Party under this Agreement. The information entered in such records will constitute *prima facie* evidence of the Obligations of the Borrower to each Secured Party.
- (2) Interest at the Applicable Rate on the Obligations will be calculated on the basis of a 360 day year.
- (3) All computations of fees shall be made by the Administrative Agent on the basis of a year of 365 days taking into account the actual number of days (including the first day but excluding the last day) occurring in the period for which the fees are payable.

- (4) For purposes of the *Interest Act* (Canada) and any other Applicable Laws, (a) the annual rates of interest and fees applicable to the Obligations are the rates as determined hereunder multiplied by the actual number of days in a period of one year commencing on the first day of the period for which such interest or fee is payable and divided by 365, (b) the principle of deemed reinvestment of interest does not apply to any interest calculation under this Agreement, and (c) the rates of interest stipulated in this Agreement are intended to be nominal rates and not effective rates or yields.
- (5) Notwithstanding any provision herein to the contrary, in no event will the aggregate "interest" (as defined in section 347 of the *Criminal Code* (Canada)) payable under this Agreement or any other Credit Document exceed the maximum effective annual rate of interest on the "credit advanced" (as defined in that section 347) permitted under that section and, if any payment, collection or demand pursuant to this Agreement or any Credit Document in respect of "interest" (as defined in that section 347) is determined to be contrary to the provisions of that section 347, such payment, collection or demand will be deemed to have been made by mutual mistake of the Borrower and the Secured Parties and the amount of such payment or collection will be refunded to the Borrower. For purposes of this Agreement, the effective annual rate of interest will be determined in accordance with generally accepted actuarial practices and principles over the term of the Credit Facility on the basis of annual compounding of the lawfully permitted rate of interest and, in the event of dispute, a certificate of a Fellow of the Canadian Institute of Actuaries appointed by the Administrative Agent will be *prima facie* evidence, for the purposes of such determination.
- (6) To the extent permitted by Applicable Law, the provisions of the *Judgment Interest Act* (Alberta) will not apply to the Credit Documents and are hereby expressly waived by the Borrower.

### ARTICLE 3 SECURITY

#### Section 3.1 Security.

- (1) The present and future Secured Obligations of the Borrower and GPHC to the Secured Creditors under the Credit Documents and the Permitted Swap Agreement, and all other Secured Obligations of the Borrower and GPHC to the Secured Creditors, howsoever arising or incurred hereunder and under the Credit Documents and the Permitted Swap Agreement will be secured by the following Security Documents, each in a form acceptable to the Collateral Agent and the Lenders, acting reasonably:
  - (a) in respect of the Borrower:
    - (i) a fixed and floating charge debenture from the Borrower granting a security interest over all present and after-acquired real and personal property (including, without limitation, all bank accounts and all Material Agreements to which it is a party); and
    - (ii) the Blocked Account Agreement;
  - (b) in respect of GPHC:
    - (i) a full unconditional guarantee of all Secured Obligations of the Credit Parties (other than GPHC);
    - (ii) a fixed and floating charge debenture from GPHC granting a security interest over all present and after-acquired real and personal property (including, without limitation, all bank accounts and all Material Agreements to which it is a party); and



- (iii) a securities pledge agreement in respect of all of the issued and outstanding Equity Securities in the capital of the Borrower; and
  - (c) if requested by the Collateral Agent upon the direction of the Majority Lenders or the Swap Counterparty, such documents and instruments providing a fixed Lien in accordance with Section 3.5.
- (2) The present and future Obligations of the Credit Parties (other than the Borrower and GPHC) to the Secured Parties under the Credit Documents, and all other Obligations of such Credit Parties to the Secured Parties, howsoever arising or incurred hereunder and under the Credit Documents will be secured by the following Security Documents, each in a form acceptable to the Collateral Agent and the Lenders, acting reasonably
- (a) in respect of GPCM:
    - (i) a full unconditional guarantee of all Obligations of the Credit Parties (other than GPCM);
    - (ii) a fixed and floating charge debenture from GPCM granting a security interest over all present and after-acquired personal property (including, without limitation, all bank accounts and all Material Agreements to which it is a party); and
    - (iii) a securities pledge agreement in respect of all of the issued and outstanding Equity Securities in the capital of GPHC;
  - (b) in respect of each GPCM Shareholder Guarantor, a limited recourse guarantee (with recourse limited to such GPCM Shareholder Guarantor's Equity Securities in the capital of GPCM) of all Obligations with a pledge of all of such GPCM Shareholder Guarantor's issued and outstanding Equity Securities in the capital of GPCM;
  - (c) in respect of Spicelo Limited, a limited recourse guarantee (with recourse limited to 1,125,002 common shares in the capital of the Greenfire Resources Inc. owned by Spicelo Limited (the "**Greenfire Shares**")) of all Obligations with a pledge of the issued and outstanding Greenfire Shares (the "**Greenfire Pledge**"); and
  - (d) if requested by the Collateral Agent upon the direction of the Majority Lenders, such documents and instruments providing a fixed Lien in accordance with Section 3.5.

### **Section 3.2 Exclusivity of Remedies.**

Nothing herein contained or in the Security Documents now held or hereafter acquired by the Collateral Agent or the Lenders, nor any act or omission of the Collateral Agent or the Lenders with respect to any such Security Documents, will in any way prejudice or affect the rights, remedies or powers of the Collateral Agent or the Lenders with respect to any other security at any time held by the Collateral Agent or the Lenders.

### **Section 3.3 Form of Security.**

The Security Documents will be in such form or forms as will be required by the Lenders, acting reasonably, and will be registered in such public registry offices in Canada or any province thereof as the Lenders, acting reasonably, may from time to time require to protect the Liens created thereby. Should the Lenders determine at any time and from time to time, acting reasonably, that the form and nature of the then existing Security Documents is deficient in any way or does not fully provide the Collateral Agent or the Lenders with the Liens and priority to which each is entitled hereunder, the Borrower will forthwith execute and deliver or cause to be executed and delivered to the Collateral Agent, for the benefit of the

Secured Parties, at the Borrower's expense, such amendments to the Security Documents or provide such new security as the Collateral Agent may reasonably request.

### **Section 3.4 After-Acquired Property.**

All property acquired by or on behalf of any Credit Party who has provided any Security which forms part of the Assets of such Credit Party (in this Section 3.4, "**After-Acquired Property**"), will be subject to the Security Documents without any further conveyance, mortgage, pledge, charge, assignment or other act on the part of the Collateral Agent or the Credit Parties. Without limiting the effect of the preceding sentence, the Borrower will, or will cause the applicable Credit Party to, from time to time execute and deliver and the Collateral Agent, for the benefit of the Secured Parties, will register, all at the Borrower's expense, such instruments supplemental to the Security Documents, in form and substance satisfactory to the Lenders and advised to the Collateral Agent, acting reasonably, as may be necessary or desirable to ensure that the Security Documents as amended and supplemented constitute in favour of the Collateral Agent, for the benefit of the Secured Parties, an effective Lien to the extent created by the Security Documents over such After-Acquired Property as required hereunder, subject only to Permitted Liens which under Applicable Law rank in priority thereto.

### **Section 3.5 Undertaking to Grant Fixed Charge Security.**

If any of the Administrative Agent, the Collateral Agent, the Majority Lenders or the Swap Counterparty determine, acting reasonably, that there has been a Material Adverse Effect, or a Default or Event of Default has occurred and is continuing, and the Collateral Agent, acting on the instructions of the Majority Lenders, considers it necessary for its adequate protection, the Borrower, at the request of the Collateral Agent, any Lender or the Swap Counterparty, will forthwith grant or cause to be granted to the Collateral Agent, for the benefit of the Secured Parties, a fixed Lien (subject only to Permitted Liens which under Applicable Law rank in priority thereto) in such of the applicable Credit Party's Assets as the Collateral Agent, acting on the instructions of the Majority Lenders, in their respective sole and absolute discretion, determines as security for all then present and future Obligations.

### **Section 3.6 Further Assurances re: Security.**

The Borrower will and will cause each Credit Party, in connection with the provision of any amended, new or replacement Security Documents referred to in Section 3.4 or Section 3.5:

- (a) do, make, execute and deliver, or cause to be done, made, executed and delivered, all such further documents, financing statements, assignments, acts, matters and things which may be reasonably required by the Majority Lenders to give effect to any provision of the amended, new or replacement Security Documents;
- (b) provide the Collateral Agent with such information as is reasonably required by the Collateral Agent to identify the property to be charged;
- (c) do all such things as are reasonably required to grant the Liens to be granted pursuant to the amended, new or replacement Security Documents;
- (d) provide the Collateral Agent with all corporate, partnership or other organizational resolutions and other action required for the Borrower to grant the amended, new or replacement Security Documents;
- (e) provide the Collateral Agent with an opinion of the Borrower's counsel confirming the due authorization, execution and delivery by the applicable Credit Party of all such agreements and instruments comprising the amended, new or replacement Security Documents in form and content satisfactory to the Collateral Agent, acting reasonably; and



- (f) assist the Collateral Agent in the registration or recording of such Security Documents in such public registry offices in Canada and any province thereof as the Majority Lenders, acting reasonably, deems necessary to protect the Liens created by such Security Documents.

### **Section 3.7 Swap Obligations and Sharing of Certain Security.**

- (1) The Borrower and the Lenders agree and acknowledge that the benefit of the Security granted pursuant to the Shared Security Documents is being shared equally among the Lenders and the Swap Counterparty to secure the Secured Obligations of the Borrower on a rateable basis in accordance with the provisions of the Intercreditor Agreement (Swap Counterparty); and that the Collateral Agent will hold the Shared Security Documents granted by the Borrower and GPHC for the benefit of the Lenders hereunder and the Swap Counterparty with respect to all the Swap Obligations pursuant to and in accordance with the Intercreditor Agreement (Swap Counterparty). For purposes of the above sentence, "rateable basis" means:
  - (a) with respect to the Lenders, the Equivalent Amount in Dollars of the Outstanding Principal and other Obligations under the Credit Facility relative to the Equivalent Amount in Dollars of the Outstanding Principal and other Obligations under the Credit Facility and the Swap Obligations; and
  - (b) with respect to the Swap Counterparty, the Equivalent Amount in Dollars of the Swap Obligations relative to the Equivalent Amount in Dollars of the Outstanding Principal and other Obligations under the Credit Facility and the Swap Obligations.
- (2) All Swap Obligations of the Borrower shall rank at all times *pari passu* with the Borrower's Obligations under the Credit Facility in accordance with the Intercreditor Agreement (Swap Counterparty).

### **Section 3.8 Discharge of Security.**

The Collateral Agent agrees, at the sole cost and expense of the Borrower: (a) to discharge the Security forthwith after all of the Secured Obligations and any other obligations of the Credit Parties under the Credit Documents and, if applicable, the Permitted Swap Agreement, have been unconditionally, irrevocably and indefeasibly paid in cash or performed in full and the Credit Facility and, if applicable, the Permitted Swap Agreement, has been terminated to the satisfaction of the Collateral Agent and the Lenders (and none of the Lenders has any further commitments hereunder), and (b) at the request of the Borrower, to discharge that portion of the Security that applies to Assets that are disposed of as permitted pursuant to Section 6.2(g) or execute a no interest letter or similar document in connection with such Disposition.

## **ARTICLE 4 CONDITIONS PRECEDENT**

### **Section 4.1 Conditions Precedent to the Advance.**

The effectiveness of this Agreement and the obligation of the Lenders to make the Advance under this Agreement on the Closing Date are subject to the following conditions precedent being met:

- (a) the Administrative Agent and the Lenders have received, in form and substance satisfactory to all of the Lenders and their counsel:
  - (i) certified copies of (A) the charter documents and by-laws of the Credit Parties, (B) all resolutions of the directors or shareholders, as the case may be, of the Credit Parties approving the borrowing or guarantee of the borrowing, as applicable, granting of security and other matters contemplated by this Agreement and the other Credit Documents; and (C) a list of the officers and

directors of the Credit Parties authorized to sign agreements together with their specimen signatures;

- (ii) a certificate of status, compliance, extract or like certificate with respect to the Credit Parties issued by the appropriate Governmental Authority of the jurisdiction of its incorporation or amalgamation and of each jurisdiction in which it owns any material assets or carries on any material business;
- (iii) this Agreement, the Security Documents and the other Credit Documents (other than the Blocked Account Agreement) required by the Administrative Agent duly executed and delivered by each Credit Party party thereto;
- (iv) the Intercreditor Agreement (Borrower) duly executed by each party thereto;
- (v) the Intercreditor Agreement (Swap Counterparty) duly executed by each party thereto;
- (vi) the Commercial Agreement duly executed by each party thereto;
- (vii) the Acquisition Agreement;
- (viii) certified true and complete copies of the duly executed Acquisition Agreement and such material Acquisition Documents as may be requested by any Lender;
- (ix) certified true and complete copies of the duly executed Permitted Swap Agreement and Tamarack Promissory Note;
- (x) a certificate of the Borrower (signed by a senior officer of the Borrower) confirming that all required Authorizations (including corporate approvals, shareholder approvals and Authorizations of Governmental Authorities) required to be obtained to complete the Acquisition have been obtained by the Borrower and remain in full force and effect, and appending copies of all such Authorizations;
- (xi) a certificate of the Borrower (signed by a senior officer of the Borrower) confirming that:
  - (A) each of the conditions precedent for the benefit of the Borrower in respect of the Acquisition as set forth in the Acquisition Agreement shall have been satisfied or waived (provided, however, that any waiver of any such conditions precedent by the Borrower shall be approved in writing by all of the Lenders); and
  - (B) the Acquisition Closing shall, concurrently with or immediately following the funding of the Advance, occur on terms and conditions consistent with the Acquisition Agreement (without any amendments thereto other than those agreed to by all of the Lenders);
- (xii) (A) searches conducted against each Credit Party in all jurisdictions as the Administrative Agent may require, and (B) all assignments, consents, approvals, acknowledgements, undertakings, intercreditor agreements, subordinations, postponements, discharges, waivers, directions and other documents and instruments which, in the opinion of the Administrative Agent, are desirable or required to make effective the Security and to ensure the perfection and the first ranking priority of such Security over the Collateral, subject to Permitted Liens;

- (xiii) certificates of insurance, dated no later than the Closing Date, showing the Administrative Agent as additional insured (in the case of liability insurance) and first loss payee (in the case of property insurance) in respect of the Assets with respect to insurance required to be maintained by the Borrower pursuant to Section 6.1(t);
  - (xiv) an opinion of counsel to the Credit Parties (other than Spicelo Limited and Stellion Limited) in Alberta addressed to the Administrative Agent and the Lenders relating to such matters as the Administrative Agent and the Lenders may require, acting reasonably;
  - (xv) all approvals, acknowledgments and consents of all Governmental Authorities and other Persons which are required to be obtained by any Credit Party in order to complete the transactions contemplated by this Agreement and to perform its obligations under any Credit Document to which it is a party;
  - (xvi) an Oil and Gas Ownership Certificate, duly executed by the Borrower;
  - (xvii) an Environmental Certificate, duly executed by the Borrower;
  - (xviii) an updated cash flow model and a pro forma Compliance Certificate which evidences compliance with the financial covenants set forth in Section 6.3;
  - (xix) financial projections (including the assumptions upon which such projections are based) for the 2022 and 2023 Financial Years of the Borrower;
  - (xx) the documentation and other information that is required by the Administrative Agent and the Lenders pursuant to Anti-Money Laundering/Anti-Terrorist Financing Laws and applicable "know your client" laws and regulations; and
  - (xxi) such other certificates, agreements and documentation as the Administrative Agent and/or the Lenders may reasonably request;
- (b) the Lenders have completed, to their satisfaction in their sole and absolute discretion, a due diligence review of the Credit Parties, the Business, the Assets of the Credit Parties (including title to the Assets and the environmental condition of the Assets), the Material Agreements and any other matters relating thereto or in connection therewith as determined or required by the Lenders in their sole and absolute discretion;
- (c) the Borrower does not have any Debt other than Permitted Debt, and the Administrative Agent shall have received releases and discharges with respect to all Liens affecting the Collateral which are not Permitted Liens and payout letters from creditors with respect to any Debt of the Credit Parties which is not Permitted Debt;
- (d) satisfactory review by the Lenders, in their sole and absolute discretion, of all of the Material Agreements and of all employment and compensation arrangements between the Borrower, GPCM or GPHC and their respective senior management and directors;
- (e) the Security Documents granted by the Credit Parties shall create first ranking priority Liens on the Collateral, subject to Permitted Liens, and all documents, instruments, financing statements and security notices shall have been properly registered, recorded and filed in all jurisdictions as the Lenders may require (other than registrations against Spicelo Limited and Stellion Limited made in Cyprus);

- (f) subordination and postponement on terms satisfactory to each of the Lenders of all related party indebtedness of the Borrower;
- (g) the Lenders shall have received a funds flow memorandum or other document in respect of the Acquisition which confirms all of the sources and uses of the Borrower's funds for purpose of completing the Acquisition, and the Lenders shall be satisfied that the Borrower has sufficient sources of funds in order to pay the Purchase Price in full and complete the Acquisition in accordance with the provisions of the Acquisition Agreement;
- (h) the payment of all fees and expenses which are then due by the Borrower to the Administrative Agent and the Lenders under or in connection with the execution and delivery of this Agreement;
- (i) the Notice of Advance will have been delivered in accordance with the provisions of Section 2.4 (which Notice of Advance shall contain a direction by the Borrower as to where to fund the Advance) and the terms and conditions thereof shall have been fully complied with;
- (j) each of the representations and warranties set out in Article 5 will be true and correct with the same effect as if such representations and warranties had been made on the date of the Advance;
- (k) no Default or Event of Default will have occurred and be continuing on the date of the Advance, nor will a Default or Event of Default arise as a result of the making of the Advance;
- (l) the Advance will not violate any Applicable Law, judgment or order; and
- (m) there has not occurred any material adverse change in the Business, operations, property, profits or prospects of any of the Credit Parties that has, or could be reasonably expected to have, a Material Adverse Effect.

#### **Section 4.2 Deemed Representation and Warranty.**

The giving of the Notice of Advance by the Borrower and the acceptance by the Borrower of the Advance shall be deemed to constitute a representation and warranty by the Borrower that, on the date of the Notice of Advance or Advance, as the case may be, and after giving effect to it and to the application of any proceeds from it, the statements and conditions set forth in Section 4.1 are true and correct and/or have been complied with or satisfied.

#### **Section 4.3 No Waiver.**

The making of the Advance or otherwise giving effect to the Notice of Advance without the fulfilment of one or more conditions set forth in Section 4.1 shall not constitute a waiver of any condition and the Administrative Agent reserves the right to require fulfilment of any such condition.

### **ARTICLE 5 REPRESENTATIONS AND WARRANTIES**

#### **Section 5.1 Representations and Warranties.**

The Borrower represents and warrants to the Administrative Agent and the Lenders, acknowledging and confirming, in each case, that the Administrative Agent and the Lenders are relying on such representations and warranties without independent inquiry in entering into this Agreement and providing the Advance that:

- (a) **Incorporation and Qualification.** Each Credit Party is a corporation duly incorporated, amalgamated, organized and validly existing under the laws of its jurisdiction of incorporation, amalgamation or organization as set forth in Schedule 5.1(a). Each such Credit Party is qualified, licensed or registered to carry on business under the laws applicable to it in all jurisdictions where it carries on business and in which such qualification, licensing or registration is necessary or where failure to be so qualified would have a Material Adverse Effect;
- (b) **Corporate Power.** Each of the Credit Parties has all requisite corporate power and authority to (i) own, lease and operate its properties and Assets and to carry on its business as now being conducted by it, (ii) enter into and perform its obligations under the Credit Documents and each of the Material Agreements to which it is a party and (iii) incur the Obligations, the Swap Obligations and the Tamarack Obligations;
- (c) **Conflict with Other Instruments.** The execution, delivery and performance by each Credit Party of each of the Credit Documents to which it is a party, in each case, do not (i) conflict with, violate or result in a breach of any of the terms or conditions of (u) its articles of incorporation or by-laws, partnership agreement or other constating or organizational documents, as applicable, (v) any Applicable Law, (w) any contractual restriction binding on or affecting such Credit Party or such Credit Party's respective Assets, or (x) any Material Agreement, or (ii) result in, require or permit (x) the imposition of any Lien in, on or with respect to any of such Credit Party's Assets (except in favour of the Lender), (y) the acceleration of the maturity of any Debt binding on or affecting any such Credit Party, or (z) any third party to terminate or acquire rights under any Material Agreement;
- (d) **Corporate Action, Governmental Approvals, etc.** The execution, delivery and performance by each Credit Party of each of the Credit Documents and each of the Material Agreements to which it is a party:
  - (i) have been duly authorized by all necessary corporate, partnership, trust and other action, as applicable; and
  - (ii) are within its corporate, partnership or trust power and capacity, as applicable; and
  - (iii) do not require any Authorization of or advance notice to or advance filing with any Governmental Authority except those which have already been made or obtained and which are in full force and effect;
- (e) **Execution and Binding Obligation.** This Agreement and the other Credit Documents have been duly executed and delivered by each Credit Party which is a party thereto and constitute legal, valid and binding obligations of such Credit Party enforceable against such Credit Party in accordance with their respective terms, subject only to any limitation under Applicable Law relating to (i) bankruptcy, insolvency, arrangement or creditors' rights generally, and (ii) the discretion that a court may exercise in the granting of equitable remedies;
- (f) **Authorizations, etc.** All regulatory and other Authorizations necessary for each Credit Party to carry on its business, as currently carried on, and all approvals, consents, permits and licenses necessary for each Credit Party to enter into the Credit Documents to which it is a party and perform its obligations thereunder have, in each case, been obtained and are in good standing except to the extent that the failure to so obtain or maintain in good standing would not reasonably be expected to have a Material Adverse Effect;

- (g) **Insurance.** The Borrower has in full force and effect such policies of insurance in such amounts issued by such insurers of recognized standing covering the Assets of the Borrower as required by this Agreement;
- (h) **Business Operations.** All property and Assets owned or operated by the Borrower has been and will continue to be operated and maintained, as the case may be, in a good and workmanlike manner in accordance with sound industry practice and in accordance with all Applicable Laws, except to the extent that the failure to do so would not reasonably be expected to have a Material Adverse Effect;
- (i) **Ownership and Use of Property.** Following the Acquisition Closing, the Borrower has good and valid fee simple title to the Owned Properties, and with respect to Leased Properties, good and valid title to the leasehold estate with respect thereto, pursuant to valid and enforceable leases, free and clear of all Liens except Permitted Liens. No Assets of the Borrower are held by the Borrower in trust for any other Person or as nominee for and on behalf of any other Person. The Borrower owns, leases or has the lawful right to use all of the Assets necessary for the conduct of its business at full operating capacity. Each of the Subject Properties including the Building and Fixtures thereon, and their use, operation and maintenance for the purpose of carrying on the Business is in compliance with any applicable restrictive covenant and Applicable Law except where the failure to be in compliance, individually or in the aggregate, could not reasonably be expected to have Material Adverse Effect. The Borrower is entitled to charge or pledge its interests in its Assets in favour of the Collateral Agent, for the benefit of the Secured Parties, as provided in this Agreement without the need to obtain any consent of or release from any other Person which has not been obtained and such property is not held in trust by the Borrower for any Person;
- (j) **Leases.** The Borrower enjoys peaceful and undisturbed possession under all Leases material to its business to which it is a party and under which it is operating, and all of such Leases are valid and subsisting and no material default by the Borrower exists under any of them;
- (k) **Condition of Assets.** The technology and communications hardware and other tangible personal property (including all equipment) of the Borrower are in reasonably good operating condition and repair having regard to their use and age and are adequate and suitable for the uses to which they are being put, reasonable wear and tear excepted;
- (l) **Work Orders.** There are no outstanding work orders relating to the Owned Properties from or required by any Governmental Authority of which the Borrower has knowledge, nor does the Borrower have notice of any possible impending or future work order;
- (m) **Expropriation.** Following the Acquisition Closing, no part of any of the Subject Properties of the Borrower or the Buildings and Fixtures located on such real property has been taken or expropriated by any Governmental Authority, no written notice or proceeding in respect of an expropriation has been given or commenced nor is the Borrower aware of any intent or proposal to give any such notice or commence any proceedings;
- (n) **Compliance with Applicable Law.** Each Credit Party is in compliance with all Applicable Laws, except where the failure to be in compliance could not reasonably be expected to have a Material Adverse Effect;
- (o) **Taxes.** The Borrower is a resident of Canada for the purposes of the Tax Act. The Borrower has filed all tax returns which are required to be filed and have paid all material Taxes (including interest and penalties) which are due and payable, except where the validity or amount thereof is being contested by a Permitted Contest. All of the material remittances required to be made by the Borrower to the applicable federal, provincial or



municipal governments have been made, are currently up to date and there are no outstanding arrears;

(p) **Environmental Laws.** Except as otherwise disclosed in Schedule 5.1(p):

- (i) the use and operation of the Assets have at all times complied in all material respects with all Environmental Laws and neither the Borrower nor any of its Assets is subject to any enforcement order from or liability agreement with any Governmental Authority or other Person respecting (A) compliance with any Environmental Law or (B) any liability, costs or remedial action, or potential liability, cost or remedial action, arising from the release or threatened release of a Contaminant;
- (ii) all Authorizations, if any, required to be obtained or filed by the Borrower in connection with the operation or use of any and all Assets, including but not limited to past or present treatment, transportation, storage, disposal or release of Contaminants into the environment, have been duly obtained or filed and are being complied with, except to the extent the failure to obtain or file such notices, permits, licenses or similar authorizations or such non-compliance could not reasonably be expected to have a Material Adverse Effect, or which could not reasonably be expected to result in remedial obligations having a Material Adverse Effect;
- (iii) all Contaminants generated at any and all Assets of the Borrower have been treated, transported, stored and disposed of only in accordance with all Environmental Laws applicable to them, except to the extent the failure to have such Contaminants transported, treated or disposed of by such carriers could not reasonably be expected to have a Material Adverse Effect, and only at treatment, storage and disposal facilities maintaining valid permits under applicable Environmental Laws, which carriers and facilities have been and are operating in compliance with such permits, except to the extent the failure to have such Contaminants treated, transported, stored or disposed of at such facilities, or the failure of such carriers or facilities to so operate, could not reasonably be expected to have a Material Adverse Effect or which could not reasonably be expected to result in remedial obligations having a Material Adverse Effect;
- (iv) the Borrower has taken all reasonable steps necessary to determine and have determined that no Contaminants have been disposed of or otherwise released and there has been no threatened release of any Contaminants on or to any Assets of the Borrower other than in compliance with Environmental Laws, except to the extent the failure to do so could not reasonably be expected to have a Material Adverse Effect or which could not reasonably be expected to result in remedial obligations having a Material Adverse Effect;
- (v) none of the present or past operations of the Borrower is the subject of any investigation by any Governmental Authority evaluating whether any remedial action is needed to respond to a release or threatened release of a Contaminant;
- (vi) the Borrower has not entered into any negotiations or settlement agreements with any Person (including the prior owner of any property which the Borrower owns) which would impose material obligations or liabilities on the Borrower with respect to any remedial action in response to the release by the Borrower of a Contaminant or environmentally related claim;
- (vii) no written notice under any Applicable Law, including any Environmental Law, has been provided to the Borrower in respect of any of its Assets indicating past

- or present treatment, storage or disposal of a Contaminant or reporting an actual or threatened spill or release of a Contaminant into the environment;
- (viii) the Borrower does not generate, transport, treat or dispose of any Contaminants except in compliance in all material respects with Applicable Law;
  - (ix) the Borrower has no material contingent liability in connection with any release or threatened release of any Contaminants into the environment except contingent liabilities which could not reasonably be expected to result in remedial obligations having a Material Adverse Effect; and
  - (x) the Borrower has provided to the Administrative Agent complete and correct copies of all environmental site assessment reports, investigations, studies, analyses, and correspondence on environmental matters (including matters relating to any alleged non-compliance with or liability under Environmental Laws) that are in the Borrower's possession or control and relating to its Assets or operations thereon;
- (q) **Off-Balance Sheet Transactions.** There are no off-balance sheet transactions, arrangements, obligations (including contingent obligations) or other relationships of GPCM, GPHC or the Borrower with unconsolidated entities or other Persons that may have a material current or future effect on the financial condition, changes in financial condition, results of operations, earnings, cash flow, liquidity, capital expenditures, capital resources, or significant components of revenues or expenses of GPCM, GPHC or the Borrower on a consolidated basis or that would reasonably be expected to be material to an investor;
- (r) **Pension Plans.** The Borrower does not have any Pension Plan;
- (s) **Marketing of Production.** Except for the Commercial Agreement, there are no contracts pursuant to which the Borrower is receiving a fixed price for all production sold thereunder which are not cancelable or terminable by the Borrower on not more than sixty (60) days' notice without penalty or detriment for the sale of production of the Borrower's Petroleum Substances (including, without limitation, calls on or other rights to purchase, production, whether or not the same are currently being exercised);
- (t) **Material Agreements, etc.** All Material Agreements are in full force and effect, unamended. The Borrower is in compliance with all Material Agreements to which it is a party, and neither the Borrower or, to the Borrower's knowledge, any other party to any Material Agreement has defaulted under any of such Material Agreements. To the knowledge of the Borrower, no event has occurred which, with the giving of notice, lapse of time or both, would constitute a default under, or in respect of, any Material Agreement to which the Borrower is a party and there is no material dispute regarding any Material Agreement to which it is a party;
- (u) **Labour Matters.** The Borrower is not a party to any collective bargaining agreement and to the knowledge of the Borrower, after due inquiry, no union organizing activity is taking place with respect to any of the employees of the Borrower;
- (v) **Books and Records.** All books and records of each of the Borrower have been fully, properly and accurately kept and completed in accordance with GAAP, where applicable, and there are no material inaccuracies or discrepancies of any kind contained or reflected therein;



- (w) **Corporate Structure.** At the date of this Agreement:
- (i) there are no Subsidiaries of the Borrower;
  - (ii) the authorized and issued capital of GPCM, GPHC and the Borrower is as described on Schedule 5.1(w);
  - (iii) the Borrower does not own any Equity Securities, and is not, directly or indirectly, a member of, or a partner or participant in, any partnership, joint venture or syndicate other than as disclosed on Schedule 5.1(w);
  - (iv) GPCM is the direct legal and beneficial owner of all issued and outstanding Equity Securities in the capital of GPHC;
  - (v) GPHC is the direct legal and beneficial owner of all issued and outstanding Equity Securities in the capital of the Borrower, other than any warrants issued to the Lenders;
  - (vi) the GPCM Shareholder Guarantors are the direct legal and beneficial owners of all issued and outstanding Equity Securities in the capital of GPCM; and
  - (vii) Schedule 5.1(w) provides a complete and accurate list of:
    - (A) the jurisdictions of formation of each Credit Party;
    - (B) the chief executive office of each Credit Party;
    - (C) the registered office or head office of each Credit Party (as set forth in their respective letters patent, articles or other constating instrument or bylaws);
    - (D) the location of each Credit Parties' respective business and Assets; and
    - (E) the trade names of each Credit Party, if any;
- (x) **Financial Statements.** The most recent audited consolidated financial statements of the Borrower from time to time delivered to the Administrative Agent and the Lenders were prepared in accordance with GAAP and such financial statements present fairly in all material respects the Borrower's consolidated financial position as at the date thereof. Since the date of such audited financial statements, there has been no occurrence of any event, circumstance, development or other changes in fact which would, in the aggregate reasonably be expected to have a Material Adverse Effect;
- (y) **Debt.** The Borrower has not created, incurred, assumed, suffered to exist, or entered into any contract, instrument or undertaking pursuant to which, it is now or may hereafter become liable for any Debt other than Permitted Debt;
- (z) **Solvency.** The Borrower is Solvent;
- (aa) **Security.** Each of the Security Documents to which a Credit Party is a party is effective to create in favour of the Collateral Agent, for the benefit of the Secured Parties, legal, valid and perfected first priority Liens in the Assets of such Credit Party subject to such Liens under such Security Documents (subject only to Permitted Liens which rank by law in priority);

- (bb) **Liens.** There are no Liens on the Borrower's Assets, other than Permitted Liens, nor will the entering into and performance by any Credit Party of the Credit Documents create a Lien, other than a Permitted Lien;
- (cc) **No Litigation.** There are no actions, suits or proceedings before or by any Governmental Authority existing or pending, or to the best of the Borrower's knowledge threatened, to which the Borrower is, or to the Borrower's knowledge is threatened to be made, a party and the result of which would, if successful against it, reasonably be expected to have a Material Adverse Effect;
- (dd) **No Default or Event of Default.** No Default or Event of Default has occurred and is continuing;
- (ee) **Acquisition.** The Acquisition Documents contain all the material terms of the Acquisition. As of the Closing Date the Acquisition Agreement has not been amended without the prior written consent of all of the Lenders;
- (ff) **No Breach of Orders, etc.** The Borrower is not in breach of:
  - (i) any Authorization or mandatory requirement or directive of any Governmental Authority;
  - (ii) any governmental licence or permit; or
  - (iii) any Applicable Law,the breach of which could reasonably be expected to have a Material Adverse Effect;
- (gg) **No Material Adverse Effect.** No event or circumstance has occurred and is continuing which has had or would reasonably be expected to have a Material Adverse Effect.
- (hh) **Anti-Terrorism, Anti-Corruption Laws.**
  - (i) No part of the proceeds of the Advance will be used, directly or, to the knowledge of the Borrower or any Subsidiary after due inquiry, indirectly, to fund any operations in, finance any investments or activities in, or make any payments to, a Sanctioned Person in any manner that would result in any violation by any person (including the Lender) of (A) any Sanctions or (B) applicable regulations, rules and executive orders administered by any Sanctions Authority;
  - (ii) None of the Borrower nor any of its Subsidiaries (A) is, or will become a Sanctioned Person or (B) knowingly, after due inquiry, engages or will engage in any dealings or transactions, or is or will be otherwise knowingly, after due inquiry, associated, with any Sanctioned Person that would result in any violation of (x) any Sanctions or (y) applicable regulations, rules and executive orders administered by any Sanctions Authority;
  - (iii) Each of the Borrower and its Subsidiaries is, and has conducted its business, in compliance with all, and shall not be prohibited by, Sanctions and all other applicable regulations, rules and executive orders administered by any Sanctions Authority;
  - (iv) To its knowledge, after due inquiry, each of the Borrower and its Subsidiaries is, and has conducted its business, in compliance in all material respects with all Anti-Money Laundering/ Anti-Terrorist Financing Laws;

- (v) The Borrower and its Subsidiaries, to the Borrower's knowledge after due inquiry, are not the subject of any investigation, inquiry or enforcement proceedings by any Governmental Authority regarding any offense or alleged offense under any Anti-Corruption Laws or Anti-Money Laundering/ Anti-Terrorist Financing Laws in which there is a reasonable possibility of an adverse decision and, to the Borrower's knowledge after due inquiry, no such investigation, inquiry or proceeding is pending or has been threatened;
- (vi) Each of the Borrower and its Subsidiaries:
  - (A) has implemented adequate internal procedures designed to ensure it shall not authorize the giving or offering of any financial or other advantage with the intention of inducing or rewarding an individual or entity to improperly perform an activity undertaken in the course of an individual's employment or connected to an entity's business activities (the "**Anti-Corruption Controls**"); and
  - (B) has not authorised and it will not authorize, in connection with the performance of this Agreement and the other Credit Documents, any financial or other advantage to or for the benefit of any public official, civil servant, political party, political party official, candidate for office, or any other public or private individual or entity where such authorization would violate the Anti-Corruption Controls.
- (vii) Each of the Borrower and its Subsidiaries is, and has conducted its business, in compliance in all material respects with all Anti-Corruption Laws. No part of the proceeds of any Advance has been used or will be used, directly or, to the knowledge of the Borrower or any Subsidiary after due inquiry, indirectly, for any payments to any governmental official or employee, political party, official of a political party, candidate for political office, or anyone else acting in a governmental capacity, in order to obtain, retain or direct business or obtain any improper advantage, in violation of any Anti-Corruption Laws; and
- (viii) The Borrower and its Subsidiaries have policies and procedures in place to ensure that each of the foregoing representations and warranties in this Section 5.1(hh) are true and correct at all times;
- (ii) **Abandonment/Reclamation Orders.** The Borrower is in compliance in all material respects with Applicable Law relating to any abandonment and reclamation obligations, liabilities or activities including, without limitation, any outstanding Abandonment/Reclamation Orders; and
- (jj) **Disclosure.** All (i) forecasts and projections supplied by or on behalf of the Borrower to the Lenders were (if prepared by the Borrower) or were, to the best of the knowledge of the Borrower (if prepared by Persons other than the Borrower) prepared in good faith, based upon reasonable assumptions at the date of preparation, and (ii) other written information supplied to the Lenders by or on behalf of the Borrower is (if prepared by the Borrower) or is, to the best of the knowledge of the Borrower (if prepared by Persons other than the Borrower, including, without limitation, in connection with the Acquisition) true and accurate in all material respects and does not contain any untrue statement of material fact or omit to state a material fact necessary in order to make the statements contained in such written information not misleading in light of the circumstances under which such statements were made.

## **Section 5.2 Survival of Representations and Warranties.**

- (1) The representations and warranties in this Agreement and in any certificates or documents delivered to the Administrative Agent, for the benefit of the Lenders, shall not merge in or be prejudiced by and shall survive the Advance and shall continue in full force and effect so long as any amounts are owing by the Borrower to the Lenders under this Agreement or any other Credit Document, it being understood that to the extent such representations and warranties relate solely to a specified earlier date they only need to be true and correct as of such date.
- (2) The representations and warranties in Section 5.1 will be deemed to be repeated by the Borrower on the date of delivery of any Notice of Advance by the Borrower, the acceptance by the Borrower of the Advance, the last day of each Financial Quarter, and the date of delivery of each Compliance Certificate, except to the extent that on or prior to such date the Borrower has advised the Administrative Agent and the Lenders in writing of a variation in any such representation or warranty, and the Administrative Agent and the Lenders have approved such variation in accordance with Section 10.1. Notwithstanding the foregoing, it is understood that to the extent such representations and warranties relate solely to a specified earlier date they only need to be true and correct as of such date.

## **ARTICLE 6 COVENANTS**

### **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 Borrower, GPCM and GPHC shall:

- (a) **Financial Reporting.** Deliver to the Administrative Agent and the Lenders, in each case, in form and substance satisfactory to the Administrative Agent and the Lenders:
  - (i) a copy of: (i) the Borrower's, GPCM's and GPHC's quarterly unaudited consolidated financial statements on or prior to 45 days after the end of each Financial Quarter in the Financial Year 2022 and on or prior to 30 days after the end of each Financial Quarter of each Financial Year thereafter; and (ii) the Borrower's, GPCM's and GPHC's annual audited consolidated financial statements and quarterly unaudited financial statements for the fourth Financial Quarter in each case, on or prior to 90 days after the end of each Financial Year;
  - (ii) copies of any material communications, reports, letters, notices, correspondence or writings received from or sent to its independent auditors, whether in connection with an ongoing audit or otherwise;
  - (iii) within 45 days after the end of each Financial Quarter in the Financial Year 2022 and within 30 days after the end of each Financial Quarter of each Financial Year thereafter days of the end of each Financial Quarter a Compliance Certificate certified by a senior financial officer of the Borrower;
  - (iv) within 10 days of the end of each calendar month a certificate of a senior financial officer of the Borrower setting for the Current Ratio as of the last day of such calendar month, and containing detail satisfactory to the Lenders of the calculation of the Current Ratio;
  - (v) within 30 days of the end of each Financial Quarter an Oil and Gas Ownership Certificate and an Environmental Certificate, each certified by a senior officer of the Borrower; and

- (vi) within 60 days prior to the end of each Financial Year, an annual operating and capital expenditure budget for the following Financial Year, which annual operating and capital expenditure budget must be approved by the Lenders;
- (b) **Additional Reporting Requirements.** The Borrower shall also deliver to the Administrative Agent and the Lenders:
  - (i) within 30 days following the end of each calendar month, a report of the lease operating and production performance of the Borrower's Assets (lease operating statements) including year to date figures, the gross oil and gas production, net production, total revenues, royalties and other burdens, operating expenses, capital expenditures, general and administrative expenses and net revenues, in a format acceptable to the Administrative Agent and the Lenders, acting reasonably;
  - (ii) as soon as practicable, and in any event within three days after the occurrence of each Default or Event of Default, a statement signed by a senior officer of the Borrower acceptable to the Administrative Agent and the Lenders setting forth the details of the Default or Event of Default and the action which the Borrower or such other Credit Party proposes to take or has taken;
  - (iii) from time to time upon request of the Administrative Agent or the Majority Lenders, and in any event at least annually, evidence of (A) the maintenance of all insurance required to be maintained pursuant to this Agreement, including copies of policies, certificates of insurance, riders, endorsements and proof of premium payments, and (B) the good standing of all Authorizations material to the Borrower;
  - (iv) from time to time upon request of the Administrative Agent or any Lender copies of all notices, reports and other documents sent to shareholders of the Borrower, GPHC or GPCM;
  - (v) promptly upon becoming aware thereof, a notice of (A) the threat of, or commencement of, any strike or lockout; (B) any work stoppage or other labour dispute in respect of the operations of the Borrower; (C) any breach or non-performance of, or any default of the Borrower under any material provision of any other Material Agreement; (D) any dispute, litigation, investigation, proceeding or suspension between the Borrower and any Governmental Authority; (E) the threat of, commencement of, or any material adverse development in, any action, suit, arbitration, investigation or other proceeding affecting the Borrower; (F) any claim, action, suit, litigation, arbitration or investigation which is threatened or pending against the Borrower or any Person in respect of the Acquisition Documents; (G) any matter to the extent that the same has had or could reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect; and (H) the discovery of any Contaminant or of any release of a Contaminant from or upon the land or property owned (either individually or jointly), operated or controlled by the Borrower;
  - (vi) on or prior to February 28 of each year, an Engineering Report, effective as of December 31 of the immediately preceding year and on or prior to August 31 of each year, an Engineering Report, effective as of June 30 of such year;
  - (vii) on or prior to April 30 of each year, effective as of March 31 of such year, and on or prior to October 31 of each year, effective as of September 30 of such year, a written update to the engineering and reserves information provided in the Engineering Report previously delivered pursuant to Section 6.1(b)(vi), prepared

by the internal engineering staff of the Borrower; such update to include such updated reserve information and other information and otherwise to be in form and substance as may be required by the Administrative Agent and the Lenders, each acting reasonably;

- (viii) on or prior to 60 days after the end of each Financial Quarter of the Borrower, a production and operating report, a drilling report and a drilling and workover program (including a report on all authorizations for expenditures then committed or contemplated), in each case in form and substance satisfactory to all of the Lenders;
- (ix) within 45 days after the end of each Financial Quarter in the Financial Year 2022 and within 30 days after the end of each Financial Quarter of each Financial Year thereafter, an updated cash flow model reflecting the most recently prepared Engineering Report or internally prepared engineering report prepared pursuant to Section 6.1(vii), prices, hedging and other production, cost and pricing matters, in each case in form and substance satisfactory to all of the Lenders;
- (x) within 120 days after the end of each Financial Year of the Borrower, (i) a decommissioning budget for the then current Financial Year period, which budget shall include a breakdown of the Borrower's expected abandonment and reclamation costs for such Financial Year period related to their current and expected active and inactive wells, pipelines and facilities, together with details of the calculation of the abandonment and reclamation obligations set out on the Borrower's balance sheet in its most recent annual audited consolidated financial statements delivered pursuant to this Agreement; and (ii) a decommissioning schedule for each of its active and inactive wells, pipelines and facilities, together with any supporting information that may be reasonably requested by the Administrative Agent or the Majority Lenders related thereto;
- (xi) concurrently with the delivery of each Compliance Certificate required to be delivered pursuant to this Agreement, the Borrower will furnish to the Administrative Agent, for the benefit of and remittance to the Lenders, an "LMR and Decommissioning Expense Worksheet" in form and substance satisfactory to all of the Lenders, acting reasonably, together with the information as to the amount the Borrower have expended on decommissioning expenses and how they have performed against the budgeted amount in the applicable decommissioning budget and schedule delivered to the Administrative Agent, for the benefit of and remittance to the Lenders, pursuant to this Agreement and management commentary in respect of any material deviations therefrom and any other matters related to changes in the Borrower's abandonment and reclamation policies;
- (xii) promptly furnish to the Administrative Agent, for the benefit of and remittance to the Lenders, after receipt thereof, any Abandonment/Reclamation Orders or other material notices related to any directives, rules, regulations or other orders issued by any applicable Energy Regulator in respect of or otherwise affecting the P&NG Leases, P&NG Rights or related facilities or assets of the Borrower, in each case, together with a calculation of the estimate of expenditures required in order to comply with such Abandonment/Reclamation Orders;
- (xiii) within 45 days after the end of each Financial Quarter in the Financial Year 2022 and within 30 days after the end of each Financial Quarter of each Financial Year thereafter, a report as to compliance with the annual operating and capital expenditure budget for such Financial Year, together with a variance report and any requested updates to the annual operating and capital expenditure budget



approved by the Lenders hereunder; provided, however, that the annual operating and capital expenditure budget approved by the Lenders hereunder shall not be modified without the prior written consent of the Lenders;

- (xiv) such other material information respecting the condition or operations, financial or otherwise, of the Business or the Borrower as the Administrative Agent or the Majority Lenders may from time to time reasonably request;
- (xv) promptly upon becoming aware thereof, notice of any information it receives with regard to any type or item of Collateral which could reasonably be expected to have a Material Adverse Effect on the value of the Collateral as a whole or the rights and remedies of the Administrative Agent and the Lenders with respect thereto; and
- (c) **Payments.** The Borrower 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;
- (d) **Corporate Existence.** Except as otherwise permitted in this Agreement, the Borrower will do or will cause to be done all things necessary to preserve and keep in full force and effect each Credit Party's existence in good standing under the Applicable Laws of its jurisdiction of creation;
- (e) **Permitted Uses.** The Borrower shall use the proceeds of the Advance hereunder only for the purposes permitted pursuant to Section 2.3;
- (f) **Compliance with Applicable Law, etc.** The Borrower shall comply in all material respects with the requirements of all Applicable Law (including Environmental Laws). The Borrower shall obtain and maintain all Authorizations necessary to the ownership of its property and to the conduct of its business in each jurisdiction where it carries on material business or owns material property, including those issued or granted by Governmental Authorities, except to the extent failure to do so could not reasonably be expected to have a Material Adverse Effect;
- (g) **Environmental Investigations.** The Borrower shall, promptly, if the Administrative Agent or the Majority Lenders have a good faith concern that a discharge of a Contaminant has occurred or a condition exists on any Assets that could reasonably be expected to have a Material Adverse Effect, cause to be conducted such environmental investigations (including, without limitation, environmental site assessments and environmental compliance reviews) as are reasonably required by the Administrative Agent or the Majority Lenders, on the basis of a duly qualified environmental consultant approved by the Administrative Agent or the Majority Lenders. The reasonable costs of such investigations will be for the account of the Borrower, provided that the Administrative Agent and the Majority Lenders will carry out such audit in consultation with the Borrower to expedite its completion in a cost-effective manner. Should the result of such audit indicate that the Borrower is in breach, or with the passage of time will be in breach, of any Environmental Laws and such breach or potential breach could reasonably be expected to have, in the opinion of the Administrative Agent or the Majority Lenders, acting reasonably, a Material Adverse Effect, and without in any way prejudicing or suspending any of the rights and remedies of the Administrative Agent or such Lender under the Credit Documents, the Borrower will forthwith commence and diligently proceed to rectify or cause to be rectified such breach or potential breach, as the case may be, and will keep the Administrative Agent fully advised of the actions it intends to take and has taken to rectify such breach or potential breach and the progress it is making in rectifying same. Following the occurrence of an Event of Default which is

continuing, the Administrative Agent or such Lender will be permitted to retain, for the account of the Borrower (to the extent such account is reasonable), the services of a consultant to monitor the Borrower's compliance with this Section 6.1(g);

- (h) **Maintenance of Subject Properties.** The Borrower shall (i) maintain, preserve and protect the Assets in good working order and condition, taking into consideration the character, age and use thereof, ordinary wear and tear excepted; (ii) make all necessary repairs, renewals, replacements, additions and improvements to its Assets, except where the failure to do so could not reasonably be expected to have a Material Adverse Effect; (iii) use the standard of care typical in the industry of the Borrower in the operation and maintenance of its Assets (including its P&NG Rights); (iv) maintain good and valid title to its Assets; and (v) do all things necessary to defend, protect and maintain its Assets and the Security Documents (and the priority thereof) from all material adverse claims where the failure to do so in the opinion of the Administrative Agent and the Lenders, acting reasonably, threatens the intended priority or validity of the Security Documents as herein provided, or would reasonably be expected to have a Material Adverse Effect. The Borrower shall maintain all tangible personal property in good repair and working order and in a manner consistent with industry practice;
- (i) **Operation of Properties.** The Borrower will operate its respective property, or, if it is not the operator, use reasonable efforts to ensure that such property is operated, in accordance with sound industry practice and in accordance in all respects with Applicable Law;
- (j) **Material Agreements.** The Borrower will perform its obligations under the Credit Documents, all other Material Agreements and any other agreements relating to its properties, including payment of rentals, royalties, Taxes or other charges in respect thereof which are necessary to maintain all such agreements in good standing, except to the extent that the failure to comply with such other agreements could not reasonably be expected to have a Material Adverse Effect;
- (k) **Compliance with P&NG Leases.** The Borrower shall comply in all respects with the P&NG Leases relating to P&NG Rights, except to the extent the failure to do so could not reasonably be expected to have a Material Adverse Effect;
- (l) **Payment of Taxes and Claims.** The Borrower shall pay or cause to be paid when due, (i) all Taxes imposed upon the Borrower or upon its income, sales, capital or profit or any other Assets belonging to it before the same becomes delinquent or in default, and (ii) all claims which, if unpaid, might by Applicable Law become a Lien upon the Assets of the Borrower, except any such Tax which is being contested in good faith and by proper proceedings and in respect of which the Borrower has established adequate reserves in accordance with GAAP;
- (m) **Payment of Royalties and other Preferred Claims.** The Borrower shall pay or cause to be paid all royalties, overriding royalties, rents, rates, Taxes, levies or assessments, ordinary or extraordinary, governmental fees or dues, and to make and remit all withholdings, lawfully levied, assessed or imposed upon the Borrower or any Assets of the Borrower, as and when the same become due and payable. The Borrower shall also from time to time pay when due or cause to be paid when due all amounts related to wages, workers' compensation obligations, pension fund obligations and any other amount which would or would reasonably be expected to result in a Lien against the assets of the Borrower arising under statute or regulation;
- (n) **Protection of Security.** The Borrower will do all things reasonably requested by the Administrative Agent, the Collateral Agent or any Lender to protect and maintain the Security Documents and the priority thereof in relation to other Persons;



- (o) **Property Loss Event.** If the Borrower suffers a Property Loss Event with respect to any of its Assets, which results in the receipt of property insurance proceeds in excess of \$1,000,000 (in this Section 6.1(o), the “**Loss Amounts**”), the Borrower shall deal with the Net Proceeds of the applicable insurance proceeds in accordance with Section 2.5(4)(c). Such Property Loss Event will be deemed to be disposition of such Assets under this Agreement if the Loss Amounts are not reinvested as contemplated by Section 2.5(4)(c);
- (p) **LMR.** The Borrower 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;
- (q) **Compliance with Abandonment and Reclamation Obligations.** The Borrower shall comply in all material respects with Applicable Law relating to abandonment and reclamation obligations, liabilities or activities including, without limitation, any outstanding Abandonment/Reclamation Orders;
- (r) **Decommissioning Budget.** The Borrower shall comply with the most recent Decommissioning Budget delivered to the Administrative Agent, for the benefit of and remittance to the Lenders, pursuant to this Agreement, subject to a maximum permitted aggregate negative variance of 10% of the aggregate annual forecasted total budget amount;
- (s) **Inspections and Records.** The Borrower will maintain books and records of account in accordance with GAAP and Applicable Law; and permit representatives of any Lender, at the Borrower's expenses, to visit and inspect any property of any of the Borrower and to examine and make abstracts from any books and records of the Borrower at any reasonable time during normal business hours and upon reasonable request and notice, and subject to compliance with the Borrower's health and safety requirements, and to discuss the business, property, condition (financial or otherwise) and prospects of the Borrower with their senior officers and (in the presence of such representatives, if any, as it may designate) with its independent chartered accountants;
- (t) **Maintenance of Insurance.** The Borrower shall maintain with financially sound and reputable insurance companies not Affiliates of any Credit Party, in respect of the Borrower, and at all times, insurance with respect to its properties and business against loss or damage of the kinds customarily insured against by Persons engaged in the same or similar business, including but not limited to, commercial property insurance, all risks property damage, commercial general liability, worker's compensation, business interruption and other insurance, of such types and in such amounts as are customarily carried under similar circumstances by such other Persons and any other insurance required in accordance with the Commercial Agreement. The policies or certificates of insurance evidencing such insurance coverage must show the Administrative Agent as additional insured (in the case of liability insurance) and first loss payee under a mortgage clause in a form acceptable to the Majority Lenders in respect of the Assets. The policies for such insurance shall provide that no cancellation, material reduction in amount or material change in coverage thereof shall be effective until at least thirty (30) days after receipt by the Administrative Agent of written notice thereof;
- (u) **Anti-Money Laundering/Anti-Terrorist Financing Laws.** The Borrower shall conduct its business operations such that, and have policies and procedures in place to ensure that, the representations and warranties in Section 5.1(hh) are true and correct at all times that this Agreement is in effect (and not just at, and as of, the times such representations and warranties are made or deemed to be made). The Borrower shall promptly provide all information in respect of the Borrower, its respective directors, authorized signing officers, direct or indirect shareholders or other Persons in control of the Borrower, including supporting documentation and other evidence, as may be reasonably requested by the Administrative Agent or any Lender, in order to comply with

any applicable Anti-Money Laundering/Anti-Terrorist Financing Laws or such other applicable "know your client" laws and requirements, whether now or hereafter existence;

- (v) **Acquisition Documents.** The Borrower shall promptly pay or cause to be paid all amounts payable by the Borrower under the Acquisition Documents as and when they become due. The Borrower shall take all reasonable and practical steps to preserve and enforce its rights and pursue any claims, damages, payments, recoveries and remedies arising under any Acquisition Documents, including taking all steps necessary to pursue any claims or actions in respect of a breach of any Acquisition Document (including any breach of a representation or warranty therein);
- (w) **Swap Agreement.** As of the Closing Date the Borrower shall have entered into the Permitted Swap Agreement with respect to the production from the Tamarack Assets and such Permitted Swap Agreement shall hedge, in the aggregate, notional volumes of at least 85% of its 12 month projected oil and gas production, 75% of its 13 to 24 month projected oil and gas production and 50% of its 25 to 36 month projected oil and gas production based upon the Proved Developed Producing Reserves in the most recent Engineering Report delivered to the Lenders. In addition, the Borrower shall on or prior to the last day of each Financial Quarter enter into and maintain at all times Swap Agreements in form and substance satisfactory to the Lenders for the consecutive 18 calendar month period commencing from such Financial Quarter, which hedge, in the aggregate, notional volumes of at least 85% of its 12 month projected oil and gas production, 75% of its 13 to 24 month projected oil and gas production and 50% of its 25 to 36 month projected oil and gas production based upon the Proved Developed Producing Reserves in the most recent Engineering Report delivered to the Lenders;
- (x) **Post-Closing.**
  - (i) Within 15 Business Days after the Closing Date, the Borrower shall:
    - (A) deliver an opinion of counsel to Spicelo Limited and Stellion Limited in Cyprus addressed to the Administrative Agent, the Collateral Agent and the Lenders relating to such matters as the Lenders may require; and
    - (B) ensure that all documents, instruments, financing statements and security notices shall have been properly registered, recorded and filed against Spicelo Limited and Stellion Limited in Cyprus as the Lenders may require;
  - (ii) Within 60 days following the Closing Date (or such longer date as is agreed to by the Majority Lenders), the Borrower shall obtain the Blocked Account Agreement duly executed by each party thereto (including the depository bank in respect of the Collection Account); and
  - (iii) On or before August 31, 2022, the Borrower and GPCM shall deliver:
    - (A) a unanimous shareholder agreement among the GPCM Shareholder Guarantors and GPCM in form and substance satisfactory to the Administrative Agent and the Lenders, acting reasonably (the "**GPCM USA**"), duly executed by all parties thereto; and
    - (B) an agreement among the GPCM Shareholder Guarantors and the Lenders pursuant to which the GPCM Shareholder Guarantors shall have covenanted and agreed, that for so long as the Lenders (or any of them) is a shareholder and/or a warrant holder of GPHC, not to amend

the GPCM USA in a manner adverse to the Lenders (or any of them) in the sole discretion of the Lenders (or any of them) in their capacity as shareholders and/or warrant holders of GPHC, duly executed by the GPCM Shareholder Guarantors.

- (y) **Use of Available Cash to Comply with Liquidity Covenant.** At all times the Borrower shall use any and all available Excess Cash Flow (in this instance, calculated without reduction contemplated in paragraph (b)(v) of the definition of Excess Cash Flow) in order to retain the amount of cash required to satisfy the covenant set forth in Section 6.3(d).
- (z) **Right of First Opportunity.** GPCM, GPHC and the Borrower shall provide the Lenders with the right of first opportunity to provide financing to GPCM, GPHC or the Borrower, or any of their respective Affiliates, for the purpose of either refinancing any Permitted Debt or for the purpose of financing any further acquisitions of assets or property by either GPCM, GPHC, the Borrower or any of their respective Affiliates. If, within 10 Business Days after a request in writing from GPCM, GPHC or the Borrower to provide an offer for such financing, the Lenders either:
  - (i) decline to deliver a written expression of interest; or
  - (ii) fail to respond to such request; or
  - (iii) deliver a written expression of interest (which, for greater certainty, can be delivered by electronic mail), but the parties, after negotiating in good faith, are (i) unable to finalize a discussion paper or term sheet (which, for greater certainty, may be non-binding) setting out the principal business terms with respect to such financing within a period of fifteen (15) Business Days following the delivery of the aforesaid expression of interest, or (ii) the parties execute a term sheet within such time but the Lenders fail to issue a commitment letter or credit agreement reflecting the terms agreed to therein within 30 days,

then GPCM, GPHC or the Borrower shall be entitled to obtain alternative financing from any other Person.

The Lenders agrees that they shall work together in good faith in determining whether to deliver a written expression of interest and, if an expression of interest is made, in negotiating and finalizing such written expression of interest and any resulting discussion paper, term sheet or other definitive loan documentation. The Lenders further agree that unless agreed otherwise by each of the Lenders, their respective commitments in any such financing shall be based upon their Rateable Portion hereunder. For certainty, if any Lender does not wish to proceed with delivering a written expression of interest, or after delivering a written expression of interest, does not wish to proceed with negotiating and finalizing a discussion paper, term sheet or other definitive loan documentation, then the other Lender shall be entitled to do so on whatever terms and conditions it wishes to do so; and

- (aa) **Further Assurances.** At the cost and expense of the Borrower, upon request of the Administrative Agent or any Lender, each Credit Party shall execute and deliver or cause to be executed and delivered to the Administrative Agent or such Lender such further instruments and do and cause to be done such further acts as may be necessary or proper in the reasonable opinion of the Administrative Agent or such Lender to carry out more effectually the provisions and purposes of the Credit Documents. In addition, each Credit Party shall file and perfect any Security Document that requires filing in order to perfect; and promptly cure or cause to be cured any defects in the execution and delivery of any of the Credit Documents by a Credit Party or any defects in the validity or

enforceability of any of the Security Documents relating to a Credit Party and at its expense, execute and deliver or cause to be executed and delivered, all such agreements, instruments and other documents (including the filing of any financing statements or financing change statements) as the Administrative Agent or any Lender may consider necessary or desirable to protect or otherwise perfect the Security created by the Security Documents including without limitation any specific registrations with respect to Collateral of the Credit Parties.

The Administrative Agent will remit to the Lenders the documents, certificates and evidence required to be delivered by the Borrower for delivery to the Lenders within two (2) Business Days of receipt of same.

## **Section 6.2 Negative 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, none of the Borrower, GPCM nor GPHC shall:

- (a) **Debt.** Create, incur, assume or suffer to exist any Debt except Permitted Debt;
- (b) **Liens.** Create, incur, assume or suffer to exist, any Lien on any Assets of such Credit Party, except Permitted Liens;
- (c) **Mergers, Etc.** Enter into any reorganization, consolidation, amalgamation, arrangement, winding-up, merger or other similar transaction;
- (d) **Dissolution, Etc.** Liquidate, dissolve or wind up or take any steps or proceedings in connection therewith;
- (e) **Hedging.** Enter into Swap Agreement, except for the Permitted Swap Agreement. The Borrower shall not terminate, restructure or unwind any commodity hedges, including pursuant to the Permitted Swap Agreement (other than the termination on the scheduled maturity date thereof). For certainty, no Swap Agreement (including the Permitted Swap Agreement) shall contain any requirement or obligation to post collateral, security or margin (other than pursuant to the Shared Security Documents granted by the Borrower and GPHC) without first obtaining the prior written consent of all of the Lenders and no Swap Agreement (including the Permitted Swap Agreement) shall be entered into for speculative purposes;
- (f) **Financial Assistance.** Provide any Financial Assistance to any Person other than pursuant to the Credit Documents;
- (g) **Disposal of Assets.** Sell, assign, farm-out, convey, grant a royalty, exchange, lease, release or abandon or otherwise effect a Disposition of, any Assets or properties (including sale-leaseback transactions) to any Person other than (i) the sale of Petroleum Substances in the ordinary course of business; (ii) property or assets (other than securities) which have no material economic value in the Business or business or are obsolete or worn out; and (iii) Dispositions of Assets with an aggregate fair market value of less than \$1,000,000.00 in each Financial Year; provided, however, that there is no Default or Event of Default then continuing and no Default or Event of Default could arise from such Disposition and further provided that the pro forma LMR of the Borrower or any Credit Party in each Applicable LMR Jurisdiction, as applicable, after giving effect to such Disposition, is not less than 2:00;
- (h) **Acquisition of Assets.** The Borrower will not, directly or indirectly, make any acquisition of P&NG Leases, P&NG Rights or other facilities or Assets, or any Equity Securities in

any Person, in each case, without the prior written consent of all of the Lenders, in their sole and absolute discretion; provided, however, that, for certainty (and without limiting the foregoing), in no event shall any acquisition be permitted if the *pro forma* LMR of the Borrower or any Credit Party in each Applicable LMR Jurisdiction, as applicable, after giving effect to such acquisition, is less than 2.00;

- (i) **Capital Expenditures.** Make any capital expenditures except for: (i) capital expenditures set forth in the budget approved by the Lenders under Section 6.1(b)(xiii) capital expenditures required in an emergency situation where such capital expenditure must be made on an immediate basis (without time to seek the approval of the Lenders) and which capital expenditure must be made in order to protect or preserve, in all material respects, the physical condition or value of any material Asset of the Borrower;
- (j) **Transactions with Related Parties.** Directly or indirectly, enter into any agreement with, make any financial accommodation for, or otherwise enter into any transaction with, a Related Party except in the ordinary course of, and pursuant to the reasonable requirements of, business and at prices and on terms not less favourable to the Borrower than could be obtained in a comparable arm's length transaction with another Person, including entering into or assuming any employment, consulting or analogous agreement or arrangement with any of its or their directors or senior or executive officers or senior management;
- (k) **Change in Management, Financial Reporting, Etc.** Make any change in (i) senior management of the Borrower, GPCM or GPHC, (ii) the compensation arrangements of any senior officer or director of the Borrower, GPCM or GPHC, or (iii) the capital structure of the Borrower, GPCM or GPHC. In addition, none of the Borrower, GPCM or GPHC shall make any payments to any senior officers or directors of the Borrower, GPCM or GPHC except in accordance with employment or compensation agreements approved by all of the Lenders;
- (l) **Nature of Business.** Engage in any business other than the Business and such other lines of business as may be reasonably related or complementary thereto;
- (m) **Share Capital.** Issue any Equity Securities or permit or facilitate the transfer of any Equity Securities issued by the Borrower, GPCM or GPHC, except pursuant to any exercise of warrants granted to the Lenders;
- (n) **Change of Control;** Not permit any Change of Control to occur;
- (o) **New Subsidiaries.** Form or acquire any new Subsidiaries, or acquire Equity Securities in any Person;
- (p) **Distributions.** Declare, make or pay any Distributions;
- (q) **General and Administrative Expenses.** Incur, pay or make any general and administrative expenses which are in excess of the amounts set forth in the annual operating and capital expenditure budget approved by the Lenders under Section 6.1(a)(vi) and Section 6.1(b)(xiii);
- (r) **Investments.** Make any Investment in any Person or otherwise acquire (in one or a series of related transactions) any part of the property (whether tangible or intangible) of any Person (or agree to do any of the foregoing at any future time) other than:
  - (i) accounts receivable arising in the ordinary course of business;

- (ii) purchases and other acquisitions of goods and intangible property in the ordinary course of business; and
- (iii) the acquisition of P&NG Leases, P&NG Rights or any Petroleum Substances through farm-ins, poolings, purchases, quit claims, unitizations, working or royalty interests, independent operations or other operations under any operating agreement or otherwise as permitted in accordance with Section 6.2(h),

provided that, in each case, any property acquired thereby shall be subject to perfected or registered first priority Liens in favour of the Collateral Agent, for the benefit of the Secured Parties, free and clear of all Liens other than Permitted Liens;

- (s) **Payments of Tamarack Obligations.** Not pay all or any portion of the principal amount of the Tamarack Obligations until July 20, 2025 and not pay any interest due in respect of the Tamarack Obligations except at the times required pursuant to the Tamarack Promissory Note (as in effect on the date of this Agreement). Any payment of interest due in respect of the Tamarack Obligations may only be made in cash if: (i) the Borrower is able to make such payment from the remaining portion of the Excess Cash Flow available to it after: (A) having made (or having set aside the amount of Excess Cash Flow in order to make, when due) the payment required to be made pursuant to Section 2.5(3) for the Financial Quarter ending upon the same date such interest payment is due under the Tamarack Promissory Note, and (B) retaining such amount of cash as is expected to be required in order for the Borrower to continue to satisfy and perform all of its obligations under this Agreement (having regard to the most recent financial projections provided by the Borrower to the Lenders); (ii) the Borrower is, after such payment in cash is made, in compliance with the minimum Liquidity covenant in Section 6.3(d); and (iii) at the time of such payment there is no Default or Event of Default then continuing or which could reasonably be expected to occur as a result of making such payment. For certainty, to the extent that the Borrower is not entitled to make any interest payments under the Tamarack Promissory Note in cash, it shall pay such interest in kind as contemplated by the Tamarack Promissory Note (as in effect on the date of this Agreement);
- (t) **Pension Plans and Collective Bargaining Agreements.** Enter into any Pension Plans or collective bargaining agreements;
- (u) **Financial Year.** Change its Financial Year;
- (v) **Amendments.**
  - (i) Make or permit to be made any amendments or other modifications to any Material Agreement (including, without limitation, the Acquisition Agreement) or terminate, cancel or surrender any Material Agreement or any provision thereunder to which it is a party, except that the Borrower may make amendments to the Commercial Agreement if such amendments could not reasonably be expected to have a Material Adverse Effect or be adverse to the interests of the Administrative Agent, the Collateral Agent or any Lender under the Credit Documents;
  - (ii) (A) Amend or change any of its articles, by-laws or other constating documents or (B) enter into any agreement with respect to its Equity Securities restricting transfer of the same or that would be otherwise adverse to the interests of any Lender under the Credit Documents; and



- (iii) Change: (A) its name or trade name, (B) its registered office, head office or chief executive office, (C) its jurisdiction of formation or organization, or (D) locations of business or the jurisdictions in which its real or personal property is located, in each case without giving the Administrative Agent no less than 15 days prior notice thereof;
- (w) **Agreements.** Enter into any agreement or other arrangement that could reasonably be expected to have a Material Adverse Effect on or to be adverse to the interests of the Administrative Agent, the Collateral Agreement or any Lender under the Credit Documents;
- (x) **Compromise of Accounts.** Compromise or adjust any of its accounts (as defined in the PPSA) or any other claims or receivables owing to it (or extend the time for payment thereof) or grant any discounts, allowances or credits, other than in the ordinary course of business when the Borrower considers it commercially reasonable in the circumstances;
- (y) **Sale or Discount of Receivables.** Except for accounts obtained by the Borrower out of the ordinary course of business or the settlement of joint interest billing accounts in the ordinary course of business or discounts granted to settle collection of accounts or the sale of defaulted accounts arising in the ordinary course of business in connection with the compromise or collection thereof and not in connection with any financing transaction, the Borrower shall not discount or sell (with or without recourse) any of its notes receivable or accounts; or
- (z) **Marketing Activities.** The Borrower shall not engage in marketing activities for any Petroleum Substances or enter into any contracts related thereto other than the Commercial Agreement.

### 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.** The Borrower 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.** The Borrower 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.** The Borrower 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.



## ARTICLE 7 OTHER COVENANTS

### Section 7.1 Taxes.

- (1) If any Credit Party, any Lender or any other recipient is required by Applicable Law to deduct or pay any Indemnified Taxes (including any Other Taxes) in respect of any payment by or on account of any obligation of any Credit Party hereunder or under any other Credit Document, then (a) the sum payable shall be increased by the applicable Credit Party when payable as necessary so that after making or allowing for all required deductions and payments for Indemnified Taxes (including deductions and payments applicable to additional sums payable under this Section 7.1), the Lenders or other recipient, as the case may be, receives an amount equal to the sum it would have received had no such deductions or payments for Indemnified Taxes been required, (b) the applicable Credit Party shall make any such deductions required to be made by it under Applicable Law and (c) the applicable Credit Party shall timely pay the full amount required to be deducted to the relevant Governmental Authority in accordance with Applicable Law.
- (2) Without limiting the provisions of Section 7.1(1) above, the Borrower shall timely pay any Other Taxes to the relevant Governmental Authority in accordance with Applicable Law.
- (3) Each Credit Party, on a joint and several basis, shall indemnify any Lender and any other recipient of a payment by or on account of any obligation of the Credit Parties hereunder or under any other Credit Document, within 30 days after demand therefor, which the applicable Lender shall make as soon as practical after it has determined that it is entitled to indemnification, for the full amount of any such Indemnified Taxes or Other Taxes (including Indemnified Taxes or Other Taxes imposed or asserted on or attributable to amounts payable under this Section) paid or payable by the applicable Lender or recipient and any penalties, interest and reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes or Other Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to the Borrower by the applicable Lender shall be *prima facie* evidence of such amount or amounts.
- (4) As soon as practicable after any payment of Indemnified Taxes or Other Taxes by a Credit Party to a Governmental Authority, such Credit Party shall deliver to the Administrative Agent, for the benefit of the Lenders, the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to the Lenders.
- (5) Any Foreign Lender that is entitled to an exemption from or reduction of withholding tax under the law of the jurisdiction in which a Credit Party is resident for tax purposes, or any treaty to which such jurisdiction is a party, with respect to payments hereunder or under any other Credit Document shall, at the request of such Credit Party, deliver to such Credit Party (with a copy to the Foreign Lender), at the time or times prescribed by Applicable Law or reasonably requested by such Credit Party or Foreign Lender, such properly completed and executed documentation prescribed by Applicable Law as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, any Foreign Lender, if requested by a Credit Party, shall deliver such other documentation prescribed by Applicable Law or reasonably requested by such Credit Party as will enable such Credit Parties to determine whether or not the Foreign Lender is subject to withholding or information reporting requirements.
- (6) If any Lender determines, in its sole and absolute discretion exercised in good faith, that it has received a refund of any Indemnified Taxes or Other Taxes as to which it has been indemnified by a Credit Party or with respect to which a Credit Party has paid additional amounts pursuant to this Section 7.1, it shall pay over to such Credit Party an amount equal to such refund (but only to the extent of indemnity payments made, or additional amounts paid, by such Credit Party under

this Section 7.1 with respect to the Indemnified Taxes or Other Taxes giving rise to such refund), net of all reasonable out-of-pocket expenses (including Taxes) of such Lender and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund); provided, that such Credit Party, upon the request of such Lender, shall repay the amount paid over to such Credit Party (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) to such Lender in the event such Lender is required to repay such refund to such Governmental Authority. Notwithstanding anything to the contrary in this Section 7.1(6), in no event will any Lender be required to pay any amount to a Credit Party pursuant to this Section 7.1(6) the payment of which would place such Lender in a less favorable net after-Tax position than such Lender would have been in if the Tax subject to indemnification and giving rise to such refund had not been deducted, withheld or otherwise imposed and the indemnification payments or additional amounts with respect to such Tax had never been paid. This paragraph shall not be construed to require any Lender to make available its Tax returns (or any other information relating to its Taxes which it deems confidential) to any Credit Party or any other Person.

- (7) If a payment made to the Lenders under any Credit Document would be subject to United States federal withholding Tax imposed by FATCA if the Lenders were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Internal Revenue Code of 1986, as in effect from time to time, as applicable), the Lenders shall deliver to the Borrower at the time or times prescribed by law and at such time or times reasonably requested by the Borrower such documentation prescribed by applicable law (including as prescribed by Section 1471(b)(3)(C)(i) of the Internal Revenue Code of 1986, as in effect from time to time) and such additional documentation reasonably requested by the Borrower as may be necessary for the Borrower to comply with its obligations under FATCA and to determine that the Lenders have complied with the Lenders' obligations under FATCA or to determine the amount to deduct and withhold from such payment. Solely for the purposes of this Section 7.1(7), "FATCA" shall include any amendments made to FATCA after the date of this Agreement.
- (8) The provisions of this Section 7.1 shall survive the termination of this Agreement and the repayment of the Credit Facility.

## **Section 7.2 Sanctions.**

- (1) Notwithstanding any other provision of this Agreement, none of the Administrative Agent, the Collateral Agent, the Lenders and the Borrower shall be required to do anything under this Agreement or any Credit Document which constitutes a violation of, or would be in contravention of, or would expose it to the risk of designation pursuant to any Sanction applicable to it.
- (2) If, at any time during this Agreement any Sanctions are changed, or new Sanctions are imposed or become effective, or there is a change in the interpretation of Sanctions, which would:
  - (a) expose the Administrative Agent, the Collateral Agent, any Lender or the Borrower to the risk of designation or to other punitive measures by a Sanctions Authority; or
  - (b) materially affect the Administrative Agent's, the Collateral Agent's, any Lender's or the Borrower's performance of this Agreement or any other Credit Document including, but not limited to, any Lender's ability to continue to make the Obligations available; or
  - (c) cause any Lender to incur additional costs in order to maintain the Obligations outstanding or to reduce the amounts it is to receive hereunder,

then notwithstanding any clause or provision to the contrary in this Agreement, any Lender or the Borrower, as applicable, may, by written notice to the other, terminate this Agreement, in each

event, without any further notice all Obligations owing hereunder shall become immediately due and payable.

## **ARTICLE 8 EVENTS OF DEFAULT**

### **Section 8.1 Events of Default.**

The occurrence of any one or more of the following events shall constitute an event of default under this Agreement (an “**Event of Default**”):

- (a) the Borrower fails to pay any amount of the Outstanding Principal (including the OID) when such amount becomes due and payable;
- (b) the Borrower fails to pay any interest, fees or other Obligations payable hereunder when they become due and payable and such default continues for a period of three (3) Business Days after written notice of such failure is given to the Borrower;
- (c) any representation or warranty or certification made or deemed to be made by a Credit Party or any of their respective directors or officers in any Credit Document shall prove to have been incorrect when made or deemed to be made and, if the facts or circumstances which make such representation or warranty incorrect are capable of being remedied, they are not remedied within a period of thirty (30) days after notice thereof is given to the Borrower by the Administrative Agent or the Borrower otherwise becomes aware that such representation or warranty or certification is incorrect;
- (d) the Borrower fails to perform, observe or comply with any term, covenant or condition contained in Section 6.1(u), Section 6.1(w), Section 6.1(x), Section 6.2 or Section 6.3;
- (e) except in respect of the matters dealt with elsewhere in this Section 8.1, a Credit Party fails to perform, observe or comply with any other term, covenant or agreement contained in this Agreement or any other Credit Document to which it is a party, and such default continues for a period of thirty (30) days after notice thereof is given to the Borrower by the Administrative Agent and the Majority Lenders or the Borrower otherwise becomes aware thereof, whichever is earlier (but only if and for so long as the remedying thereof was and continues to be diligently and in good faith pursued and no Material Adverse Effect has occurred or is imminent as a result of such facts);
- (f) any of the Credit Parties fails to pay the principal of, or premium or interest or other amount on, any of its Debt (excluding Debt under this Agreement) which is outstanding in an aggregate principal amount exceeding \$1,000,000 (or the Equivalent Amount in another currency) when such amount becomes due and payable (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise) and such failure continues after the applicable grace period, if any, specified in the agreement or instrument relating to the Debt; or any other event occurs or condition exists and continues after the applicable grace period, if any, specified in any agreement or instrument relating to any such, if its effect is to accelerate, or permit the acceleration of the Debt; or any such Debt shall be declared to be due and payable prior to its stated maturity;
- (g) the occurrence of an event of default or other termination event under: (i) the Permitted Swap Agreement, or (ii) any Swap Agreement with respect to obligations in excess of \$1,000,000, in the aggregate, or the Borrower fails to make any payment as required under a Swap Agreement (including the Permitted Swap Agreement) following a demand, an event of default or other termination event, in each case which continues for three (3)

Business Days after the expiry of any applicable grace period thereunder and notice of such occurrence is given to the Borrower and to the Administrative Agent;

- (h) the Borrower fails to perform or observe any term, covenant or agreement contained in any Material Agreement on its part to be performed or observed, or any Material Agreement is terminated or revoked or permitted to lapse (other than in accordance with its terms and not as a result of default);
- (i) any Credit Party repudiates its obligations under any Credit Document or claims any of the Credit Documents to be invalid or withdrawn in whole or in part;
- (j) if any Lien constituted pursuant to the Security Documents ceases to have the priority contemplated in the Credit Documents and in each case (other than any contest by any Credit Party) the same is not as soon as practicable effectively rectified or replaced by the Borrower;
- (k) any of the Security Documents at any time does not constitute a valid and perfected first priority Lien on any of the Assets, subject only to Permitted Liens which rank by law in priority;
- (l) the occurrence of any action, suit or proceeding against or affecting the Borrower before any court or before any Governmental Authority which, if successful, would reasonably be expected to have a Material Adverse Effect;
- (m) any judgment or order for the payment of money in excess of \$1,000,000, in the aggregate, which remains unsatisfied and undischarged for a period of thirty (30) days during which such judgment shall not be on appeal or execution thereof shall not be effectively stayed;
- (n) Assets of the Borrower having a fair market value in excess of \$1,000,000, in the aggregate, shall be seized (including by way of execution, attachment, garnishment or distraint) or any Lien thereon shall be enforced, or such property shall become subject to any charging order or equitable execution of a court, or any writ of enforcement, writ of execution or distress warrant with respect to obligations in excess of \$1,000,000, in the aggregate, shall exist in respect of any one or more of any of them, or such property, or any sheriff, civil enforcement agent or other Person shall become lawfully entitled to seize or distraint upon such property under the *Civil Enforcement Act* (Alberta), the *Workers' Compensation Act* (Alberta), the *Personal Property Security Act* (Alberta) or any other Applicable Laws whereunder similar remedies are provided, and in any case such seizure, execution, attachment, garnishment, distraint, charging order or equitable execution, or other seizure or right, shall continue in effect and not be released or discharged for more than thirty (30) days;
- (o) the Borrower ceases or proposes to cease carrying on business, or a substantial part thereof, or makes or threatens to make a bulk sale of its Assets;
- (p) the Borrower incurs any Environmental Liabilities which are not insured pursuant to an insurance policy maintained by the Borrower and for which it has received insurance proceeds in the amount of such Environmental Liabilities and which will require expenditures in an aggregate amount in any Financial Year in excess of \$1,000,000 (or the Equivalent Amount in another currency);
- (q) there is a Change of Control;
- (r) any Credit Party is not Solvent;

- (s) a judgment, decree or order of a court of competent jurisdiction is entered against a Credit Party: (i) adjudging any of them bankrupt or insolvent, or approving a petition seeking its reorganization or winding-up under the *Bankruptcy and Insolvency Act* (Canada), the *Companies' Creditors Arrangement Act* (Canada) or any other bankruptcy, insolvency or analogous Applicable Law in any jurisdiction; or (ii) appointing a receiver, trustee, liquidator, or other Person with like powers, over all, or substantially all, of the property of any of them; or (iii) ordering the involuntary winding up or liquidation of the affairs of any of them; or (iv) appointing any receiver or other Person with like powers over all, or substantially all, of the Assets of any of them, unless, in any such case, such judgment, petition, order or appointment is stayed and of no effect against the rights of the Administrative Agent, the Collateral Agent and/or the Lenders within thirty (30) days of its entry;
- (t) (i) an order or a resolution is passed for the dissolution, winding-up, reorganization or liquidation of a Credit Party, pursuant to Applicable Law, including the *Business Corporations Act* (Alberta) (except as permitted by Section 6.2(c)); or (ii) any of them institutes proceedings to be adjudicated bankrupt or insolvent, or consents to the institution of bankruptcy or insolvency proceedings against it under the *Bankruptcy and Insolvency Act* (Canada), the *Companies' Creditors Arrangement Act* (Canada) or any other bankruptcy, insolvency or analogous Applicable Law in any jurisdiction; or (iii) any of them consents to the filing of any petition under any such Applicable Law or to the appointment of a receiver, or other Person with like powers, over all, or substantially all, of any of their property; or (iv) any of them makes a general assignment for the benefit of creditors, or becomes unable to pay its debts generally as they become due; or (v) any of them takes or consents to any action in furtherance of any of the aforesaid purposes;
- (u) there has occurred an event, circumstance or development that has a Material Adverse Effect or could reasonably be expected to have a Material Adverse Effect; or
- (v) the audited consolidated financial statements of the Borrower delivered to the Administrative Agent, for the benefit of and remittance to the Lenders, under this Agreement contain a qualification that is not acceptable to the Administrative Agent or any Lender, acting reasonably, and, if unacceptable, such qualification is not rectified or otherwise dealt with to the satisfaction of the Administrative Agent or such Lender within a period of thirty (30) days after delivery of such financial statements.

## **Section 8.2 Acceleration.**

Upon the occurrence and during the continuance of an Event of Default, the Administrative Agent may, and on instruction by the Majority Lenders will, by written notice to the Borrower declare the Obligations (including the OID) payable under this Agreement or any other Credit Document to be immediately due and payable, without presentment, demand, protest or further notice of any kind, all of which are hereby expressly waived by the Borrower; provided that, upon the occurrence of an Event of Default under Section 8.1(r), Section 8.1(s) or Section 8.1(t), the Obligations payable under this Agreement shall become immediately due and payable, with any presentment, demand, protest or notice of any kind from the Administrative Agent. Upon the Obligations becoming immediately due and payable in accordance with this Section 8.2, the Borrower will be obligated without any further grace period to forthwith pay such amounts and the Administrative Agent and/or the Collateral Agent may exercise any and all rights, remedies, powers and privileges afforded by Applicable Law or under any and all other instruments, documents and agreements made to assure payment and performance of the obligations of the Credit Parties under the Credit Documents.

If the maturity of the Obligations shall be accelerated (under this Section 8.2 or otherwise) an amount equal to the MOIC Amount (determined as if the Obligations were repaid at the time of such acceleration at the option of the Borrower pursuant to Section 2.8) shall become immediately due and payable, and Borrower will pay such amount, as compensation and liquidated damages to the Lenders for

the loss of their investment opportunity and not as a penalty, whether or not a bankruptcy or insolvency has commenced, and (if a bankruptcy or insolvency has commenced) without regard to whether such bankruptcy or insolvency is voluntary or involuntary, or whether payment occurs pursuant to a motion, plan of arrangement or reorganization, or otherwise, and without regard to whether the Obligations are satisfied or released by foreclosure (whether or not by power of judicial proceeding), deed in lieu of foreclosure or by any other means. Without limiting the foregoing, any redemption, prepayment, repayment, or payment of the Obligations in or in connection with a bankruptcy or insolvency shall constitute an optional prepayment thereof under the terms of Section 2.8 and require the immediate payment of the MOIC Amount in addition to all other amounts owing hereunder.

### **Section 8.3      Waivers.**

An Event of Default may only be waived by the Lenders in writing.

### **Section 8.4      Remedies upon Default.**

- (1) Upon the Obligations becoming immediately due and payable pursuant to Section 8.2, the Administrative Agent and/or the Collateral Agent may commence such legal action or proceedings as are instructed by the Majority Lenders, including the commencement of enforcement proceedings under the Credit Documents and the right to give entitlement orders, instructions or a notice of exclusive control to a securities intermediary subject to the Account Control Agreement, all without any additional notice, presentation, demand, protest, notice of dishonour, entering into of possession of any property or assets, or any other action or notice, all of which are expressly waived by the Borrower. The Lenders acknowledge that any such legal actions and proceedings are subject to the provisions of the Intercreditor Agreements, as applicable.
- (2) The rights and remedies of the Administrative Agent, the Collateral Agent and the Lenders under the Credit Documents are cumulative and are in addition to, and not in substitution for, any other rights or remedies. Nothing contained in the Credit Documents with respect to the indebtedness or liability of the Credit Parties to the Administrative Agent, the Collateral Agent and the Lenders, nor any act or omission of the Administrative Agent, the Collateral Agent or the Lenders with respect to the Credit Documents or the Security, provided that such act or omission is not in breach of any term or provision of the Credit Documents, shall in any way prejudice or affect the rights, remedies and powers of the Administrative Agent, the Collateral Agent and the Lenders under the Credit Documents and the Security.
- (3) Notwithstanding anything to the contrary herein, the Lender agrees that any sale or transfer of the Greenfire Shares shall be subject to the provisions of Section 32 of the Greenfire Pledge.

### **Section 8.5      Power of Attorney.**

The Borrower hereby irrevocably constitutes and appoints the Administrative Agent and any officer or agent thereof, with full power of substitution, as its true and lawful attorney-in-fact with full irrevocable power and authority in the place and stead of the Borrower and in the name of the Borrower or in its own name, from time to time in the Administrative Agent's sole and absolute discretion, for the purpose of carrying out the terms of the Credit Documents, to take any and all appropriate action and to execute any and all documents and instruments which may be necessary or desirable to accomplish the purposes of the Credit Documents and which the Borrower being required to take or execute has failed to take or execute; provided that this power of attorney will not be effective until the occurrence and during the continuance of any Event of Default. The Borrower hereby ratifies all that said attorneys will lawfully do or cause to be done by virtue hereof. This power of attorney is a power coupled with an interest and will be irrevocable until all of the Obligations under the Credit Documents have been unconditionally and irrevocably paid and performed in full. The Borrower also authorizes the Administrative Agent, at any time and from time to time, to execute any endorsements, assignments or other instruments of conveyance or transfer pursuant to the Security Documents. If requested by the Administrative Agent, the Borrower will cause each other Credit Party to constitute and appoint the Administrative Agent and any officer or agent



thereof, with full power of substitution, as its true and lawful attorney-in-fact in accordance with the foregoing provisions of this Section.

**Section 8.6 Right of Set-off.**

- (1) The Borrower agrees that, upon the occurrence of a Default or an Event of Default, in addition to and without limitation of any right of set-off, bankers' lien, counterclaim or other right or remedy that the Administrative Agent or the Lenders may otherwise have, any Lender will be entitled, at its option, to offset any and all balances and deposits held by it for the account of the Borrower at any of its offices or branches (including, if applicable, the Collection Account), in any currency, against any and all amounts owed by the Borrower to such Lender hereunder (regardless of whether any such balances are then due or payable to the Borrower), including all claims of any nature or description arising out of or connected with this Agreement, in which case such Lender will promptly notify the Borrower thereof after the occurrence thereof; provided that such Lender's failure to give any such notice will not affect the validity thereof.
- (2) Without limitation to the provisions of Section 8.6(1), the Borrower further agrees that, at any time and from time to time, in addition to and without limitation of any right of set-off, bankers' lien, counterclaim or other right or remedy that the Administrative Agent, the Collateral Agent or the Lenders may otherwise have (including under this Section), any Lender will be entitled, at its option, to offset any and all amounts owing by such Lender to the Borrower under the Commercial Agreement or any other agreement entered into between such Lender and the Borrower against any and all amounts owed by the Borrower to such Lender hereunder (regardless of whether any such balances are then due or payable to the Borrower), including all claims of any nature or description arising out of or connected with this Agreement, in which case such Lender will promptly notify the Borrower thereof after the occurrence thereof; provided that such Lender's failure to give any such notice will not affect the validity thereof.
- (3) Nothing contained in the Credit Documents will require any Lender to exercise any right, or will affect the right of any Lender to exercise and retain the benefits of exercising any right, with respect to any Debt or other obligation of the Borrower existing otherwise than pursuant to the Credit Documents, including pursuant to the Commercial Agreement.

**Section 8.7 Application of Cash Proceeds of Realization.**

- (1) All Proceeds of Realization not in the form of cash shall be forthwith delivered to the Administrative Agent and disposed of, or realized upon, by the Administrative Agent, upon instruction by the Majority Lenders, so as to produce Cash Proceeds of Realization.
- (2) All (i) payments made by or on behalf of a Credit Party under the Credit Documents after acceleration pursuant to Section 8.2, and (ii) Cash Proceeds of Realization, will be applied and distributed by the Administrative Agent or any nominee thereof in the following manner:
  - (a) first, to the payment of all costs and expenses (including fees of counsel) of the Administrative Agent, the Collateral Agent and the Lenders in connection with enforcing each of their respective rights under this Agreement and the applicable Credit Documents, including all expenses of sale or other realization of or in respect of the Collateral, including compensation to the agents and counsel for the Administrative Agent, the Collateral Agent and the Lenders, and all expenses, liabilities and advances incurred or made by the Administrative Agent, the Collateral Agent and the Lenders in connection therewith, and any other obligations owing to the Administrative Agent, the Collateral Agent and the Lenders in respect of sums advanced by the Administrative Agent, the Collateral Agent and the Lenders to preserve the Collateral or to preserve the Security in the Collateral;
  - (b) second, to the payment of all of accrued interest and fees and actual incurred indemnities due under the Credit Documents;



- (c) third, to pay the MOIC Amount, if any;
  - (d) fourth, to the payment of the Outstanding Principal under this Agreement in inverse order of maturity;
  - (e) fifth, except as set forth in clauses (a) through (d) above, inclusive, to the payment of the outstanding Obligations owing to the Administrative Agent, the Collateral Agent and the Lenders in connection with the Credit Documents; and
  - (f) sixth, to the payment of the surplus, if any, to whomever may be lawfully entitled to receive such surplus.
- (3) The Lenders acknowledge that the dealing with and handling of any Proceeds of Realization and Cash Proceeds of Realization will be subject, as applicable, to the Intercreditor Agreements.

#### **Section 8.8 Adjustments Among Lenders.**

- (1) Notwithstanding anything herein or in any other Credit Document to the contrary, if all Obligations owing under the Credit Facility together with unpaid accrued interest thereon and any other amounts owing under this Agreement or any other Credit Documents, contingent or otherwise, become due and payable pursuant to Section 8.4 (an "**Acceleration**"):
- (a) each Lender agrees that it shall, at any time or from time to time thereafter at the request of the Administrative Agent as required by any Lender, (A) purchase at par on a non-recourse basis a participation in the outstanding Advance owing to each other Lender under the Credit Facility and (B) effect such other transactions and make such other adjustments as are necessary or appropriate, in order that the aggregate principal amount owing to each of the Lenders under the Credit Facility, as adjusted pursuant to this Section 8.8, shall be in the same proportion as each Lender's Individual Commitment Amount was to the Commitment immediately prior to the Acceleration; and
  - (b) any payment made by or on behalf of any of the Borrower or any other Credit Party under or pursuant to this Agreement or any other Credit Documents, any proceeds from the exercise of any rights and remedies of the Administrative Agent, the Collateral Agent and the Lenders under this Agreement or any other Credit Documents and any distribution or payment received by the Administrative Agent, the Collateral Agent or the Lenders with respect to the Borrower and the other Credit Parties in the event of any bankruptcy, insolvency, winding-up, liquidation, arrangement, compromise or composition, shall be applied against the aggregate principal amount in a manner so that, to the extent possible, the aggregate principal amount owing to each of the Lenders under the Credit Facility will be in the same proportion as each Lender's Individual Commitment Amount was to the Commitment immediately prior to the Acceleration.
- (2) For certainty, on the Maturity Date under the Credit Facility:
- (a) the unutilized portion of each Lender's Individual Commitment Amount shall be cancelled; and
  - (b) the amount of each Lender's Individual Commitment Amount for all purposes hereof, including this Section 8.8, shall be the aggregate principal amount owing to such Lender under such Individual Commitment Amount and the Credit Facility as at any date of determination.
- (3) Each Lender shall, at any time and from time to time at the request of the Administrative Agent as required by any Lender, execute and deliver such agreements, instruments and other documents

and take such other steps and actions as may be required to confirm, evidence or give effect to the foregoing.

- (4) For certainty, the provisions of this Section 8.8 are unconditional and irrevocable and (i) the Lenders shall be obligated to purchase participations and to effect the transactions and adjustments contemplated by this Section 8.8 and (ii) the other provisions hereof shall operate and apply, in each case, irrespective of whether a Default or Event of Default is then continuing or whether any condition in Article 4 is met.

## **ARTICLE 9 ADMINISTRATION OF THE CREDIT FACILITY**

### **Section 9.1 Authorization and Action.**

- (1) Each Lender hereby irrevocably appoints and authorizes the Administrative Agent to be its administrative agent in its name and on its behalf and to exercise such rights or powers granted to the Administrative Agent or the Lenders under this Agreement or any other Credit Documents to the extent specifically provided therein and on the terms thereof, together with such powers and authority as are reasonably incidental thereto. As to any matters not expressly provided for by this Agreement or any other Credit Documents, the Administrative Agent will not be required to exercise any discretion or take any action, but will be required to act or to refrain from acting (and will be fully indemnified and protected by the Lenders to the greatest extent permitted by Applicable Law in so acting or refraining from acting) upon the instructions of the Majority Lenders, and such instructions will be binding upon all Lenders; provided, however, that the Administrative Agent will not be required to take any action which, in the opinion of the Administrative Agent, might expose the Administrative Agent to liability in such capacity, which could result in the Administrative Agent incurring any costs and expenses, or which is contrary to the spirit and intent of this Agreement.
- (2) Each Lender hereby irrevocably appoints and authorizes the Collateral Agent to be its collateral agent in its name and on its behalf and to exercise such rights or powers granted to the Collateral Agent or the Lenders under this Agreement or any other Credit Documents to the extent specifically provided therein and on the terms thereof, together with such powers and authority as are reasonably incidental thereto. As to any matters not expressly provided for by this Agreement or any other Credit Documents, the Collateral Agent will not be required to exercise any discretion or take any action, but will be required to act or to refrain from acting (and will be fully indemnified and protected by the Lenders to the greatest extent permitted by Applicable Law in so acting or refraining from acting) upon the instructions of the Majority Lenders, and such instructions will be binding upon all Lenders; provided, however, that the Collateral Agent will not be required to take any action which, in the opinion of the Collateral Agent, might expose the Collateral Agent to liability in such capacity, which could result in the Collateral Agent incurring any costs and expenses, or which is contrary to the spirit and intent of this Agreement.
- (3) Where the provisions of this Agreement provide that any waiver of or any amendment to any provision of this Agreement or any other Credit Documents may be made or any action, consent or other determination in connection with this Agreement or any other Credit Documents may be taken or given, with the consent or agreement of the Lenders or the Majority Lenders (in accordance with Section 9.16), then any such waiver, amendment, action, consent or determination so made, so taken or so given with the consent or agreement of the Lenders or the Majority Lenders will be binding on all of the Lenders and all of the Lenders will cooperate in all ways necessary or desirable to implement and effect such waiver, amendment, action, consent or determination.
- (4) If the Administrative Agent or the Collateral Agent delivers a notice to a Lender requesting advice from such Lender as to whether it consents or objects to any matter in connection with this Agreement or any other Credit Documents, then, except as otherwise expressly provided herein,

if such Lender does not deliver to the Administrative Agent or the Collateral Agent, as applicable, its written consent or objection to such matter within the time period referenced in such notice, or if no such period is referenced, within seven (7) Business Days of the delivery of such notice by the Administrative Agent or the Collateral Agent to such Lender, such Lender will be deemed not to have consented thereto upon the expiry of such period.

- (5) Each Lender hereby irrevocably authorizes the Collateral Agent to execute and deliver such releases and no-interest letters as may be required in connection with any disposition of assets by one or more Credit Parties in respect of which the Administrative Agent and the Collateral Agent has received a certificate of the Borrower certifying that such disposition is permitted hereunder, together with any other information from the Borrower reasonably required by the Administrative Agent or the Collateral Agent, if any, to satisfy itself that any such disposition is permitted hereunder.
- (6) The Administrative Agent and Collateral Agent shall have only those duties and responsibilities that are expressly specified herein and in the other Credit Documents. The Administrative Agent and Collateral Agent may exercise such powers, rights and remedies and perform such duties by or through its agents or employees. The Administrative Agent and Collateral Agent shall not have or be deemed to have, by reason hereof or any of the other Credit Documents, a fiduciary relationship in respect of any Lender; and nothing herein or any of the other Credit Documents, expressed or implied, is intended to or shall be so construed as to impose upon the Administrative Agent and Collateral Agent any obligations in respect hereof or any of the other Credit Documents except as expressly set forth herein or therein.
- (7) The Administrative Agent and Collateral Agent shall not be responsible to any Lender for the execution, effectiveness, genuineness, validity, enforceability, collectability or sufficiency hereof or any other Credit Document or for any representations, warranties, recitals or statements made herein or therein or made in any written or oral statements or in any financial or other statements, instruments, reports or certificates or any other documents furnished or made by the Administrative Agent and Collateral Agent to Lenders or by or on behalf of any Credit Party to the Administrative Agent and Collateral Agent or any Lender in connection with the Credit Documents and the transactions contemplated thereby or for the financial condition or business affairs of any Credit Party or any other Person liable for the payment of any Obligations, nor shall the Administrative Agent and Collateral Agent be required to ascertain or inquire as to the performance or observance of any of the terms, conditions, provisions, covenants or agreements contained in any of the Credit Documents or as to the use of the proceeds of the Advances or as to the existence or possible existence of any Event of Default or Default or to make any disclosures with respect to the foregoing. The Administrative Agent and Collateral Agent shall not be responsible for the satisfaction of any condition set forth in Article 4 or elsewhere in any Credit Document, other than to confirm receipt of items expressly required to be delivered to the Administrative Agent and Collateral Agent. The Administrative Agent and Collateral Agent will not be required to take any action that is contrary to Applicable Law or any provision of this Agreement or any Credit Document. Anything contained herein to the contrary notwithstanding, the Administrative Agent and Collateral Agent shall not have any liability arising from confirmations of the amount of outstanding Advances or the component amounts thereof.
- (8) Neither the Administrative Agent and Collateral Agent nor any of its officers, partners, directors, employees or agents shall be liable to Lenders for any action taken or omitted by the Administrative Agent and Collateral Agent under or in connection with any of the Credit Documents except to the extent caused by the Administrative Agent or Collateral Agent gross negligence or willful misconduct as determined by a court of competent jurisdiction in a final, non appealable order. The Administrative Agent and Collateral Agent shall be entitled to refrain from any act or the taking of any action (including the failure to take an action) in connection herewith or any of the other Credit Documents or from the exercise of any power, discretion or authority vested in it hereunder or thereunder unless and until the Administrative Agent and Collateral Agent shall have received written instructions in respect thereof from Majority Lenders (or such

other Lenders as may be required to give such instructions under this Agreement) or in accordance with the applicable Credit Document, and, upon receipt of such instructions from Majority Lenders (or such other Lenders, as the case may be), or in accordance with the other applicable Credit Document, as the case may be, the Administrative Agent and Collateral Agent shall be entitled to act or (where so instructed), refrain from acting, or to exercise such power, discretion or authority, in accordance with such instructions, except powers and authority expressly contemplated hereby or under the other Credit Documents. Without prejudice to the generality of the foregoing, the Administrative Agent and Collateral Agent shall be entitled to rely, and shall be fully protected in relying, upon any communication, instrument or document believed by it to be genuine and correct and to have been signed or sent by the proper Person or Persons, and shall be entitled to rely and shall be protected and free from liability in relying on opinions and judgments of attorneys (who may be attorneys for the Credit Parties), accountants, experts and other professional advisors selected by it; and no Lender shall have any right of action whatsoever against the Administrative Agent or Collateral Agent as a result of the Administrative Agent or Collateral Agent acting or (where so instructed) refraining from acting hereunder or any of the other Credit Documents in accordance with the instructions of Majority Lenders (or such other Lenders as may be required to give such instructions hereunder) or in accordance with the applicable Credit Document. The Administrative Agent and Collateral Agent shall be fully justified in failing or refusing to take any action under this Agreement or any other Credit Document unless the Administrative Agent and Collateral Agent shall first receive such advice or concurrence of the Lenders (as required by this Agreement) and until such instructions are received, the Administrative Agent and Collateral Agent shall act, or refrain from acting, as it deems advisable. If the Administrative Agent or Collateral Agent so requests, it shall first be indemnified to its reasonable satisfaction by the Lenders against any and all liability and expense that may be incurred by it by reason of taking or continuing to take any such action. The Administrative Agent and Collateral Agent shall in all cases be fully protected in acting, or in refraining from acting, under this Agreement or any other Credit Document in accordance with a request or consent of the Majority Lenders and such request and any action taken or failure to act pursuant thereto shall be binding upon all of the Lenders. No provision of this Agreement or any other Credit Document or any agreement or instrument contemplated hereby or thereby, the transactions contemplated hereby or thereby shall require the Administrative Agent or Collateral Agent to expend or risk its own funds or provide indemnities in the performance of any of its duties hereunder or the exercise of any of its rights or power or otherwise incur any financial liability in the performance of its duties or the exercise of any of its rights or powers. The Collateral Agent shall not be responsible for perfecting, maintaining, monitoring, preserving or protecting the security interest or lien granted under this Agreement, any other Credit Document or any agreement or instrument contemplated hereby or thereby, the filing, re filing, recording, re recording or continuing of any document, financing statement, mortgage, assignment, notice, instrument of further assurance or other instrument in any public office at any time or times or providing, maintaining, monitoring or preserving insurance on or the payment of taxes with respect to any of the Collateral. The actions described above shall be the responsibility of the Lenders and the Credit Parties. The Administrative Agent and Collateral Agent shall not be required to qualify in any jurisdiction in which it is not presently qualified to perform its obligations as agent. The Administrative Agent and Collateral Agent has each accepted and is bound by the Credit Documents executed by them as of the date of this Agreement and, as directed in writing by the Majority Lenders, the Administrative Agent and Collateral Agent shall execute additional Credit Documents delivered to it after the date of this Agreement; provided, however, that such additional Credit Documents do not adversely affect the rights, privileges, benefits and immunities of the Administrative Agent and Collateral Agent. The Administrative Agent and Collateral Agent will not otherwise be bound by, or be held obligated by, the provisions of any loan agreement, indenture or other agreement governing the Obligations (other than this Agreement and the other Credit Documents to which the Administrative Agent or Collateral Agent is a party). No written direction given to the Administrative Agent or Collateral Agent by the Majority Lenders or any Credit Party that in the sole judgment of the Administrative Agent or Collateral Agent imposes, purports to impose or might reasonably be expected to impose upon the Administrative Agent and Collateral Agent any obligation or liability not set forth in or arising under this Agreement and

the other Credit Documents will be binding upon the Agent unless the Agent elects, at its sole option, to accept such direction. Beyond the exercise of reasonable care in the custody of the Collateral in the possession or control of the Collateral Agent or its bailee, the Collateral Agent will not have any duty as to any other Collateral or any income thereon or as to preservation of rights against prior parties or any other rights pertaining thereto. The Collateral Agent will be deemed to have exercised reasonable care in the custody of the Collateral in its possession if the Collateral is accorded treatment substantially equal to that which it accords its own property, and the Collateral Agent will not be liable or responsible for any loss or diminution in the value of any of the Collateral by reason of the act or omission of any carrier, forwarding agency or other agent or bailee selected by the Collateral Agent in good faith. The Collateral Agent will not be responsible for the existence, genuineness or value of any of the Collateral or for the validity, perfection, priority or enforceability of the Liens in any of the Collateral, whether impaired by operation of law or by reason of any action or omission to act on its part hereunder, except to the extent such action or omission constitutes gross negligence or willful misconduct on the part of the Collateral Agent, as determined by a court of competent jurisdiction in a final, non appealable order, for the validity or sufficiency of the Collateral or any agreement or assignment contained therein, for the validity of the title of any grantor to the Collateral, for insuring the Collateral or for the payment of taxes, charges, assessments or Liens upon the Collateral or otherwise as to the maintenance of the Collateral. The Administrative Agent and Collateral Agent hereby disclaims any representation or warranty to the present and future Lenders of the Obligations concerning the perfection of the Liens granted hereunder or in the value of any of the Collateral. In the event that the Collateral Agent is required to acquire title to an asset for any reason, or take any managerial action of any kind in regard thereto, in order to carry out any fiduciary or trust obligation for the benefit of another, which in the Collateral Agent's sole discretion may cause the Collateral Agent to be considered an "owner or operator" under any environmental laws or otherwise cause the Collateral Agent to incur, or be exposed to, any environmental liability or any liability under any other federal, state or local law, the Collateral Agent reserves the right, instead of taking such action, either to resign as Collateral Agent or to arrange for the transfer of the title or control of the asset to a court-appointed receiver. The Administrative Agent and Collateral Agent will not be liable to any person for any environmental liability or any environmental claims or contribution actions under any federal, state or local law, rule or regulation by reason of the Administrative Agent or Collateral Agent actions and conduct as authorized, empowered and directed hereunder or relating to any kind of discharge or release or threatened discharge or release of any hazardous materials into the environment. Each Lender authorizes and directs the Administrative Agent and Collateral Agent to enter into this Agreement and the other Credit Documents to which it is a party. Each Lender agrees that any action taken by the Administrative Agent or Collateral Agent or Majority Lenders in accordance with the terms of this Agreement or the other Credit Documents and the exercise by the Administrative Agent or Collateral Agent or Majority Lenders of their respective powers set forth therein or herein, together with such other powers that are reasonably incidental thereto, shall be binding upon all of the Lenders.

- (9) The Administrative Agent and Collateral Agent shall not be deemed to have knowledge or notice of the occurrence of any Default or Event of Default (except knowledge of any failure to pay principal, interest and fees required to be paid hereunder to the Administrative Agent for the benefit of the Lenders) unless the Administrative Agent and Collateral Agent shall have received written notice from a Lender or the Borrower referring to this Agreement, describing such Default or Event of Default and stating that such notice is a "notice of default". The Administrative Agent and Collateral Agent will notify the Lenders of its receipt of any such notice. The Administrative Agent and Collateral Agent may (but shall not be obligated to) take such action, or refrain from taking such action, with respect to such Default or Event of Default as it shall deem advisable or in the best interest of the Lenders.
- (10) Each Credit Party hereby agrees, unless directed otherwise by the Administrative Agent and Collateral Agent or unless the electronic mail address referred to below has not been provided by the Administrative Agent and Collateral Agent to such Person, that it will provide to the Administrative Agent and Collateral Agent all information, documents and other materials that it is



obligated to furnish to the Administrative Agent and Collateral Agent or to the Lenders pursuant to the Credit Documents, including all notices, requests, financial statements, financial and other reports, certificates and other information materials, but excluding any such communication that (i) relates to the payment of any principal or other amount due under this Agreement prior to the scheduled date therefor, (ii) provides notice of any Default or Event of Default under this Agreement or any other Credit Document, or (iii) is required to be delivered to satisfy any condition precedent to the effectiveness of this Agreement and/or any Advance hereunder (all such non excluded communications being referred to in this paragraph collectively as "**Communications**"), by transmitting the Communications in an electronic/soft medium that is properly identified in a format acceptable to the Borrower and the Administrative Agent and Collateral Agent to an electronic mail address as directed by the Administrative Agent and Collateral Agent. In addition, each Credit Party agrees to continue to provide the Communications to the Administrative Agent and Collateral Agent or the Lenders, as the case may be, in the manner specified in the Credit Documents but only to the extent requested by the Administrative Agent or Collateral Agent.

- (11) Nothing herein shall prejudice the right of the Administrative Agent and Collateral Agent or any Lender to give any notice or other communication pursuant to any Credit Document in any other manner specified in such Credit Document

#### **Section 9.2 Procedure for Advance.**

- (1) The Advance under the Credit Facility will be made in accordance with each Lender's Rateable Portion of the Advance under the Credit Facility. The Advance will be made by each Lender directly to the Borrower in accordance with the Notice of Advance.
- (2) The failure of any Lender to make its Rateable Portion of the Advance will not relieve any other Lender of its obligation, if any, hereunder to make its Rateable Portion of the Advance on the date that such Advance is to take place, but no Lender nor the Agent will be responsible for the failure of any other Lender to provide its Rateable Portion of the Advance under the Credit Facility.

#### **Section 9.3 Remittance of Payments.**

Within two (2) Business Days of receipt of any payment by the Borrower hereunder, the Administrative Agent, if and to the extent a Lender is entitled thereto, will remit to such Lender its Rateable Portion of such payment.

#### **Section 9.4 Redistribution of Payment.**

Each Lender agrees that:

- (1) If it exercises any right of counter-claim, set-off (including a set-off pursuant to Section 8.6), bankers' lien or similar right with respect to any property of any Credit Party or if under Applicable Law it receives a secured claim, the security for which is a debt owed by it to such Credit Party, it will apportion the amount thereof proportionately between:
  - (a) amounts outstanding at the time owed by such Credit Party to such Lender under this Agreement, which amounts will be applied in accordance with this Section 9.4; and
  - (b) amounts otherwise owed to it by such Credit Party.
- (2) If it receives, through the exercise of a right or the receipt of a secured claim described in Section 9.4(1) or otherwise, payment of a proportion of the aggregate amount of principal, interest and fees due to it hereunder which is greater than the proportion received by any other Lender (or, if an Event of Default has occurred and is continuing, any other Secured Party) in respect of the aggregate amount of principal, interest and fees due in respect of the Credit Facility (having regard to the respective proportionate amounts advanced as the Advance by each of the Lenders

under the Credit Facility and, after an Event of Default, any Swap Obligations), the Lender receiving such proportionately greater payment will purchase a participation (which will be deemed to have been done simultaneously with receipt of such payment) in that portion of the Credit Facility of the other Lenders so that their respective receipts will be pro rata to their respective Rateable Portions, provided however that, if (i) all or part of such proportionately greater payment received by such purchasing Lender is otherwise recovered by it, such purchase will be rescinded and the purchase price for such participation will be returned to the extent of such recovery, but without interest, (ii) or if any Event of Default has occurred and is continuing, such Lender shall pay such amounts to the Collateral Agent, for the benefit of the Secured Parties to be held and dealt with by the Collateral Agent pursuant to the Intercreditor Agreement (Swap Counterparty) as Proceeds thereunder. Such Lender will exercise its rights in respect of such secured claim in a manner consistent with the rights of the Lenders and, if applicable, the Swap Counterparty, entitled under this Section 9.4 and the Intercreditor Agreement (Swap Counterparty) to share in the benefits of any recovery on such secured claims.

- (3) If it does any act or thing permitted by Section 9.4(1) or Section 9.4(2), it will promptly provide full particulars thereof to the Administrative Agent.
- (4) Except as permitted under Section 9.4(1) or Section 9.4(2) (which, for certainty, includes Trafigura's ability to exercise a set-off against any Credit Party amounts owing by such Credit Party under this Agreement for amounts owing to such Credit Party under the Commercial Agreement), no Lender will be entitled to exercise any right of counter-claim, set-off, bankers' lien or similar right in respect of the Secured Obligations owing by a Credit Party without the prior written consent of the other Lenders. For certainty, nothing herein shall restrict any Lender from exercising any right of counter-claim, set-off, bankers Lien or similar right in respect of amounts owing by a Credit Party to such Lender which are not Secured Obligations or which are not otherwise owing under this Agreement or the other Credit Documents against amounts owing by such Lender to such Credit Party.

#### **Section 9.5 Duties and Obligations.**

Neither the Administrative Agent or the Collateral Agent, or any of their respective directors, officers, agents or employees (and, for purposes hereof, the Administrative Agent or the Collateral Agent, as applicable, will be deemed to be contracting as agent for and on behalf of such Persons) will not be liable to any Lender for any action taken or omitted to be taken by it under or in connection with this Agreement or any other Credit Documents, except for its own gross negligence or willful misconduct. Without limiting the generality of the foregoing, the Administrative Agent and the Collateral Agent:

- (1) may assume that there has been no assignment or transfer by the Lenders of their rights under this Agreement or any other Credit Documents, unless and until the Administrative Agent and the Collateral Agent receives a duly executed assignment from such Lender;
- (2) may consult with counsel (including Borrower's counsel), independent public accountants and other experts selected by it and will not be liable for any action taken or omitted to be taken in good faith by it in accordance with or reliance upon the advice of such counsel, accountants or experts;
- (3) will incur no liability under or in respect of this Agreement or any other Credit Documents by acting upon any notice, consent, certificate or other instrument or writing believed by it to be genuine and signed or sent by the apparently proper Person or by acting upon any representation or warranty of any Credit Party made or deemed to be made hereunder;
- (4) may assume that no Default or Event of Default has occurred and is continuing unless it has actual knowledge to the contrary; and



- (5) may rely, as to any matter of fact which might reasonably be expected to be within the knowledge of any Person, upon a certificate signed by or on behalf of such Person.

Further, neither the Administrative Agent nor the Collateral Agent: (i) makes any warranty or representation to any Lender nor will it be responsible to any Lender for the accuracy or completeness of the data made available to any of the Lenders in connection with the Credit Facility, or for any statements, warranties or representations (whether written or oral) made in connection with the Credit Facility; (ii) will have any duty to ascertain or to enquire as to the performance or observance of any of the terms, covenants or conditions of this Agreement or any other Credit Documents on the part of any Credit Party or to inspect the property (including books and records) of any Credit Party; and (iii) will be responsible to any Lender for the due execution, legality, validity, enforceability, genuineness, sufficiency or value of this Agreement, any other Credit Documents or any other instrument or document furnished pursuant hereto or thereto.

#### **Section 9.6 Prompt Notice to the Lenders.**

Notwithstanding any other provision herein, each of the Administrative Agent and the Collateral Agent agrees to provide to the Lenders, with copies where appropriate, all information, notices and reports required to be given to the Administrative Agent or the Collateral Agent by the Borrower hereunder, promptly and in any event within two (2) Business Days of receipt of same, excepting therefrom information and notices relating solely to the role of the Administrative Agent or the Collateral Agent hereunder.

#### **Section 9.7 Agent and Agent Authority.**

Each of the Administrative Agent and the Collateral Agent may accept deposits from, lend money to, and generally engage in any kind of business with any Credit Party, any of their Subsidiaries, their respective shareholders or unitholders or any Person owned or controlled by any of them and any Person which may do business with any of them, all as if the Administrative Agent or the Collateral Agent was not serving as the Administrative Agent or the Collateral Agent, as applicable, and without any duty or obligation to account therefor to the Lenders.

#### **Section 9.8 Lenders' Credit Decisions.**

It is understood and agreed by each Lender that it has itself been, and will continue to be, solely responsible for making its own independent appraisal of and investigations into the financial condition, creditworthiness, condition, affairs, status and nature of the Credit Parties. Accordingly, each Lender confirms with the Administrative Agent and the Collateral Agent that it has not relied, and will not hereafter rely, on either the Administrative Agent or the Collateral Agent (a) to check or inquire on its behalf into the adequacy, accuracy or completeness of any information provided by the Credit Parties or any other Person under or in connection with the Credit Facility (whether or not such information has been or is hereafter distributed to such Lender by the Administrative Agent or the Collateral Agent) or (b) to assess or keep under review on its behalf the financial condition, creditworthiness, condition, affairs, status or nature of any Credit Party. Each Lender acknowledges that copies of this Agreement or any other Credit Documents have been made available to it for review and each Lender acknowledges that it is satisfied with the form and substance of this Agreement or any other Credit Documents. A Lender will not make any independent arrangement with any Credit Party for the satisfaction of any Obligations owing to it under this Agreement or any other Credit Documents without the written consent of the other Lenders.

Each Lender, by delivering its signature page to this Agreement or a joinder agreement and funding its Advances, shall be deemed to have acknowledged receipt of, and consented to and approved, each Credit Document and each other document required to be approved by the Administrative Agent and Collateral Agent, Majority Lenders or Lenders, as applicable.

### **Section 9.9 Indemnification.**

The Lenders hereby agree to indemnify each of the Administrative Agent and the Collateral Agent and their respective directors, officers, agents and employees (to the extent not reimbursed by the Borrower) in accordance with their respective Rateable Portions, from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever which may be imposed on, incurred by, or asserted against either the Administrative Agent or the Collateral Agent or their respective directors, officers, agents and employees in any way relating to or arising out of this Agreement or any other Credit Documents or any action taken or omitted by the Administrative Agent or the Collateral Agent under or in respect of this Agreement or any other Credit Documents in their respective capacity as the Administrative Agent or the Collateral Agent, provided that no Lender will be liable for any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements resulting from the Administrative Agent's or the Collateral Agent's gross negligence or willful misconduct. Without limiting the generality of the foregoing, each Lender agrees to reimburse the Administrative Agent or the Collateral Agent promptly upon demand for its Rateable Portion of any reasonable out-of-pocket expenses (including legal fees, on a solicitor and his own client full indemnity basis) incurred by the Administrative Agent or the Collateral Agent in connection with the preservation of any right of the Administrative Agent, the Collateral Agent or the Lenders under, or the enforcement of, or legal advice in respect of rights or responsibilities under, this Agreement or any other Credit Documents, to the extent that the Administrative Agent or the Collateral Agent is not reimbursed for such expenses by the Borrower. This indemnity will survive the termination of the other provisions of this Agreement as a separate and continuing covenant of the Lenders.

### **Section 9.10 Successor Agent.**

Either the Administrative Agent or the Collateral Agent may, as hereinafter provided, resign at any time by giving 30 days' notice (the "**Resignation Notice**") thereof to the Lenders and the Borrower. The remaining Lenders, with the consent of the Borrower, such consent not to be unreasonably withheld, will forthwith upon receipt of the Resignation Notice unanimously appoint a Lender as successor agent (the "**Successor Agent**") to assume the duties hereunder of the resigning Administrative Agent or Collateral Agent. Upon the acceptance of any appointment as agent hereunder by a Successor Agent, such Successor Agent will thereupon succeed to and become vested with all the rights, powers, privileges and duties as agent under this Agreement or any other Credit Documents of the resigning Administrative Agent or Collateral Agent. Upon such acceptance, the resigning Administrative Agent or Collateral Agent will be discharged from its further duties and obligations as agent under this Agreement or any other Credit Documents, but any such resignation will not affect such resigning Administrative Agent's or Collateral Agent's obligations hereunder as a Lender (if applicable), including for its Rateable Portion of the Commitment. After the resignation of the Administrative Agent or the Collateral Agent as agent hereunder, the provisions of this Article 9 will continue to enure to its benefit as to any actions taken or omitted to be taken by it while it was the agent of the Lenders hereunder. Notwithstanding the foregoing, if the remaining Lenders fail to appoint a Successor Agent within 30 days of receipt of the Resignation Notice, the resigning Administrative Agent or Collateral Agent may and with the approval of the Borrower prior to an Event of Default, such approval not to be unreasonably withheld, appoint a Successor Agent from among the Lenders, provided that consent of such Successor Agent has been obtained.

Notwithstanding anything herein to the contrary, the Administrative Agent and Collateral Agent may assign its rights and duties as agent hereunder to (i) an Affiliate of the Administrative Agent and Collateral Agent or to any Lender or Affiliate thereof without the prior written consent of, or prior written notice to, the Borrower or the Lenders, or (ii) any other non-Affiliate financing source of the Administrative Agent and Collateral Agent or other third party with the prior written consent of the Majority Lenders; provided that the Borrower and the Lenders may deem and treat such assigning Administrative Agent or Collateral Agent as Administrative Agent or Collateral Agent for all purposes hereof, unless and until such assigning Administrative Agent or Collateral Agent provides written notice to the Borrower and the Lenders of such assignment. Upon such assignment, such Affiliate shall succeed to and become vested with all rights, powers, privileges and duties as Administrative Agent or Collateral Agent hereunder and under the other Credit Documents.

The Administrative Agent and Collateral Agent may perform any and all of its duties and exercise its rights and powers under this Agreement or under any other Credit Document by or through any one or more sub agents appointed by the Administrative Agent and Collateral Agent and any such sub agent may perform any and all of its duties and exercise its rights and powers by or through their respective Affiliates. The Administrative Agent and Collateral Agent shall not be responsible for the acts or omissions of its sub agents so long as they are appointed with due care. The exculpatory, indemnification and other provisions of Article 9 shall apply to any Affiliates of the Administrative Agent and Collateral Agent and shall apply to their respective activities in connection with the credit facilities provided for herein. All of the rights, benefits and privileges (including the exculpatory and indemnification provisions) of Article 9 shall apply to any such sub agent and to the Affiliates of any such sub agent, and shall apply to their respective activities as sub agent. Notwithstanding anything herein to the contrary, with respect to each sub agent appointed by the Administrative Agent or Collateral Agent, such sub agent shall be a third party beneficiary under this Agreement with respect to all such rights, benefits and privileges (including exculpatory and rights to indemnification) and shall have all of the rights, benefits and privileges of a third party beneficiary, including an independent right of action to enforce such rights, benefits and privileges (including exculpatory rights and rights to indemnification) directly, without the consent or joinder of any other Person, against any or all of the Credit Parties and the Lenders and such sub agent shall only have obligations to the Administrative Agent and Collateral Agent and not to any Credit Party, Lender or any other Person and no Credit Party, Lender or any other Person shall have the rights, directly or indirectly, as a third party beneficiary or otherwise, against such sub agent.

#### **Section 9.11 Taking and Enforcement of Remedies.**

Except as otherwise provided herein or in any other Credit Document, each Lender hereby acknowledges that, to the extent permitted by Applicable Law, rights and remedies provided under this Agreement or any other Credit Documents to the Lenders are for the benefit of the Lenders collectively and not severally and further acknowledges that its rights and remedies thereunder are to be exercised not severally but collectively through the Administrative Agent or the Collateral Agent, as applicable, upon the decision of the Lenders (with the required majority or unanimity as herein provided), regardless of whether acceleration of Obligations hereunder was made, and accordingly, notwithstanding any of the provisions contained herein, each of the Lenders hereby covenants and agrees that it will not be entitled to take any action with respect to the Credit Facility, including any acceleration of Obligations thereunder, but that any such action will be taken only by the Administrative Agent or the Collateral Agent, as applicable, with the prior written direction of the Lenders (with the required majority or unanimity as herein provided). Notwithstanding the foregoing, in the absence of written instructions from the Lenders, and where in the sole opinion of the Administrative Agent or the Collateral Agent, as applicable, the exigencies of the situation warrant such action, the Administrative Agent or the Collateral Agent may without notice to or consent of the Lenders take such action on behalf of the Lenders as it deems appropriate or desirable in the circumstances. Each of the Lenders hereby covenants and agrees that it has not heretofore and will not seek, take, accept or receive any security for any of the Obligations of the Credit Parties under this Agreement or any other Credit Documents and will not enter into any agreement with any of the parties relating in any manner whatsoever to the Credit Facility, unless all of the Lenders under the Credit Facility will at the same time obtain the benefit of any such security or agreement, as the case may be.

The Lenders and each Credit Party hereby agree that after the occurrence of an Event of Default, in case of the pendency of any receivership, insolvency, liquidation, bankruptcy, reorganization, arrangement, adjustment, composition or other judicial proceeding relative to any Credit Party, the Administrative Agent or Collateral Agent (irrespective of whether the principal of any Advance shall then be due and payable as herein expressed or by declaration or otherwise and irrespective of whether the Administrative Agent or Collateral Agent shall have made any demand on any Credit Party) shall be entitled and empowered, by intervention in such proceeding or otherwise, to file and prove a claim for the whole amount of principal and interest owing and unpaid in respect of the Advances and any other Obligations that are owing and unpaid and to file such other papers or documents as may be necessary or advisable in order to have the claims of the Lenders, the Administrative Agent and Collateral Agent and other agents (including any claim for the reasonable compensation, expenses, disbursements and

advances of the Lenders, the Administrative Agent and Collateral Agent and other agents and their agents and counsel and all other amounts due Lenders, the Administrative Agent and Collateral Agent and other agents hereunder) allowed in such judicial proceeding; subject to the Intercreditor Agreements, as applicable, to collect and receive any moneys or other property payable or deliverable on any such claims and to distribute the same, and any custodian, receiver, assignee, interim trustee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Lender to make such payments to the Administrative Agent and, in the event that the Administrative Agent shall consent to the making of such payments directly to the Lenders, to pay to the Administrative Agent any amount due for the compensation, expenses, disbursements and advances of the Administrative Agent and Collateral Agent and its agents and counsel, and any other amounts due the Administrative Agent and Collateral Agent and other agents hereunder. Without limiting the provisions of the Intercreditor Agreements, as applicable, nothing herein contained shall be deemed to authorize the Administrative Agent and Collateral Agent to authorize or consent to or accept or adopt on behalf of any Lender any plan of reorganization, arrangement, adjustment or composition affecting the Obligations or the rights of any Lenders or to authorize the Administrative Agent and Collateral Agent to vote in respect of the claim of any Lender in any such proceeding; further, nothing contained in this Section 9.11 shall affect or preclude the ability of any Lender to file and prove such a claim in the event that the Administrative Agent or Collateral Agent has not acted within ten (10) days prior to any applicable bar date and require an amendment of the proof of claim to accurately reflect such Lender's outstanding Obligations.

#### **Section 9.12      Reliance Upon Agent.**

The Borrower will be entitled to rely upon any certificate, notice or other document or other advice, statement or instruction provided to it by the Administrative Agent or the Collateral Agent pursuant to this Agreement or any other Credit Documents, and the Borrower will be entitled to deal with the Administrative Agent or the Collateral Agent with respect to matters under this Agreement or any other Credit Documents which the Administrative Agent or the Collateral Agent, as applicable, is authorized hereunder to deal with, without any obligation whatsoever to satisfy itself as to the authority of the Administrative Agent or the Collateral Agent to act on behalf of the Lenders and without any liability whatsoever to the Lenders for relying upon any certificate, notice or other document or other advice, statement or instruction provided to them by the Agent, notwithstanding any lack of authority of the Administrative Agent or the Collateral Agent to provide the same.

#### **Section 9.13      Agent May Perform Covenants.**

If the Borrower fails to perform any covenant on its part herein contained, the Administrative Agent may give notice to the Borrower of such failure and if, within ten (10) Business Days of such notice (or after the expiry of such other time or cure period as may be required in this Agreement), such covenant remains unperformed, the Administrative Agent on behalf of the Lenders may, in its sole discretion but need not, perform any such covenant capable of being performed by it and, if the covenant requires the payment or expenditure of money, the Administrative Agent may make such payment or expenditure and all sums so expended will be forthwith payable by the Borrower to the Administrative Agent on behalf of the Lenders and will bear interest at a per annum rate that is equal to the Applicable Rate plus the Default Rate. No such performance by the Administrative Agent shall require the Administrative Agent to further perform any Credit Party's covenants or shall operate as a derogation of the rights and remedies of the Administrative Agent under this Agreement or as a waiver of such covenant by the Administrative Agent or the Lenders.

#### **Section 9.14      No Liability of Agent.**

Neither the Administrative Agent nor the Collateral Agent, in its capacity as agent of the Lenders under this Agreement or any other Credit Documents, will have responsibility or liability to the Borrower or the Lenders on account of the failure of any Lender to perform its obligations hereunder, or to any Lender on account of the failure of the Borrower to perform its obligations under this Agreement or any other Credit Documents.

**Section 9.15 Nature of Obligations under this Agreement.**

- (1) The obligations of each Lender, the Administrative Agent and the Collateral Agent under this Agreement are separate. The failure of any Lender to carry out its obligations hereunder will not relieve the other Lenders, the Administrative Agent, the Collateral Agent or the Borrower of any of their respective obligations hereunder.
- (2) Neither the Administrative Agent, the Collateral Agent nor any Lender will be liable or otherwise responsible for the obligations of any other agent or Lender hereunder.

**Section 9.16 Lender Consent.**

- (1) Notwithstanding anything herein to the contrary, the following matters will require the consent, approval action or agreement, as the context requires, of all Lenders:
  - (a) the reduction or forgiveness of any Obligations payable by any Credit Party under the Credit Facility or under any of this Agreement or any other Credit Documents;
  - (b) the postponement of any maturity date of any Obligations of any Credit Party to the Lenders or under any of this Agreement or any other Credit Documents, other than as provided for in this Agreement;
  - (c) the release or discharge of the Security, or any part thereof, unless otherwise expressly permitted or provided in this Agreement, or any change in the ranking or priority of the Security;
  - (d) any change in the nature of the Advance;
  - (e) any change to or waiver of Section 2.1, Section 2.2, Section 2.3, Section 2.5, Section 2.8, Section 4.1, Section 6.1(c) and Section 6.3;
  - (f) any amendment to Section 8.7, Section 8.8 or to this Section 9.16(1);
  - (g) any increase in its Individual Commitment Amount or any amendment to the definition of "Individual Commitment Amount";
  - (h) any change to the definition of "Majority Lenders" or "Permitted Liens"; and
  - (i) any other matter that in this Agreement specifically requires the approval, consent, authorization or agreement of "the Lenders" collectively or "all of the Lenders".

Provided that (A) any change to Article 9 will require the consent of each of the Administrative Agent and the Collateral Agent, (B) any change to the Individual Commitment Amount can only be made with the consent of the applicable Lender; (C) any change which only affects one of the Lenders, the Administrative Agent or the Collateral Agent, respectively, shall only require the consent of the affected Persons.

- (2) Subject to Section 9.16(1), any waiver of or any amendment to any provision of this Agreement or any other Credit Documents and any action, consent or other determination in connection with this Agreement or any other Credit Documents will bind all of the Lenders if such waiver, amendment, action, consent or other determination is agreed to in writing by the Majority Lenders.

**Section 9.17 Specific Collateral Agency Provisions.**

- (1) Subject to the terms of this Agreement and the Intercreditor Agreements, the Collateral Agent agrees to administer and enforce the Security Documents and other Credit Documents to which it



is a party and to foreclose upon, collect and dispose of the Collateral and to provide the proceeds therefrom: (i) to the extent attributable to the Shared Security Documents, to the Collateral Agent to deal with in accordance with the provisions of the Intercreditor Agreement (Swap Counterparty), or (ii) to the extent attributable to the Supplemental Security Documents, to the Administrative Agent, for the benefit of the Secured Parties, who shall apply such proceeds as provided in this Agreement, and otherwise to perform its duties and obligations as the Collateral Agent hereunder in accordance with the terms hereof.

- (2) Notwithstanding any other provision of the Credit Documents, in no event shall the Collateral Agent be required to foreclose on, or take possession of, the Collateral, if, in the judgment of the Collateral Agent, such action would be in violation of any Applicable Law, or if the Collateral Agent reasonably believes that such action would result in the incurrence of liability by the Collateral Agent for which it is not fully indemnified by the Lenders.
- (3) Subject to the terms of the Intercreditor Agreements, the Collateral Agent may at any time request instructions from the Lenders as to a course of action to be taken by it hereunder and under any of the Credit Documents or in connection herewith and therewith or any other matters relating hereto and thereto.
- (4) The powers conferred on the Collateral Agent under this Agreement and the Credit Documents are solely to protect its interest in the Collateral and shall not impose any duty upon it to exercise any such powers. Except for the safe custody and preservation of the Collateral in its possession and the accounting for monies actually received by it, the Collateral Agent shall have no other duty as to the Collateral. The Collateral Agent hereby agrees to exercise reasonable care in respect of the custody and preservation of the Collateral. The Collateral Agent shall be deemed to have exercised reasonable care in the custody and preservation of the Collateral in its possession if such Collateral is accorded treatment substantially equal to that which the Collateral Agent accords its own property.

## **ARTICLE 10 MISCELLANEOUS**

### **Section 10.1 Amendments.**

No amendment or waiver of any provision of any of the Credit Documents, nor consent to any departure by the Credit Parties or any other Person from such provisions, shall be effective unless in writing and approved by the Lenders. Any amendment, waiver or consent shall be effective only in the specific instance and for the specific purpose for which it was given.

### **Section 10.2 Waiver.**

- (1) No waiver by a party of any provision or of the breach of any provision of the Credit Documents will be effective unless it is contained in a written instrument duly executed by an authorized officer or representative of such party. Such written waiver will affect only the matter specifically identified in the instrument granting the waiver and will not extend to any other matter, provision or breach.
- (2) No failure on the part of the Administrative Agent, the Collateral Agent or any Lender to exercise, and no delay in exercising, any right under any of the Credit Documents shall operate as a waiver of such right; nor shall any single or partial exercise of any right under any of the Credit Documents preclude any other or further exercise of such right or the exercise of any other right.
- (3) Acceptance of payment by a party after a breach or non-fulfilment of any provision of the Credit Documents requiring a payment to such party will constitute a waiver of such provision if cured by such payment, but will not constitute a waiver or cure of any other provision of the Credit Documents.

- (4) Except as otherwise expressly provided in this Agreement, the covenants, representations and warranties shall not merge on and shall survive the Advance and, notwithstanding such initial Advance or any investigation made by or on behalf of any party, shall continue in full force and effect. The closing of this transaction shall not prejudice any right of one party against any other party in respect of anything done or omitted under this Agreement or in respect of any right to damages or other remedies.

**Section 10.3 Notices; Effectiveness; Electronic Communication.**

- (1) Except in the case of notices and other communications expressly permitted to be given by telephone, all notices and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by fax or email addressed:

- (a) to the Borrower (which shall be deemed to constitute notice to all Credit Parties under the Credit Documents) at:

Griffon Partners Operation Corp.  
900, 140 Fourth Avenue SW  
Calgary, Alberta T2P 3N3

Attention: Daryl Stepanic  
Email: DS@griffon-partners.com

- (b) to the Administrative Agent:

GLAS USA LLC  
3 Second Street, Suite 206  
Jersey City, NJ 07311  
Fax: 212-202-6246  
Phone: +1 (201) 839-2200

Email: ClientServices.Americas@glas.agency; tmgus@glas.agency

with a copy to:

Trafigura Canada Limited  
1700, 400 - 3rd Avenue SW  
Calgary, Alberta  
T2P 4H2

Attention: Iain Singer  
Email: iain.singer@trafigura.com

and with a copy to:

Signal Alpha C4 Limited  
3<sup>rd</sup> Floor, Liberation House, Castle Street  
St Helier, Jersey, Channel Islands  
JE1 2LH

Attention: Credit Ops  
Email: creditops@signalcapital.com

and



Attention: Signal Alpha  
Email: SignalAlpha@langhamhall.com

(c) to the Collateral Agent:

GLAS Americas LLC  
3 Second Street, Suite 206  
Jersey City, NJ 07311  
Fax: 212-202-6246  
Phone: +1 (201) 839-2200

Email: ClientServices.Americas@glas.agency; tmgus@glas.agency

with a copy to:

Trafigura Canada Limited  
1700, 400 - 3rd Avenue SW  
Calgary, Alberta  
T2P 4H2

Attention: Iain Singer  
Email: iain.singer@trafigura.com

and with a copy to:

Signal Alpha C4 Limited  
3<sup>rd</sup> Floor, Liberation House, Castle Street  
St Helier, Jersey, Channel Islands  
JE1 2LH

Attention: Credit Ops  
Email: creditops@signalcapital.com

and

Attention: Signal Alpha  
Email: signalAlpha@langhamhall.com

(d) to Trafigura, as a Lender, at:

Trafigura Canada Limited  
1700, 400 - 3rd Avenue SW  
Calgary, Alberta  
T2P 4H2

Attention: Iain Singer  
Email: iain.singer@trafigura.com

(e) to Signal Alpha C4 Limited, as a Lender, at:

Signal Alpha C4 Limited  
3<sup>rd</sup> Floor, Liberation House, Castle Street  
St Helier, Jersey, Channel Islands  
JE1 2LH

Attention: Credit Ops  
Email: creditops@signalcapital.com

and

Attention: Signal Alpha  
Email: signalAlpha@langhamhall.com

- (2) Notices sent by hand or overnight courier service, or mailed by certified or registered mail, shall be deemed to have been given when received; notices sent by fax shall be deemed to have been given when sent (except that, if not given on a Business Day between 9:00 a.m. and 5:00 p.m. local time where the recipient is located, shall be deemed to have been given at 9:00 a.m. on the next business day for the recipient). Notices delivered through email shall be deemed to have been given when the sender receives an email from the recipient acknowledging receipt, provided that an automatic "read receipt" does not constitute acknowledgment of an email for purposes of this Section 10.3(2).
- (3) Any party hereto may change its address, fax number or email address for notices and other communications hereunder by notice to the other parties hereto.

#### **Section 10.4 Expenses; Indemnity; Damage Waiver.**

- (1) The Borrower will pay or reimburse the Administrative Agent, the Collateral Agent and any Lender for all out-of-pocket expenses, including legal fees and disbursements (on a solicitor and his own client full indemnity basis) and enforcement costs, incurred by the Administrative Agent, the Collateral Agent or any Lender in connection with the creation, negotiation, preparation, execution, maintenance, syndication, publication, management, collection and amendment of the Credit Documents and the Credit Facility and the enforcement of their rights and remedies thereunder or relating thereto, as applicable.
- (2) The Borrower hereby indemnifies and holds harmless the Administrative Agent, the Collateral Agent, each Lender and their respective directors, officers, employees and agents (in this Section 10.4, collectively, the "**Indemnified Parties**"), for any costs, losses, damages, expenses, judgments, suits, claims, awards, fines, sanctions and liabilities whatsoever (in this Section 10.4 collectively a "**Claim**") suffered or incurred by such Indemnified Party, arising out of, or in respect of:
  - (a) the release of any Contaminant into the Environment from or into any property, owned, operated or controlled, directly or indirectly, by the Borrower or otherwise in which the Borrower has an interest; and
  - (b) the remedial action, if any, required to be taken by the Administrative Agent, the Collateral Agent or any Lender in respect of any such release,

except with respect to any Indemnified Party, in such cases where and to the extent that such Claims arise from the gross negligence or wilful misconduct of such Indemnified Party. This indemnity will survive repayment or cancellation of the Obligations or any part thereof, including any termination of the other provisions of this Agreement.

- (3) In addition to any liability of the Borrower to the Administrative Agent, the Collateral Agent and the Lenders under any other provision hereof, the Borrower will and does hereby indemnify each Indemnified Party and hold each Indemnified Party harmless against any losses, claims, costs, damages or liabilities (including reasonable out-of-pocket expenses and reasonable legal fees on a solicitor and his own client full indemnity basis) incurred by the same as a result of or in connection with: (a) any cost or expense incurred by reason of the liquidation or re-deployment in whole or in part of deposits or other funds required by any Lender to fund or maintain the

Advance as a result of the Borrower's failure to complete such Advance or to make any payment, repayment or prepayment on the date required hereunder or specified by it in any notice given hereunder; (b) the Borrower's failure to pay any amount, including any interest or fees, due hereunder on its due date after the expiration of any applicable grace or notice periods; (c) the Borrower's failure to give any notice required to be given by it to the Administrative Agent or the Collateral Agent hereunder or under any Credit Document; (d) the failure of any Credit Party to make any other payment due hereunder or under any of the other Credit Documents; (e) the inaccuracy of any Credit Party's representations and warranties contained in any Credit Document; (f) any failure of any Credit Party to observe or fulfil its covenants under any Credit Document; (g) the occurrence of any other Default or Event of Default; and (h) any use of the proceeds of the Credit Facility, including to pay the purchase price of any acquisition; provided that this Section 10.4(3) will not apply to any losses, claims, costs, damages or liabilities that arise by reason of the gross negligence or wilful misconduct of the Indemnified Party claiming indemnity hereunder. The provisions of this Section 10.4(3) shall survive repayment of the Obligations of the Borrower under the Credit Documents.

- (4) To the fullest extent permitted by Applicable Law, neither the Borrower, any other Credit Party nor any Subsidiary of the Borrower or any other Credit Party shall assert, and hereby waives, any claim against any Indemnified Party, on any theory of liability, for indirect, consequential, punitive, aggravated or exemplary damages (as opposed to direct damages) arising out of, in connection with, or as a result of, this Agreement, any other Credit Document or any agreement or instrument contemplated hereby (or any breach thereof), the transactions contemplated hereby or thereby, the Advance or the use of the proceeds thereof. No Indemnified Party shall be liable for any damages arising from the use by unintended recipients of any information or other materials distributed by it through telecommunications, electronic or other information transmission systems in connection with this Agreement or the other Credit Documents or the transactions contemplated hereby or thereby.
- (5) All amounts due under this Section 10.4 shall be payable promptly after demand therefor. A certificate of the Administrative Agent and the Lenders setting forth the amount or amounts owing to the Administrative Agent, the Collateral Agent, any Lender or Related Party, as the case may be, as specified in this Section 10.4, including reasonable detail of the basis of calculation of the amount or amounts, and delivered to the Borrower shall be deemed to be *prima facie* evidence of such amount or amounts.
- (6) The provisions of this Section 10.4 shall survive the termination of this Agreement and the repayment of the Obligations. To the extent required by law to give full effect to the rights of the Indemnified Parties under this Section 10.4, the parties hereto agree and acknowledge that the Administrative Agent is acting as agent for its respective Related Parties and agrees to hold and enforce such rights on behalf of such Related Parties as they may direct. The Borrower acknowledges that neither its obligation to indemnify nor any actual indemnification by it of any Lender or any other Indemnified Party in respect of such Person's losses for legal fees and expenses shall in any way affect the confidentiality or privilege relating to any information communicated by such Person to its counsel.

#### **Section 10.5 Successors and Assigns.**

- (1) No Credit Party shall have the right to assign its rights or obligations under this Agreement or any other Credit Document or any interest in this Agreement or any other Credit Document without the prior written consent of the Lenders, in their sole and absolute discretion.
- (2) Each Lender may also assign all or any part of its interest in the Credit Facility to one or more Persons (each an "**Assignee**") with the consent of the Borrower or any other Person (such consent not to be unreasonably withheld or delayed). Notwithstanding the foregoing, no consent of the Borrower shall be required if: (a) an assignment occurs during an Event of Default which is continuing, or (b) the Assignee is an Affiliate of a Lender. In the case of an assignment, the

Assignee shall have the same rights and benefits and be subject to the same limitations under the Credit Documents as it would have if it was the assigning Lender.

- (3) In the case of an assignment, each Lender shall deliver an assignment and assumption agreement in a form acceptable to such Lender and the Assignee by which the Assignee assumes the obligations of such Lender and agrees to be bound by all the terms and conditions of this Agreement, all as if the Assignee had been an original party. Upon receipt by the Borrower of the assignment and assumption agreement, such Lender shall be released from its obligations under this Agreement (to the extent of such assignment and assumption) and shall have no liability or obligations to the Borrower to such extent, except in respect of matters arising prior to the assignment.
- (4) Each Lender may at any time pledge or grant a security interest in all or a portion of its rights under this Agreement to secure obligations of such Lender provided that no such pledge or security shall release such Lender from any of its obligations hereunder or substitute any such pledge for such Lender as a party hereto.
- (5) Any assignment pursuant to this Section 10.5 will not constitute a repayment by the Borrower to the assigning or granting Lender of the Advance, nor a new Advance to the Borrower by the assigning or granting Lender or by the Assignee, as the case may be, and the parties acknowledge that the Borrower's obligations with respect to the Advances will continue and will not constitute new obligations.

#### **Section 10.6 Judgment Currency.**

- (1) If, for the purposes of obtaining judgment in any court, it is necessary to convert a sum due to any Secured Party in any currency (the "**Original Currency**") into another currency (the "**Other Currency**"), the parties agree, to the fullest extent that they may effectively do so, that the rate of exchange used shall be that at which, in accordance with normal banking procedures, the Administrative Agent could purchase the Original Currency with the Other Currency on the Business Day preceding the day on which final judgment is given or, if permitted by Applicable Law, on the day on which the judgment is paid or satisfied.
- (2) The obligations of the Borrower in respect of any sum due in the Original Currency from it to any Secured Party under any of the Credit Documents shall, notwithstanding any judgment in any Other Currency, be discharged only to the extent that on the Business Day following receipt by the Administrative Agent of any sum adjudged to be so due in the Other Currency, the Administrative Agent may, in accordance with normal banking procedures, purchase the Original Currency with such Other Currency. If the amount of the Original Currency so purchased is less than the sum originally due to the Secured Parties in the Original Currency, the Borrower agrees, as a separate obligation and notwithstanding the judgment, to indemnify each of the Secured Parties, against any loss, and, if the amount of the Original Currency so purchased exceeds the sum originally due to the Secured Parties in the Original Currency, the Secured Parties shall remit such excess to the Borrower.

#### **Section 10.7 Governing Law; Jurisdiction; Etc.**

- (1) This Agreement shall be governed by, and construed in accordance with, the laws of the Province of Alberta and the laws of Canada applicable in that Province.
- (2) The parties hereto do hereby irrevocably submit and attorn to the non-exclusive jurisdiction of the courts of the Province of Alberta for all matters arising out of or relating to this Agreement or any of the transactions contemplated thereby.

#### **Section 10.8 Waiver of Jury Trial.**

Each party hereto hereby irrevocably waives, to the fullest extent permitted by Applicable Law, any right it may have to a trial by jury in any legal proceeding directly or indirectly arising out of or relating to this Agreement or any other Credit Document or the transactions contemplated hereby or thereby (whether based on contract, tort or any other theory).

#### **Section 10.9 No Partnership, etc.**

Except as expressly provided for herein, the parties agree that nothing contained in this Agreement nor the conduct of any party will in any manner whatsoever constitute or be intended to constitute any party as the agent or representative or fiduciary of any other party nor constitute or be intended to constitute a partnership or joint venture among the parties or any of them, but rather each party will be separately responsible, liable and accountable for its own obligations under the Credit Documents, or any conduct arising therefrom and for all claims, demands, actions and causes of action arising therefrom. The parties agree that no party will have the authority or represent that it has, or hold itself out as having, the authority to act for or assume any obligation or responsibility on behalf of any other party, save and except as may be expressly provided for in this Agreement.

#### **Section 10.10 Counterparts.**

The Credit Documents may be executed in any number of counterparts (including by facsimile transmission or other electronic transmission) and by different parties in separate counterparts, each of which when so executed will be deemed to be an original and all of which taken together will constitute one and the same instrument.

#### **Section 10.11 Electronic Execution.**

The words "execution", "signed", "signature" and words of like import on any document shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for by any law, including Parts 2 and 3 of the *Personal Information Protection and Electronic Documents Act* (Canada) and other similar federal or provincial laws based on the Uniform Electronic Commerce Act of the Uniform Law Conference of Canada or its Uniform Electronic Evidence Act, as the case may be.

#### **Section 10.12 Waiver of Law.**

To the extent legally permitted, the Borrower hereby irrevocably and absolutely waives the provisions of any Applicable Law which may be inconsistent at any time with, or which may delay or limit in any way, the enforcement of the Credit Documents in accordance with their terms.

#### **Section 10.13 Entire Agreement.**

This Agreement and the other Credit Documents constitute the entire agreement among the parties party hereto, and cancels and supersedes any other agreements, undertakings, declarations, representations and warranties, written or verbal among all such parties in respect of the subject matter of this Agreement.

#### **Section 10.14 Treatment of Certain Information; Confidentiality.**

- (1) The Administrative Agent, the Collateral Agent and the Lenders agree to maintain the confidentiality of the Information (as defined below), except that Information may be disclosed (a) to them, their Affiliates, the Swap Counterparty and their and their Affiliates' respective partners, directors, officers, employees, managers, administrators, trustees, agents, advisors and representatives (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such Information and instructed to keep such Information confidential), (b) to the extent requested by any regulatory authority purporting to have jurisdiction over it (including any self-regulatory authority), (c) to the extent required by Applicable Law or regulations or by any subpoena or similar legal process, (d) to any other party hereto, (e) in

connection with the exercise of any remedies hereunder or under any other Credit Document or any action or proceeding relating to this Agreement or any other Credit Document or the enforcement of rights hereunder or thereunder, (f) subject to an agreement containing provisions substantially the same as those of this Section 10.14 to (i) any assignee of, or any prospective assignee of, any of its rights or obligations under this Agreement or (ii) any actual or prospective party (or its partners, directors, officers, employees, managers, administrators, trustees, agents, advisors or other representatives) to any swap, derivative, credit-linked note or similar transaction under which payments are to be made by reference to the Borrower and its obligations, this Agreement or payments hereunder, (g) with the consent of the Borrower or (h) to the extent such Information (x) becomes publicly available other than as a result of a breach of this Section or (y) becomes available to the Administrative Agent, the Collateral Agent any Lender or any Credit Party.

- (2) For purposes of this Section, "**Information**" means all information received in connection with this Agreement from any of the Credit Parties or any of their respective Subsidiaries relating to any of the Credit Parties or any of their respective Subsidiaries or any of their respective businesses, other than any such information that is available to the Administrative Agent, the Collateral Agent or any Lender on a non-confidential basis prior to such receipt. Any Person required to maintain the confidentiality of Information as provided in this Section 10.14 shall be considered to have complied with its obligation to do so if such Person has exercised the same degree of care to maintain the confidentiality of such Information as such Person would accord to its own confidential information. In addition, the Administrative Agent, the Collateral Agent and any Lender may disclose to any agency or organization that assigns standard identification numbers to loan facilities such basic information describing the facilities provided hereunder as is necessary to assign unique identifiers (and, if requested, supply a copy of this Agreement), it being understood that the Person to whom such disclosure is made will be informed of the confidential nature of such Information and instructed to make available to the public only such Information as such person normally makes available in the course of its business of assigning identification numbers.

#### **Section 10.15 Changes in LMR.**

If (a) as a result of any change in any Applicable Law, rule, policy, regulation, order or directive, any applicable Energy Regulator ceases to use a liability management (or equivalent) rating as a means of determining whether a Person is in compliance with its abandonment and reclamation policies, regulations and directives in any Applicable LMR Jurisdiction, (b) the method of calculation of such liability management rating changes in any material manner in any Applicable LMR Jurisdiction, or (c) the threshold for which license transfers of regulated properties shall be permitted under an Energy Regulator's licensee liability regime in any Applicable LMR Jurisdiction changes, then, in any such case, the Borrower and the Lenders shall enter into good faith discussions with a view to determining a comparable rating system or threshold, as applicable, to replace the concept of LMR as set forth herein that is, at such time, broadly accepted as the prevailing market practice for such regulation in such Applicable LMR Jurisdiction, with the intent of having the respective positions of the Lenders and the Borrower after such change conform as nearly as possible to their respective positions immediately prior to such change. Upon the Borrower and the Lenders agreeing on such methodology for determining LMR and the thresholds set forth herein, the Borrower and the Lenders shall enter into documentation to amend the provisions hereof to refer to such rate and make all other adjustments incidental thereto. The parties hereto agree that such amendment shall require the consent of the Majority Lenders notwithstanding anything to the contrary set out herein.

#### **Section 10.16 Acknowledgment Regarding Any Supported QFCs.**

To the extent that the Credit Documents and the Permitted Swap Agreement provide support, through a guarantee or otherwise, for Swap Agreements or any other agreement or instrument that is a QFC (in this Section 10.16, such support, "**QFC Credit Support**" and each such QFC a "**Supported QFC**"), the Borrower, the Administrative Agent and the Lenders acknowledge and agree as follows with respect to the resolution power of the Federal Deposit Insurance Corporation under the Federal Deposit



Insurance Act and Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act (in this Section 10.16, together with the regulations promulgated thereunder, the "**U.S. Special Resolution Regimes**") in respect of such Supported QFC and QFC Credit Support (with the provisions below applicable notwithstanding that the Lender Secured Documents and any Supported QFC may in fact be stated to be governed by the laws of the Province of Alberta, Canada and/or any other Province of Canada):

- (a) In the event a Covered Entity that is party to a Supported QFC (in this Section 10.16, each, a "**Covered Party**") becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer of such Supported QFC and the benefit of such QFC Credit Support (and any interest and obligation in or under such Supported QFC and such QFC Credit Support, and any rights in property securing such Supported QFC or such QFC Credit Support) from such Covered Party will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if the Supported QFC and such QFC Credit Support (and any such interest, obligation and rights in property) were governed by the laws of the United States or a state of the United States. In the event a Covered Party or a BHC Act Affiliate of a Covered Party becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under the Lender Secured Documents that might otherwise apply to such Supported QFC or any QFC Credit Support that may be exercised against such Covered Party are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if the Supported QFC and the Lender Secured Documents were governed by the laws of the United States or a state of the United States. Without limitation of the foregoing, it is understood and agreed that rights and remedies of the parties with respect to a Defaulting Lender shall in no event affect the rights of any Covered Party with respect to a Supported QFC or any QFC Credit Support.

- (b) As used in this Section 10.16, the following terms have the following meanings:

**"BHC Act Affiliate"** of a party means an "affiliate" (as such term is defined under, and interpreted in accordance with, 12 U.S.C. 1841(k)) of such party.

**"Covered Entity"** means any of the following:

- (i) a "covered entity" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b);
- (ii) a "covered bank" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or
- (iii) a "covered FSI" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b).

**"Default Right"** has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable.

**"QFC"** has the meaning assigned to the term "qualified financial contract" in, and shall be interpreted in accordance with, 12 U.S.C. 5390(c)(8)(D).

#### **Section 10.17 No Fiduciary Duty.**

The Lenders and their Affiliates (collectively, solely for purposes of this Section 10.16, the "**Lenders**"), may have economic interests that conflict with those of the Credit Parties, their shareholders and their Affiliates. The Credit Parties agree that nothing in the Credit Documents will be deemed to create an advisory, fiduciary or agency relationship or fiduciary or other implied duty between any Lender, on the one hand, and the Credit Parties, and their respective shareholders or its Affiliates, on the other



hand. The Credit Parties acknowledge and agree that (a) the transactions contemplated by the Credit Documents (including the exercise of rights and remedies hereunder and thereunder) are arm's-length commercial transactions between the Lenders, on the one hand, and the Credit Parties, on the other hand, and (b) in connection therewith and with the process leading thereto, (i) the Lenders have not assumed an advisory or fiduciary responsibility in favour of the Credit Parties, its shareholders or its Affiliates with respect to the transactions contemplated hereby (or the exercise of rights or remedies with respect thereto) or the process leading thereto (irrespective of whether the Lenders have advised, is currently advising or will advise the Credit Parties, its shareholders or its Affiliates on other matters) or any other obligation to the Credit Parties except the obligations expressly set forth in the Credit Documents and (ii) the Lenders are acting solely as principal and not as the agent or fiduciary of the Credit Parties, its management, shareholders, creditors or any other person. The Credit Parties acknowledge and agree that the Credit Parties have consulted their own legal and financial advisors to the extent they deemed appropriate and that they are responsible for making their own independent judgment with respect to such transactions and the process leading thereto. The Credit Parties agree that they will not claim that the Lenders have rendered advisory services of any nature or respect, or owes a fiduciary or similar duty to the Credit Parties, in connection with such transactions or the process leading thereto.

*[Remainder of Page Left Intentionally Blank]*

**DATED** as of the date first written above.

**GRIFFON PARTNERS OPERATION CORP.**, as  
Borrower

Per:



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Name: Daryl Stepanic

Title: Chief Executive Officer

**DATED** as of the date first written above.

**GRIFFON PARTNERS CAPITAL  
MANAGEMENT LTD., as Guarantor**

Per:



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Name: Elliott Choquette

Title: President

**DATED** as of the date first written above.

**GRIFFON PARTNERS HOLDING CORP.**, as  
Guarantor

Per:



---

Name: Daryl Stepanic

Title: Chief Executive Officer

GLAS USA LLC, as Administrative Agent

Per:




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Name: Yana Kislenko  
Title: Vice President

Signature Page to Loan Agreement

GLAS AMERICAS LLC, as Collateral Agent

Per:



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Name: Yana Kislenko  
Title: Vice President

Signature Page to Loan Agreement

**TRAFIGURA CANADA LIMITED, as Lender**

Per:


  
Name: **Iain Singer**  
Title: **Director**

Signature Page to Loan Agreement



**SIGNAL ALPHA C4 LIMITED, as Lender**

Per:



Name: Bradley Troy

Title: DIRECTOR

Signature Page to Loan Agreement

*AB*

*MM*

**SCHEDULE A**  
**LEASED PROPERTIES**

Nil.

## **SCHEDULE B**

### **OWNED PROPERTIES**

1. The fee title interest in surface parcel #119169074 as Lot 13 Blk/Par 4 Plan No G470 Extension 0 as described on Certificate of Title 92S38420.

## **SCHEDULE 2.5**

### **AMORTIZATION SCHEDULE**

US\$1,328,502.415 per month starting on October 1, 2022.

## **SCHEDULE 5.1(a)**

### **JURISDICTIONS OF INCORPORATION**

Griffon Partners Capital Management Ltd. – Alberta

Griffon Partners Holding Corp. – Alberta

Griffon Partners Operation Corp. – Alberta

2437801 Alberta Ltd. – Alberta

2437799 Alberta Ltd. – Alberta

2437815 Alberta Ltd. – Alberta

Stellion Limited – Cyprus

Spicelo Limited – Cyprus

**SCHEDULE 5.1(p)**  
**ENVIRONMENTAL LAWS**

Nil.

**SCHEDULE 5.1(s)**  
**MATERIAL AGREEMENTS**

Nil.



**SCHEDULE 5.1(w)**

**CORPORATE STRUCTURE**

<b>Credit Party</b>	<b>Jurisdiction of Formation</b>	<b>Chief Executive Office</b>	<b>Registered Office</b>	<b>Location of Assets</b>	<b>Tradenames</b>
Griffon Partners Capital Management Ltd.	Alberta	900, 140 Fourth Avenue SW Calgary, Alberta T2P 3N3	800, 333 – 7th Avenue SW Calgary, AB T2P 2Z1	Alberta	Nil
Griffon Partners Holding Corp.	Alberta	900, 140 Fourth Avenue SW Calgary, Alberta T2P 3N3	2400, 525 – 8th Avenue SW, Calgary, Alberta T2P 1G1	Alberta	Nil
Griffon Partners Operation Corp.	Alberta	900, 140 Fourth Avenue SW Calgary, Alberta T2P 3N3	2400, 525 – 8th Avenue SW Calgary, AB T2P 1G1	Alberta	Nil
Stellion Limited	Cyprus	N/A	Megalou Alexandrou, 17 Aglantzia, 2121, Nicosia, Cyprus	N/A	N/A
2437815 Alberta Ltd.	Alberta	203 – 600 Princeton Way SW Calgary, Alberta T2P 5N4	2400, 525 – 8th Avenue SW, Calgary, Alberta T2P 1G1	N/A	N/A
2437799 Alberta Ltd.	Alberta	10735 Willowfern Dr. SE Calgary, Alberta T2J 1R3	2400, 525 – 8th Avenue SW, Calgary, Alberta T2P 1G1	N/A	N/A
2437801 Alberta Ltd.	Alberta	305 – 605 7 Avenue NE Calgary, Alberta T2E 0N4	2400, 525 – 8th Avenue SW, Calgary, Alberta T2P 1G1	N/A	N/A
Spicelo Limited	Cyprus	N/A	Megalou Alexandrou, 17 Aglantzia, 2121, Nicosia, Cyprus	N/A	N/A

**Issued Capital of Griffon Partners Capital Management Ltd.**

<b>Shareholder</b>	<b>Share Class</b>	<b>Number of Shares</b>	<b>Share Certificate</b>
Stellion Limited	Class A Common	1	A-9

2437801 Alberta Ltd.	Class A Common	1	A-10
2437799 Alberta Ltd.	Class A Common	1	A-11
2437815 Alberta Ltd.	Class A Common	1	A-12
Stellion Limited	Class B Common	79,500	B-1
2437801 Alberta Ltd.	Class B Common	8,500	B-5
2437799 Alberta Ltd.	Class B Common	6,000	B-6
2437815 Alberta Ltd.	Class B Common	6,000	B-7

**Issued Capital of Griffon Partners Holding Corp.**

Shareholder	Share Class	Number of Shares	Share Certificate
Griffon Partners Capital Management Ltd.	Common Shares	60,000	C-1

**Issued Capital of Griffon Partners Operation Corp.**

Shareholder	Share Class	Number of Shares	Share Certificate
Griffon Partners Holding Corp.	Common Shares	1,000	C-2

## EXHIBIT 1

### FORM OF COMPLIANCE CERTIFICATE

#### COMPLIANCE CERTIFICATE

**DATE:** [●], 202[●]

**TO:** [●], as Administrative Agent (as defined in the Loan Agreement defined below)

**AND TO:** The Lenders (as defined in the Loan Agreement defined below)

**RE:** Loan agreement dated as of [●], 2022 (as amended, modified, extended, renewed, replaced, restated, supplemented or refinanced from time to time, the “**Loan Agreement**”, the terms defined therein being used herein as therein defined) among Griffon Partners Operation Corp., as Borrower, Griffon Partners Capital Management Ltd. and [Blocker Co], as Guarantors, Trafigura Canada Limited, Signal Alpha C4 Limited and those other Persons which become lenders thereunder, as Lenders, GLAS USA LLC, as Administrative Agent, and GLAS Americas LLC, as Collateral Agent

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This Compliance Certificate is delivered pursuant to Section 6.1(a)(iii) of the Loan Agreement.

I, [●], am the duly appointed [●] of the Borrower, and hereby certify for and on behalf of the Borrower and not in my personal capacity and without assuming any personal liability whatsoever, as follows:

1. This Compliance Certificate applies to the Financial [Quarter/Year] ending [●], 20[●] (the “**Statement Date**”)
2. I have read the provisions of the Loan Agreement which are relevant to this Compliance Certificate and have made or caused to be made such examinations or investigations as are necessary to enable me to express an informed opinion on the matters contained in this Compliance Certificate.
3. The following calculations were true and correct and the Borrower is in compliance with all of the financial covenants set forth in Section 6.3 of the Loan Agreement for the period ended as of the Statement Date:
  - (a) PDP Coverage Ratio [●]:1
  - (b) Current Ratio [●]:1
  - (c) Total Leverage Ratio Ratio [●]:1
  - (d) Liquidity \$ \_\_\_\_\_
4. As of the Statement Date:
  - (a) the Excess Cash Flow for the Financial Quarter ending on the Statement Date was \$ \_\_\_\_\_; and
  - (b) the Credit Parties have received the following amounts in the Financial Quarter ending on the Statement Date:

- (i) \$\_\_\_\_\_ of Net Proceeds arising from any sale or other Disposition relating to all or any part of the Collateral or any interest therein;
- (ii) \$\_\_\_\_\_ of Net Proceeds from any issuance of Debt for borrowed money, including by way of bonds, promissory notes, debentures or similar evidences of indebtedness by the Credit Parties;
- (iii) \$\_\_\_\_\_ of Net Proceeds from any issuance of Equity Securities by the Credit Parties;
- (iv) \$\_\_\_\_\_ of Net Proceeds of insurance;
- (v) \$\_\_\_\_\_ of grants, rebates or refunds received by the Borrower from any Governmental Authority except to the extent that any such grants, rebates or refunds are in accordance with the terms thereof required by the applicable Governmental Authority to be used for a particular purpose other than for the repayment of Debt; and
- (vi) \$\_\_\_\_\_ received from Spicelo Limited pursuant to Section 37(s) of the Greenfire Pledge.

All amounts referred to in this paragraph (b) have been paid in full to the Administrative Agent pursuant to Section 2.5(4) of the Loan Agreement.

5. As at this date:

- (a) the LMR of the Borrower in each Applicable LMR Jurisdiction is as follows:

Applicable LMR Jurisdiction	LMR
_____	_____

- (b) the Borrower has paid all amounts required to be paid by it pursuant to Section 2.5 of the Loan Agreement, including the amount of \$\_\_\_\_\_ pursuant to Section 2.5(3);
- (c) no Default or Event of Default has occurred and is continuing;
- (d) the representations and warranties of each of the Credit Parties referred to in Section 5.1 of the Loan Agreement and each other Loan Document to which such Credit Party is a party are true and correct as though made on this date, except to the extent any such representations and warranties specifically refer to an earlier date, in which case they are true and correct as of such earlier date;
- (e) the financial information and calculations attached as Schedule I hereto are true and correct in all material respects, as of the dates or for the periods, as applicable, specified on such Schedule;
- (f) there has been no change to the Owned Properties of the Borrower listed on Schedule B to the Loan Agreement since the date of the **[Loan Agreement / the most recent Compliance Certificate delivered pursuant to Section 6.1(a)(iii) of the Loan Agreement]** other than **[(i)]** lands and premises sold or otherwise disposed of as permitted in this Agreement as and from the date of such sale or disposition [, **and (ii) those lands and premises which are listed on Schedule II hereto;**

- (g) the completed "LMR and Decommissioning Expense Worksheet" as required pursuant to Section 6.1(b)(xi) of the Loan Agreement **[is all attached hereto as Schedule III] [has been delivered to the Administrative Agent concurrently herewith].**

**[Remainder of page intentionally blank]**

**DATED** as of the date first written above.

**GRIFFON PARTNERS OPERATION CORP.**

Per:

\_\_\_\_\_  
Name:

Title:

## SCHEDULE I

[●]

[SCHEDULE II]  
[OWNED PROPERTIES]  
[●]



**[SCHEDULE III]**

**[LMR AND DECOMMISSIONING EXPENSE WORKSHEET]**

[see attached]

## EXHIBIT 2

### FORM OF ENVIRONMENTAL CERTIFICATE

#### ENVIRONMENTAL CERTIFICATE OF GRIFFON PARTNERS OPERATION CORP.

**DATE:** [●], 202[●]

**TO:** [●], as Administrative Agent (as defined in the Loan Agreement defined below)

**AND TO:** The Lenders (as defined in the Loan Agreement defined below)

**RE:** Loan agreement dated as of [●], 2022 (as amended, modified, extended, renewed, replaced, restated, supplemented or refinanced from time to time, the “**Loan Agreement**”, the terms defined therein being used herein are as therein defined) among Griffon Partners Operation Corp., as Borrower, Griffon Partners Capital Management Ltd. and [Blocker Co], as Guarantors, Trafigura Canada Limited, Signal Alpha C4 Limited and those other Persons which become lenders thereunder, as Lenders, GLAS USA LLC, as Administrative Agent, and GLAS Americas LLC, as Collateral Agent

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This Environmental Certificate is delivered pursuant to [Section 4.1(a)(xvi) / Section 6.1(a)(v)] of the Loan Agreement.

I, [●], am the duly appointed [●] of the Borrower, and hereby certify for and on behalf of the Borrower and not in my personal capacity and without assuming any personal liability whatsoever, as follows:

1. The following certifications are made to the best of my knowledge after due enquiry. My due enquiry has been limited to discussions and correspondence with responsible officers and staff of the Borrower to confirm that the internal environmental reporting and response procedures of the Borrower have been followed in all material respects as they relate to the certifications made herein and that the matters herein set forth are true and correct, and that matters reported on by such officers and staff are true and correct.
2. The following certifications in paragraphs 3 through 8 are qualified as to (a) the matters, if any, disclosed in Exhibit 1 hereto, and (b) any breach of, or failure to comply with, any Environmental Laws, provided that the breach or failure to comply has not had, or could not reasonably be expected to have (whether on an individual or cumulative basis), a Material Adverse Effect.
3. The property to be acquired by the Borrower under the Acquisition Agreement is owned, leased, managed, controlled or operated, in compliance with Environmental Laws.
4. There are no existing, pending or threatened (by written notice):
  - (a) claims, complaints, notices or requests for information received from a Governmental Authority by the Borrower, or of which any of the Borrower is otherwise aware, with respect to any alleged violation of or alleged liability under any Environmental Laws by the Borrower; or
  - (b) stop, cleanup or preventative orders, direction or action requests, notice of which has been received from an Governmental Authority by the Borrower or of which the Borrower is otherwise aware, relating to the Environment which as a result thereof, requires any work, repair, remediation, cleanup, construction or capital expenditure with respect to any property owned, leased, managed, controlled or operated by the Borrower.

5. Except in compliance with Environmental Laws, no Contaminant has been received, handled, used, stored, treated or shipped at or from, and there has been no discharge or Release of a Contaminant at, on, from or under any property owned, leased, managed, controlled or operated by the Borrower. In this certificate, "**Release**" includes releasing, spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, disposing or dumping.
6. None of the lands and facilities owned, leased, managed, controlled or operated by the Borrower, have been used as a land fill site or, except in compliance with Environmental Laws, as a waste disposal site.
7. No condition exists, at, on or under any of the premises or facilities owned, leased, managed, controlled or operated by the Borrower, which with the passage of time, or the giving of notice or both, has given rise to or could reasonably be expected to give rise to a violation or liability under any Environmental Laws.
8. The Borrower has obtained all permits, licenses and other authorizations (collectively, the "**Permits**") which are required under Environmental Laws and are in compliance with all terms and conditions of all Permits and each of the Permits is in full force and effect and unrevoked as of the date of this Certificate.
9. The Borrower is not aware of any matter affecting the Environment which has had or could reasonably be expected to have a Material Adverse Effect.
10. The undersigned acknowledges that the Administrative Agent and each Lender are relying on this certificate in connection with the Advance made under the Loan Agreement.

**[Remainder of page intentionally blank]**

**DATED** as of the date first written above.

**GRIFFON PARTNERS OPERATION CORP.**

Per:

\_\_\_\_\_  
Name:

Title:

**EXHIBIT 1 TO ENVIRONMENTAL CERTIFICATE**

**[NIL]**

EXHIBIT 3

FORM OF OIL AND GAS OWNERSHIP CERTIFICATE

OIL AND GAS OWNERSHIP CERTIFICATE OF  
GRIFFON PARTNERS OPERATION CORP.

**DATE:** [●], 202[●]

**TO:** [●], as Administrative Agent (as defined in the Loan Agreement defined below)

**AND TO:** The Lenders (as defined in the Loan Agreement defined below)

**RE:** Loan agreement dated as of [●], 2022 (as amended, modified, extended, renewed, replaced, restated, supplemented or refinanced from time to time, the “**Loan Agreement**”, the terms defined therein being used herein are as therein defined) among Griffon Partners Operation Corp., as Borrower, Griffon Partners Capital Management Ltd. and [Blocker Co], as Guarantors, Trafigura Canada Limited, Signal Alpha C4 Limited and those other Persons which become lenders thereunder, as Lenders, GLAS USA LLC, as Administrative Agent, and GLAS Americas LLC, as Collateral Agent

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This Oil and Gas Ownership Certificate is delivered pursuant to [Section 4.1(a)(xv) / Section 6.1(a)(v)] of the Loan Agreement.

I, [●], am the duly appointed [●] of the Borrower, and hereby certify for and on behalf of the Borrower and not in my personal capacity and without assuming any personal liability whatsoever, as follows:

1. I have made or caused to be made due inquiries and review of all documents, correspondence and other materials (the “**Title Enquiries**”) relating to the P&NG Rights and lands or interests in lands (the “**Lands**”) described in the [●] dated as of [●], 202[●] on certain properties (the “**Engineering Report[s]**”) [to be acquired by the Borrower pursuant to the Acquisition Agreement] / [owned by the Borrower].
2. Based upon the Title Enquiries, I have no knowledge, information or belief that there exists any provision in any agreement, contract or document pertaining to the Lands which prevents the Borrower from providing a Lien over such Lands to the Collateral Agent, for the benefit of the Secured Parties, or which would prevent the Collateral Agent from enforcing and realizing on such Security in the event of a default thereunder other than the requirement to obtain the consent and/or waiver of a right of first refusal in the event of the sale of the Lands on the realization and enforcement of such Security.
3. Based upon the Title Enquiries, to the best of my knowledge, information and belief, the Borrower is, effective the date hereof, or will be, effective the Closing Date, possessed of and is the beneficial owner of the respective working, royalty and other interests set forth in the Engineering Report[s] with respect to the Lands, subject to any Permitted Liens and to minor defects of title which in the aggregate do not affect their rights of ownership therein or the value thereof in any way which would reasonably expected to have a Material Adverse Effect or to which the Administrative Agent and the Lenders have consented in writing.
4. To the best of my knowledge, information and belief, based on the due and reasonable enquiries, there is no default (by the Borrower or for which the Borrower is liable, including, without limitation, by any operation of the Lands) of payment of royalties in connection with the Lands

which have accrued due by reason of production since any royalty payment dates, as prescribed by statute or agreement, immediately preceding the date of this certificate which could reasonably be expected to have a Material Adverse Effect and neither the Borrower nor any Person on behalf of the Borrower (including, without limitation, any operator of the Lands) has received notice of default of any obligation imposed on it by any farm-out, operating agreement or any other contract or agreement in respect of the Lands which, in any case, could reasonably be expected to have a Material Adverse Effect and, to the best of my knowledge, information and belief, based on the due and reasonable enquiries, there is no default of any such obligation which could reasonably be expected to have a Material Adverse Effect.

5. To the best of my knowledge, information and belief, based on the due and reasonable enquiries, neither the Borrower nor any Person on behalf of the Borrower (including, without limitation, any operator of the Lands) has received notice of any claim adverse to the Borrower's working, royalty and other interests in the Lands which if successfully asserted would reasonably be expected to have a Material Adverse Effect and there are no Liens or adverse claims, other than the Permitted Liens, which affect the title of the Borrower to its respective interests in the Lands which in any way could reasonably be expected to have a Material Adverse Effect.
6. To the best of my knowledge, information and belief, based on the due and reasonable enquiries, there are at present no outstanding unfulfilled obligations being enforced under any lease or contract pertaining to the Lands which could reasonably be expected to have a Material Adverse Effect and the Borrower's working, royalty and other interests in the Lands are not subject to any contractual obligations or conditions which are reasonably expected to result in the diminishment or forfeiture of those working, royalty and other interests, except those which are not prohibited by the Loan Agreement or which are accounted for in the Engineering Report[s].
7. To the best of my knowledge, information and belief, based on the due and reasonable enquiries, all of the working, royalty and other interests of the Borrower in respect of petroleum and natural gas rights described in the Engineering Report[s] are accurately reflected in the Engineering Report[s] in all material respects.
8. The undersigned acknowledges that the Administrative Agent and each Lender are relying on this certificate in connection with the Advance made under the Loan Agreement.

**[Remainder of page intentionally blank]**

**DATED** as of the date first written above.

**GRIFFON PARTNERS OPERATION CORP.**

Per:

\_\_\_\_\_  
Name:  
Title:



**EXHIBIT 4**

**FORM OF NOTICE OF ADVANCE**

**NOTICE OF ADVANCE**

**DATE:** [●], 202[●]

**TO:** [●], as Administrative Agent (as defined in the Loan Agreement defined below)

**AND TO:** The Lenders (as defined in the Loan Agreement defined below)

**RE:** Loan agreement dated as of [●], 2022 (as amended, modified, extended, renewed, replaced, restated, supplemented or refinanced from time to time, the “**Loan Agreement**”, the terms defined therein being used herein as therein defined) among Griffon Partners Operation Corp., as Borrower, Griffon Partners Capital Management Ltd. and [Blocker Co], as Guarantors, Trafigura Canada Limited, Signal Alpha C4 Limited and those other Persons which become lenders thereunder, as Lenders, GLAS USA LLC, as Administrative Agent, and GLAS Americas LLC, as Collateral Agent

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Dear Mesdames/Sirs:

The undersigned gives you notice pursuant to Section 2.4 of the Loan Agreement that the Borrower requests an Advance under the Loan Agreement, and, in that connection, sets forth below the information relating to the Advance:

1. The date of the Advance, being a Business Day, is [●], 2022 (the “**Proposed Borrowing Date**”).
2. The aggregate amount of the Advance is \$[●], which will be used for the use and purposes set out in Section 2.3 of the Loan Agreement.

All of the representations and warranties of each Credit Party contained in the Loan Agreement and each other Loan Document to which such Credit Party is a party are true and correct on and as of the date hereof as though made on and as of the date hereof (and will be true and correct on and as of the Proposed Borrowing Date specified above as though made on and as of such date), in any such case, except to the extent any such representations and warranties specifically refer to an earlier date, in which case they are true and correct as of such earlier date.

All of the covenants of each of the Credit Parties contained in the Loan Documents to which such Credit Party is a party have been performed or shall be performed on the date of the Advance, and all of the other conditions precedent to the Advance requested hereby, and all other terms and conditions contained in the Loan Agreement to be complied with by such Credit Party have been or shall be complied with concurrently with, or immediately following, the funding of the Advance, in each case, fully met or performed.

No Default or Event of Default under the Loan Agreement has occurred and is continuing nor will any Default or Event of Default occur as a result of the Advance being requested or the application by the Borrower of the proceeds thereof.

**[Remainder of page intentionally blank]**

Yours truly,

**GRIFFON PARTNERS OPERATION CORP.**

Per:

---

Name:

Title:

This is **Exhibit “D”** referred to in the Affidavit of  
Matthieu Milandri sworn before me via video  
technology this 18 day of March, 2024.

*Archer Bell*

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Commissioner for Oaths in and for the  
Province of Alberta

**ARCHER BELL**  
Barrister & Solicitor

**SPICELO LIMITED**  
as Chargor

and

**GLAS AMERICAS LLC**  
as Collateral Agent

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**LIMITED RECOURSE GUARANTEE AND SECURITIES PLEDGE AGREEMENT**

**July 21, 2022**

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## LIMITED RECOURSE GUARANTEE AND SECURITIES PLEDGE AGREEMENT

Limited recourse guarantee and securities pledge agreement dated as of July 21, 2022 made by Spicelo Limited (the "**Chargor**") to and in favour of GLAS Americas LLC (the "**Collateral Agent**") for the benefit of the Secured Parties.

### RECITALS:

- (a) The Lenders have agreed to make certain credit facilities available to the Borrower on the terms and conditions contained in the Loan Agreement;
- (b) It is a requirement under the Loan Agreement that the Chargor execute and deliver this Agreement in favour of the Collateral Agent, for the benefit of the Secured Parties, as security for the payment and performance of the Secured Obligations; and
- (c) Due to the close business and financial relationships between the Chargor, the Borrower and the other affiliates party to the transactions contemplated by the Loan Agreement, the Chargor will derive substantial direct and indirect benefits from such transactions and therefore the Chargor considers it in its best interest to provide this Agreement.

In consideration of the foregoing and other good and valuable consideration, the receipt and adequacy of which are acknowledged, the Chargor agrees as follows.

### Section 1 Defined Terms.

As used in this Agreement, the following terms have the following meanings:

**"Administrative Agent"** means GLAS USA LLC and its successors and assigns.

**"Agreement"** means this limited recourse guarantee and securities pledge agreement.

**"Borrower"** means Griffon Partners Operation Corp.

**"Collateral"** has the meaning specified in Section 22(1).

**"Companies Law"** means the Companies Law, Chapter 113 of the Laws of Cyprus, as amended.

**"Expenses"** means all expenses, costs and charges incurred by or on behalf of any Secured Party in connection with this Agreement, the Security Interest or the Collateral, including all legal fees, court costs, receiver's or agent's remuneration and other expenses of taking possession of, repairing, protecting, insuring, preparing for disposition, realizing, collecting, selling, transferring, delivering or obtaining payment for the Collateral, and of taking, defending or participating in any action or proceeding in connection with any of the foregoing matters or otherwise in connection with any Secured Party's interest in any Collateral, whether or not directly relating to the enforcement of this Agreement or any other Credit Document.

**"Greenfire"** means Greenfire Resources Inc.

**"Guaranteed Obligations"** means all Obligations of the other Credit Parties.

**"Lenders"** means Trafigura Canada Limited, Signal Alpha C4 Limited and those other Persons which become lenders under the Loan Agreement and their respective successors and permitted assigns.

**"Loan Agreement"** means the loan agreement dated as of the date hereof among the Borrower, as borrower, Griffon Partners Capital Management Ltd. and Griffon Partners Holding Corp., as guarantors, the Lenders, as lenders, the Administrative Agent, as administrative agent and the Collateral Agent, as collateral agent, as the same may be amended, modified, extended, renewed, replaced, restated, supplemented or refinanced from time to time and includes any agreement extending the maturity of, refinancing or restructuring all or any portion of, the indebtedness under such agreement or any successor agreements, whether or not with the same Collateral Agent, Administrative Agent or Lenders.

**"Registrar of Companies"** means the Department of the Registrar of Companies and Intellectual Property.

**"Secured Obligations"** means, collectively, the Guaranteed Obligations and the Expenses.

**"Secured Parties"** has the meaning set forth in the Loan Agreement, but for certainty does not include any Swap Counterparty.

**"Security"** means a security (as defined in the STA) and all other shares, interests, participations, rights in, or other equivalents (however designated and whether voting or non-voting) of, a Person's capital, including any interest in a partnership, limited partnership or other similar Person and any beneficial interest in a trust, and any all rights, warrants, options or other rights exchangeable for or convertible into any of the foregoing.

**"Security Interest"** means the security interest, assignment, mortgage, charge, hypothecation and pledge granted by this Agreement.

**"Shareholders Agreement"** means the shareholders agreement among the Chargor, the other shareholders of Greenfire and Greenfire dated August 5, 2021, as in effect on the date hereof.

## **Section 2 Interpretation.**

- (1) Terms defined in the *Personal Property Security Act* (Alberta) ("**PPSA**") or the *Securities Transfer Act* (Alberta) ("**STA**") and used but not otherwise defined in this Agreement have the same meanings. For greater certainty, the terms "**investment property**", "**money**" and "**proceeds**" have the meanings given to them in the PPSA; and the terms "**certificated security**", "**control**", "**deliver**", "**security**" and "**uncertificated security**" have the meanings given to them in the STA. Capitalized terms used in this Agreement but not defined have the meanings given to them in the Loan Agreement.
- (2) Any reference in any Credit Document to Liens permitted by the Loan Agreement are not intended to and do not and will not subordinate the Security Interest to any such Lien or give priority to any Person over the Collateral Agent and the Secured Parties.
- (3) In this Agreement the words "**including**", "**includes**" and "**include**" mean "**including (or includes or include) without limitation**". The expressions "**Section**" and other subdivision followed by a number mean and refer to the specified Section or other subdivision of this Agreement.
- (4) Any reference in this Agreement to gender includes all genders. Words importing the singular number only include the plural and vice versa.
- (5) The division of this Agreement into Sections and other subdivisions and the insertion of headings are for convenient reference only and do not affect its interpretation.
- (6) The schedules attached to this Agreement form an integral part of it for all purposes of it.

- (7) Any reference to this Agreement or any other Credit Document refers to this Agreement or such Credit Document as the same may have been or may from time to time be amended, modified, extended, renewed, restated, replaced or supplemented and includes all schedules attached to it. Any reference in this Agreement to a statute refers to such statute and all rules and regulations made under it as the same may have been or may from time to time be amended or re-enacted.

### **Section 3 Guarantee.**

The Chargor, jointly and severally, irrevocably and unconditionally guarantees to the Collateral Agent and the Secured Parties the due and punctual payment, and the due performance, whether at stated maturity, by acceleration or otherwise, of the Guaranteed Obligations. The Chargor agrees that the Guaranteed Obligations will be paid to the Collateral Agent and the Secured Parties strictly in accordance with their terms and conditions.

### **Section 4 Indemnity.**

- (1) If any or all of the Guaranteed Obligations are not duly performed by any other Credit Party and are not performed by the Chargor under Section 3 for any reason whatsoever, the Chargor will, as a separate and distinct obligation, indemnify and save harmless the Collateral Agent and the Secured Parties from and against all losses resulting from the failure of the other Credit Parties to duly perform such Guaranteed Obligations.
- (2) The Chargor shall indemnify the Collateral Agent and the Secured Parties and their respective directors, officers, employees, agents, partners, shareholders and representatives (each such person being called an “**Indemnitee**”) against, and hold each Indemnitee harmless from, any and all losses, claims, damages, liabilities and related expenses (including reasonable fees, charges and disbursements of any counsel for any Indemnitee) incurred by any Indemnitee or asserted against any Indemnitee by any party hereto or any third party arising out of, in connection with, or as a result of any action, investigation, suit or proceeding (whether commenced or threatened) relating to or arising out of (i) the execution or delivery of any Credit Document, or any amendment, amendment and restatement, modification or waiver of the provisions hereof or thereof, or any agreement or instrument contemplated hereby or thereby, the performance by the parties hereto of their respective obligations hereunder or thereunder or the consummation of the transactions contemplated hereby or thereby, (ii) any loan under the Loan Agreement or the use or proposed use of the proceeds therefrom, or (iii) any actual or prospective claim, litigation, investigation or proceeding relating to any of the foregoing, whether based on contract, tort or any other theory, whether brought by a third party or by the Chargor, and regardless of whether any Indemnitee is a party thereto.
- (3) All amounts due under this Section 4 shall be payable not later than three (3) Business Days after demand therefor.

### **Section 5 Primary Obligation.**

If any or all of the Guaranteed Obligations are not duly performed by the other Credit Parties and are not performed by the Chargor under Section 3 or the Collateral Agent and the Secured Parties are not indemnified under Section 4(1), in each case, for any reason whatsoever, such Guaranteed Obligations will, as a separate and distinct obligation, be performed by the Chargor as primary obligor.

### **Section 6 Absolute Liability.**

The Chargor agrees that the liability of the Chargor under Section 3 and Section 5 and, for greater certainty, under Section 4(1), is absolute and unconditional irrespective of:

- (a) the lack of validity or enforceability of any terms of any of the Credit Documents;

- (b) any contest by any other Credit Party or any other Person as to the amount of the Guaranteed Obligations, the validity or enforceability of any terms of the Credit Documents or the perfection or priority of any security granted to the Collateral Agent or the Secured Parties, including, without limitation, the Collateral Agent's Security Interest in the Collateral;
- (c) any defence, counter claim or right of set-off available to the Borrower;
- (d) any release, compounding or other variance of the liability of any other Credit Party or any other Person liable in any manner under or in respect of the Guaranteed Obligations or the extinguishment of all or any part of the Guaranteed Obligations by operation of law;
- (e) any change in the time or times for, or place or manner or terms of payment or performance of the Guaranteed Obligations or any consent, waiver, renewal, alteration, extension, compromise, arrangement, concession, release, discharge or other indulgences which the Collateral Agent or the Secured Parties may grant to the Chargor, any other Credit Party or any other Person;
- (f) any amendment or supplement to, or alteration or renewal of, or restatement, replacement, refinancing or modification or variation of (including any increase in the amounts available thereunder or the inclusion of an additional borrower thereunder), or other action or inaction under, the Loan Agreement, the other Credit Documents or any other related document or instrument, or the Guaranteed Obligations;
- (g) any discontinuance, termination, reduction, renewal, increase, abstention from renewing or other variation of any credit or credit facilities to, or the terms or conditions of any transaction with the Chargor, any other Credit Party or any other Person;
- (h) any change in the ownership, control, name, objects, businesses, assets, capital structure or constitution of the Chargor, any other Credit Party or any other Person or any reorganization (whether by way of reconstruction, consolidation, amalgamation, merger, transfer, sale, lease or otherwise) of the Chargor, any other Credit Party or any other Person or their respective businesses;
- (i) any dealings with the security which the Collateral Agent or the Secured Parties hold or may hold pursuant to the terms and conditions of the Credit Documents, including the taking, giving up or exchange of securities, their variation or realization, the accepting of compositions and the granting of releases and discharges;
- (j) any limitation of status or power, disability, incapacity or other circumstance relating to the Chargor, any other Credit Party or any other Person, including any bankruptcy, insolvency, reorganization, composition, adjustment, dissolution, liquidation, winding-up or other like proceeding involving or affecting the Chargor, any other Credit Party or any other Person or any action taken with respect to this Agreement by any trustee or receiver, or by any court, in any such proceeding, whether or not the Chargor shall have notice or knowledge of any of the foregoing;
- (k) the assignment of all or any part of the benefits of this Agreement;
- (l) any impossibility, impracticability, frustration of purpose, force majeure or illegality of any Credit Document, or the occurrence of any change in the laws, rules, regulations or ordinances of any jurisdiction or by any present or future action of (i) any Governmental Authority that amends, varies, reduces or otherwise affects, or purports to amend, vary, reduce or otherwise affect, any of the Guaranteed Obligations or the obligations of the



Chargor under this Agreement, or (ii) any court order that amends, varies, reduces or otherwise affects any of the Guaranteed Obligations;

- (m) including, without limitation, the Security Interest of the Collateral Agent in the Collateral, as applicable, any taking or failure to take security, any loss of, or loss of value of, any security, or any invalidity, non-perfection or unenforceability of any security held by the Collateral Agent or the Secured Parties, including, without limitation, its Security Interest in the Collateral, or any exercise or enforcement of, or failure to exercise or enforce, security, or irregularity or defect in the manner or procedure by which the Collateral Agent and the Secured Parties realize on such security;
- (n) any application of any sums received to the Guaranteed Obligations, or any part thereof, and any change in such application; and
- (o) any other circumstances which might otherwise constitute a defence available to, or a discharge of the Chargor, any other Credit Party or any other Person in respect of the Guaranteed Obligations or this Agreement.

#### **Section 7            Limited Recourse.**

Notwithstanding that the obligations of the Chargor under this Agreement are or will be debts owing by the Chargor to the Collateral Agent and the Secured Parties, and the Collateral Agent and the Secured Parties are limited in recourse to the security constituted by its Security Interest in the Collateral. The Chargor shall not be liable to the Collateral Agent or the Secured Parties for any deficiency resulting from any such realization of the Collateral or otherwise.

#### **Section 8            Amount of Obligations.**

Any account settled or stated by or between the Collateral Agent and the other Credit Parties, or if any such account has not been settled or stated immediately before demand for payment under this Agreement, any account stated by the Collateral Agent shall, in the absence of manifest mathematical error, be accepted by the Chargor as conclusive evidence of the amount of the Guaranteed Obligations which is due by the other Credit Parties to the Collateral Agent and the Secured Parties or remains unpaid by the other Credit Parties to the Collateral Agent and the Secured Parties.

#### **Section 9            Payment on Demand.**

Upon the occurrence and during the continuance of an Event of Default, the Chargor will pay and perform the Guaranteed Obligations and pay all other amounts payable by it to the Collateral Agent or the Secured Parties under this Agreement, and the obligation to do so arises, immediately after demand for such payment or performance is made in writing to it. The liability of the Chargor bears interest from the date of such demand at the rate or rates of interest then applicable to the Guaranteed Obligations under and calculated in the manner provided in the Credit Documents (including any adjustment to give effect to the provisions of the *Interest Act* (Canada)).

#### **Section 10          Assignment and Postponement.**

- (1) All obligations, liabilities and indebtedness of the Borrower or any other Credit Party (other than the Chargor) to the Chargor of any nature whatsoever and all security therefor (the “**Intercorporate Indebtedness**”) are assigned and transferred to the Collateral Agent as continuing and collateral security for the Chargor’s obligations under this Agreement and postponed to the payment in full of all Guaranteed Obligations. The Chargor will not assign all or any part of the Intercorporate Indebtedness to any Person other than the Collateral Agent or the Secured Parties.

- (2) All Intercompany Indebtedness will be held in trust for the Collateral Agent and the Secured Parties and will be collected, enforced or proved subject to, and for the purpose of, this Agreement. In the event any payments are received by the Chargor in respect of the Intercompany Indebtedness, such payments will be held in trust for the Collateral Agent and the Secured Parties and segregated from other funds and property held by the Chargor and promptly paid to the Collateral Agent on account of the Guaranteed Obligations.
- (3) The Intercompany Indebtedness shall not be released or withdrawn by the Chargor without the prior written consent of the Collateral Agent. The Chargor will not allow a limitation period to expire on the Intercompany Indebtedness or ask for or obtain any security or negotiable paper for, or other evidence of, the Intercompany Indebtedness except for the purpose of delivering the same to the Collateral Agent.
- (4) In the event of any insolvency, bankruptcy or other proceeding involving the liquidation, arrangement, compromise, reorganization or other relief with respect to the Borrower or its debts, the Chargor will, upon the request of the Collateral Agent, make and present a proof of claim or commence such other proceedings against the Borrower on account of the Intercompany Indebtedness as may be reasonably necessary to establish the Chargor's entitlement to payment of any Intercompany Indebtedness. Such proof of claim or other proceeding requested by the Collateral Agent must be made or commenced prior to the earlier of (i) the day which is 30 days after notice requesting such action is delivered by or on behalf of the Collateral Agent to the Chargor and (ii) the day which is 10 days preceding the date when such proof of claim or other proceeding is required by Applicable Law to be made or commenced, provided that the Collateral Agent has requested such proof of claim or other proceeding to be made in sufficient time to meet such day which is 10 days preceding the date when such proof of claim or other proceeding is required by Applicable Law. Such proof of claim or other proceeding must be in form and substance acceptable to the Collateral Agent.
- (5) If the Chargor fails to make and file such proof of claim or commence such other proceeding in accordance with this Section 10, the Collateral Agent is, effective upon such failure, irrevocably authorized, empowered and directed and appointed the true and lawful attorney of the Chargor (but is not obliged) with the power to exercise for and on behalf of the Chargor the following rights, upon the occurrence and during the continuance of an Event of Default: (i) to make and present for and on behalf of the Chargor proofs of claims or other such proceedings against the Borrower on account of the Intercompany Indebtedness, (ii) to demand, sue for, receive and collect any and all dividends or other payments or disbursements made in respect of the Intercompany Indebtedness in whatever form the same may be paid or issued and to apply the same on account of the Guaranteed Obligations, and (iii) to demand, sue for, collect and receive each such payment and distribution and give acquittance therefor and to file claims and take such other actions, in its own name or in the name of the Chargor or otherwise, as the Collateral Agent may deem necessary or advisable to enforce its rights under this Agreement.
- (6) The Chargor will execute all subordinations, postponements, assignments and other agreements as the Collateral Agent may reasonably request to more effectively subordinate and postpone the Intercompany Indebtedness to the payment and performance of the Guaranteed Obligations.
- (7) The provisions of this Section 10 survive the termination of this Agreement and remain in full force and effect until (i) the Guaranteed Obligations and all other amounts owing under the Credit Documents are repaid in full; and (ii) the Collateral Agent and the Secured Parties have no further obligations under any of the Credit Documents in accordance with the terms hereof.

## **Section 11      Suspension of Chargor's Rights.**

So long as there are any Guaranteed Obligations, the Chargor will not exercise any rights which they may at any time have by reason of the performance of any of their obligations under this Agreement (i) to be indemnified by the other Credit Parties, or any of them, (ii) to claim contribution from any other guarantor of the debts, liabilities or obligations of the other Credit Parties, or any of them, or (iii) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Collateral Agent or the Secured Parties under any of the Credit Documents. The Chargor hereby agrees in favour of the Borrower and the other Credit Parties, that any such rights of indemnification, contribution, or subrogation terminate in the event of a sale, foreclosure or other disposition of any of the equity securities of the Borrower or any other Credit Party in connection with an exercise of rights and remedies by the Collateral Agent and the Secured Parties. The Chargor further agrees that the Borrower, the other Credit Parties and other guarantors of the debts, liabilities and obligations of the Borrower are intended third party beneficiaries of the Chargor's agreement contained in this Section 11.

## **Section 12      No Prejudice to Collateral Agent or Secured Parties.**

The Collateral Agent and the Secured Parties are not prejudiced in any way in the right to enforce any provision of this Agreement by any act or failure to act on the part of any other Credit Party, the Collateral Agent or the Secured Parties. The Collateral Agent and the Secured Parties may, at any time and from time to time, in such manner as it may determine is expedient, without any consent of, or notice to, the Chargor and without impairing or releasing the obligations of the Chargor (i) change the manner, place, time or terms of payment or performance of the Guaranteed Obligations, (ii) renew or alter the Guaranteed Obligations, (iii) amend, vary, modify, supplement or replace any Credit Document or any other related document or instrument, (iv) discontinue, reduce, renew, increase, abstain from renewing or otherwise vary any credit or credit facilities to, any transaction with any other Credit Party or any other Person, (v) release, compound or vary the liability of any other Credit Party or any other Person liable in any manner under or in respect of the Guaranteed Obligations, (vi) take or abstain from taking securities or collateral from any other Person, or from perfecting securities or collateral of any other Person, (vii) exercise or enforce or refrain from exercising or enforcing any right or security against the Chargor, any other Credit Party or any other Person, (viii) accept compromises or arrangement from any Person, (ix) apply any sums from time to time received to the Guaranteed Obligations, or any part thereof, and change any such application in whole or in part from time to time, (x) otherwise deal with, or waive or modify its right to deal with, any Person and security. In its dealings with the Chargor, the Collateral Agent and the Secured Parties need not enquire into the authority or power of any Person purporting to act for or on behalf of the Chargor.

## **Section 13      Rights of Subrogation.**

Any rights of subrogation acquired by the Chargor by reason of payment under this Agreement, and not terminated pursuant to Section 11 shall not be exercised until the Guaranteed Obligations and all other amounts due to the Collateral Agent and the Secured Parties have been paid or repaid in full and such rights of subrogation shall be no greater than the rights held by the Collateral Agent and the Secured Parties. In the event (i) of the liquidation, winding up or bankruptcy of any other Credit Party (whether voluntary or compulsory), (ii) that any other Credit Party makes a bulk sale of any of its assets within the provisions of any bulk sales legislation, or (iii) that any other Credit Party makes any composition with creditors or enters into any scheme of arrangement, the Collateral Agent has the right, subject only to any limitations under Applicable Laws, to rank in priority to the Chargor for their full claims in respect of the Guaranteed Obligations and receive all dividends and other payments until their claims have been paid in full. The Chargor will continue to be liable, less any payments made by it, for any balance which may be owing to the Collateral Agent and the Secured Parties by the other Credit Parties. No valuation or retention of their security by the Collateral Agent shall, as between the Collateral Agent and the Secured Parties and the Chargor, be considered as a purchase of such security or as payment or satisfaction or reduction of all or any part of the Guaranteed Obligations. If any amount is paid to the Chargor at any time when all the Guaranteed Obligations and other amounts due to the Collateral Agent and the Secured Parties have not been paid in full, the amount will be held in trust for the benefit of the

Collateral Agent and the Secured Parties and immediately paid to the Collateral Agent to be credited and applied to the Guaranteed Obligations, whether matured or unmatured. The Chargor has no recourse against the Collateral Agent or the Secured Parties for any invalidity, non-perfection or unenforceability of any security held by the Collateral Agent or the Secured Parties or any irregularity or defect in the manner or procedure by which the Collateral Agent or the Secured Parties realize on such security.

**Section 14        No Set-off.**

To the fullest extent permitted by law, the Chargor makes all payments under this Agreement without regard to any defence, counter-claim or right of set-off available to it.

**Section 15        Successors of the other Credit Parties.**

This Agreement will not be revoked by any change in the constitution of the other Credit Parties, the Collateral Agent or any other Person. This Agreement extends to any person, firm or corporation acquiring, or from time to time carrying on, the business of the other Credit Parties.

**Section 16        Continuing Guarantee and Continuing Obligations.**

The obligation of the Chargor under Section 3 is a continuing guarantee, and the obligations of the Chargor under Section 4(1) and Section 5 are continuing obligations. Each of Section 3, Section 4(1) and Section 5 extends to all present and future Guaranteed Obligations, applies to and secures the ultimate balance of the Guaranteed Obligations due or remaining due to the Collateral Agent and the Secured Parties and is binding as a continuing obligation of the Chargor until the Collateral Agent and the Secured Parties release the Chargor. This Agreement will continue to be effective or be reinstated, as the case may be, if at any time any payment of any of the Guaranteed Obligations is rescinded or must otherwise be returned by the Collateral Agent or the Secured Parties upon the insolvency, bankruptcy or reorganization of the Chargor or otherwise, all as though the payment had not been made.

**Section 17        Security for Guarantee.**

The Chargor acknowledges that this Agreement is intended to secure payment and performance of the Guaranteed Obligations and that the payment and performance of the Guaranteed Obligations and the other obligations of the Chargor under this Agreement are secured pursuant to the terms and provisions of this Agreement.

**Section 18        Right of Set-off.**

Upon the occurrence and during the continuance of an Event of Default, the Collateral Agent and each Secured Party are authorized by the Chargor at any time and from time to time and may, to the fullest extent permitted by law, set off and apply any and all deposits (general or special, time or demand, provisional or final) at any time held and other indebtedness at any time owing by the Collateral Agent or the Secured Parties to or for the credit or the account of the Chargor against any and all of the obligations of the Chargor now or hereafter existing irrespective of whether or not (i) the Collateral Agent or the Secured Parties have made any demand under this Agreement with respect to the Guaranteed Obligations, or (ii) any of the obligations comprising the Guaranteed Obligations are contingent or unmatured. The rights of the Collateral Agent and the Secured Parties under this Section 18 are in addition and without prejudice to and supplemental to other rights and remedies which the Collateral Agent and the Secured Parties may have.

**Section 19        Interest Act (Canada).**

The Chargor acknowledges that certain of the rates of interest applicable to the Guaranteed Obligations may be computed on the basis of a year of 360 days or 365 days, as the case may be and paid for the actual number of days elapsed. For purposes of the *Interest Act* (Canada), whenever any

interest is calculated using a rate based on a year of 360 days or 365 days, as the case may be, such rate determined pursuant to such calculation, when expressed as an annual rate is equivalent to (i) the applicable rate based on a year of 360 days or 365 days, as the case may be, (ii) multiplied by the actual number of days in the calendar year in which the period for such interest is payable (or compounded) ends, and (iii) divided by 360 or 365, as the case may be.

## **Section 20        Taxes.**

The provisions of Article 7 of the Loan Agreement will apply to all payments made under this Agreement, *mutatis mutandis*.

## **Section 21        Judgment Currency.**

- (1) If for the purposes of obtaining judgment in any court it is necessary to convert all or any part of the Guaranteed Obligations or any other amount due to the Collateral Agent or any Secured Party in respect of the Chargor's obligations under this Agreement in any currency (the "**Original Currency**") into another currency (the "**Other Currency**"), the Chargor, to the fullest extent that it may effectively do so, agrees that the rate of exchange used shall be that at which, in accordance with normal banking procedures, the Collateral Agent could purchase the Original Currency with the Other Currency on the Business Day preceding that on which final judgment is paid or satisfied.
- (2) The obligations of the Chargor in respect of any sum due in the Original Currency from it to the Collateral Agent shall, notwithstanding any judgment in any Other Currency, be discharged only to the extent that on the Business Day following receipt by the Collateral Agent of any sum adjudged to be so due in such Other Currency the Collateral Agent may, in accordance with its normal banking procedures, purchase the Original Currency with such Other Currency. If the amount of the Original Currency so purchased is less than the sum originally due to the Collateral Agent in the Original Currency, the Chargor agrees, as a separate obligation and notwithstanding any such judgment, to indemnify the Collateral Agent against such loss, and if the amount of the Original Currency so purchased exceeds the sum originally due to the Collateral Agent in the Original Currency, the Collateral Agent, agrees to remit such excess to the Chargor.

## **Section 22        Grant of Security.**

- (1) The Chargor grants to the Collateral Agent, for the benefit of the Secured Parties, a security interest in, and assigns, mortgages, charges, hypothecates and pledges to the Collateral Agent, for the benefit of the Secured Parties (collectively, the "**Collateral**"):
  - (a) all Securities in the capital of Greenfire now owned by the Chargor, including the Securities listed in Schedule A that are held by the Chargor, all security certificates and other instruments representing such Securities and all rights and claims of the Chargor in such Securities;
  - (b) all present and after-acquired rights of the Chargor in the cash collateral account referred to in Section 33 and all money, intangibles, investment property, chattel paper and instruments received at any time and from time to time for deposit into such cash collateral account or deposited in such cash collateral account; and
  - (c) all substitutions and replacements of, increases and additions to the property described in Section 22(1)(a) and Section 22(1)(b); including any consolidation, subdivision, reclassification or stock dividend;

- (d) all proceeds in any form derived directly or indirectly from any dealing with all or any part of the property described in Section 22(1)(a), Section 22(1)(b) and Section 22(1)(c), including the proceeds of such proceeds.
- (2) With respect to any registration and/or filing and/or stamping requirements that may be applicable in the Republic of Cyprus in connection with this Agreement, the Chargor shall, at its own cost:
- (a) within 10 (ten) Business Days from the day of execution of this Agreement, procure the filing of a certified true copy of this Agreement and the necessary forms to the Registrar of Companies for the registration of the particulars of this Agreement and charge created hereunder pursuant to section 90 of the Companies Law and deliver to the Collateral Agent evidence that the filing has been made and relevant fees has been paid;
  - (b) within 10 (ten) Business Days from the day of execution of this Agreement, deliver to the Collateral Agent, a certified true copy of extract of the register of mortgages and charges of the Chargor, evidencing that the particulars of this Agreement have been entered therein;
  - (c) within 10 (ten) Business Days of receipt of the same, deliver to the Collateral Agent a certificate of charge, evidencing that the Registrar of Companies has registered a charge in favour of the Collateral Agent in relation to this Agreement; and
  - (d) within 10 (ten) Business Days from the day of execution of this Agreement, and provided a fully signed copy of this Agreement is in place, provide the Collateral Agent with evidence that this Agreement has been submitted to the Commissioner of Stamp Duties in Cyprus and within 10 (ten) Business Days from the date of issuance of the said confirmation for payment by the Commissioner of Stamp Duties, it shall provide the Collateral Agent with evidence as to whether stamp duty has been paid on this Agreement or whether the same was exempted from the said obligation.

### **Section 23        Secured Obligations.**

The Security Interest secures the payment and performance of the Secured Obligations.

### **Section 24        Attachment.**

- (1) The Chargor acknowledges that (i) value has been given, (ii) it has rights in the Collateral, as applicable, or the power to transfer rights in the Collateral, as applicable, to the Collateral Agent (other than after-acquired Collateral, as applicable), (iii) it has not agreed to postpone the time of attachment of the Security Interest, and (iv) it has received a copy of this Agreement.
- (2) If the Chargor acquires any Securities in the capital of Greenfire that are not specified in Schedule A, the Chargor will notify the Collateral Agent in writing and provide the Collateral Agent with a revised Schedule A recording the acquisition or establishment of and particulars relating to such Securities, financial assets or securities account within 15 days after such acquisition or establishment.
- (3) The Chargor will cause the Collateral Agent to have control over each security that now or at any time becomes Collateral, as applicable, and will take all action that the Collateral Agent deems advisable to cause the Collateral Agent to have control over such Collateral, including (i) upon the occurrence and during the continuance of an Event of Default, causing the securities to be transferred to or registered in the name of the Collateral Agent or its nominee or otherwise as the Collateral Agent may direct, (ii) endorsing any certificated securities to the Collateral Agent or in blank by an effective endorsement, (iii) delivering the Collateral, as applicable, to the Collateral Agent or someone on its behalf as the Collateral Agent may direct, (iv) delivering to the Collateral



Agent any and all consents or other documents or agreements which may be necessary to effect the transfer of any securities to the Collateral Agent or any third party, and (v) entering into control agreements with the Collateral Agent and Greenfire in respect of any Collateral in form and substance satisfactory to the Collateral Agent. At the request of the Collateral Agent, the Chargor will take similar actions, as applicable, with respect to any other Securities.

- (4) The Chargor irrevocably waives, to the extent permitted by Applicable Law, any right to receive a copy of any financing statement or financing change statement (and any verification statement relating to the same) registered in respect of this Agreement or any other security agreement granted to the Collateral Agent or any Secured Party.

## **Section 25      Care and Custody of Collateral.**

- (1) The Collateral Agent may, upon the occurrence and during the continuance of an Event of Default, assume control of any dividends, distributions or proceeds arising from the Collateral.
- (2) The Collateral Agent has no obligation to collect dividends, distributions or interest payable on, or exercise any option or right in connection with, any Securities. The Collateral Agent has no obligation to protect or preserve any Securities from depreciating in value or becoming worthless and is released from all responsibility for any loss of value whether such Collateral is in the possession of, or is subject to the control of, the Collateral Agent, the Chargor, or any other person. In the physical keeping of any Securities, the Collateral Agent is only obliged to exercise the same degree of care as it would exercise with respect to its own Securities kept at the same place.
- (3) The Collateral Agent may, upon the occurrence and during the continuance of an Event of Default, sell, transfer, use or otherwise deal with any investment property included in the Collateral over which the Collateral Agent has control, on such conditions and in such manner as the Collateral Agent in its sole discretion may determine.

## **Section 26      Rights of the Chargor.**

- (1) Until the occurrence of an Event of Default which is continuing, the Chargor is entitled to vote the Securities that are part of the Collateral, as applicable, and to receive all dividends and distributions on such Securities. In order to allow the Chargor to vote any Securities or other financial assets registered in the Collateral Agent's name or the name of its nominee, at the request and the expense of the Chargor, the Collateral Agent will, prior to the Security Interest being enforceable, and may, after the Security Interest is enforceable, execute valid proxies appointing proxyholders to attend and act at meetings of shareholders, and execute resolutions in writing, all pursuant to the relevant provisions of the issuer's governing legislation. Upon the occurrence and during the continuance of an Event of Default, all rights of the Chargor to vote (under any proxy given by the Collateral Agent (or its nominee) or otherwise) or to receive distributions or dividends cease and all such rights become vested solely and absolutely in the Collateral Agent.
- (2) Any distributions or dividends received by the Chargor contrary to Section 26(1) or any other moneys or property received by the Chargor after the Security Interest is enforceable will be received as trustee for the Collateral Agent and the Secured Parties and shall be immediately paid over to the Collateral Agent.

## **Section 27      Enforcement.**

The Security Interest becomes and is enforceable against the Chargor upon the occurrence and during the continuance of an Event of Default.

## **Section 28 Remedies.**

Whenever the Security Interest is enforceable, the Collateral Agent, for and on behalf of the Secured Parties, may realize upon the Collateral and enforce the rights of the Collateral Agent and the Secured Parties by:

- (a) realizing upon or otherwise disposing of or contracting to dispose of the Collateral by sale, transfer or delivery;
- (b) exercising and enforcing all rights and remedies of a holder of the Securities as if the Collateral Agent were the absolute owner thereof (including, if necessary, causing the Collateral to be registered in the name of the Collateral Agent or its nominee);
- (c) collection of any proceeds arising in respect of the Collateral;
- (d) application of any proceeds arising in respect of the Collateral in accordance with Section 38(14);
- (e) appointment by instrument in writing of a receiver (which term as used in this Agreement includes a receiver and manager) or agent of all or any part of the Collateral and removal or replacement from time to time of any receiver or agent;
- (f) institution of proceedings in any court of competent jurisdiction for the appointment of a receiver of all or any part of the Collateral; and
- (g) any other remedy or proceeding authorized or permitted under the PPSA or otherwise by law or equity.

## **Section 29 Exercise of Remedies.**

The remedies under Section 28 may be exercised from time to time separately or in combination and are in addition to, and not in substitution for, any other rights of the Collateral Agent and the Secured Parties however arising or created. The Collateral Agent and the Secured Parties are not bound to exercise any right or remedy, and the exercise of rights and remedies is without prejudice to the rights of the Collateral Agent and the Secured Parties in respect of the Secured Obligations including the right to claim for any deficiency.

## **Section 30 Receiver's Powers.**

- (1) Any receiver appointed by the Collateral Agent is vested with the rights and remedies which could have been exercised by the Collateral Agent in respect of the Chargor or the Collateral and such other powers and discretions as are granted in the instrument of appointment and any supplemental instruments. The identity of the receiver, its replacement and its remuneration are within the sole and unfettered discretion of the Collateral Agent.
- (2) Any receiver appointed by the Collateral Agent will act as agent for the Collateral Agent for the purposes of taking possession of the Collateral, but otherwise and for all other purposes (except as provided below), as agent for the Chargor. The receiver may sell, transfer, deliver or otherwise dispose of Collateral as agent for the Chargor or as agent for the Collateral Agent as the Collateral Agent may determine in its discretion. The Chargor agrees to ratify and confirm all actions of the receiver acting as agent for the Chargor, and to release and indemnify the receiver in respect of all such actions.



- (3) The Collateral Agent, in appointing or refraining from appointing any receiver, does not incur liability to the receiver, the Chargor or otherwise and is not responsible for any misconduct or negligence of such receiver.

### **Section 31 Appointment of Attorney.**

The Chargor hereby irrevocably constitutes and appoints the Collateral Agent (and any officer of the Collateral Agent) the true and lawful attorney of the Chargor. As the attorney of the Chargor, the Collateral Agent has the power to exercise for and in the name of the Chargor with full power of substitution, upon the occurrence and during the continuance of an Event of Default, any of the Chargor's right (including the right of disposal), title and interest in and to the Collateral, as applicable, including the execution, endorsement, delivery and transfer of the Collateral, as applicable, to the Collateral Agent, its nominees or transferees, and the Collateral Agent and its nominees or transferees are hereby empowered to exercise all rights and powers and to perform all acts of ownership with respect to the Collateral, as applicable, to the same extent as the Chargor might do. This power of attorney is irrevocable, is coupled with an interest, has been given for valuable consideration (the receipt and adequacy of which is acknowledged) and survives, and does not terminate upon, the bankruptcy, dissolution, winding up or insolvency of the Chargor. This power of attorney extends to and is binding upon the Chargor's successors and permitted assigns. The Chargor authorizes the Collateral Agent to delegate in writing to another Person any power and authority of the Collateral Agent under this power of attorney as may be necessary or desirable in the opinion of the Collateral Agent, and to revoke or suspend such delegation.

### **Section 32 Shareholder Agreement.**

Notwithstanding the other provisions of this Agreement, the Collateral Agent and the Secured Parties agree with the Chargor that any enforcement of or the realization by the Collateral Agent or any receiver or agent appointed by the Collateral Agent pursuant to this Agreement over the Collateral, including the transfer by the Chargor, the Collateral Agent or the Collateral Agent's nominee to any third party or parties in connection with such enforcement or realization, shall be subject to the terms and conditions of the Shareholders Agreement, including the right of first refusal set forth in Section 3.3 of the Shareholders Agreement (in this Section 32, the "**ROFR**"), provided that for purposes of the ROFR:

- (a) the Collateral Agent shall be deemed to be the "Offeror" (as defined in the Shareholders Agreement) only for the purposes of the ROFR and not considered a "Shareholder" (as defined in the Shareholders Agreement) for any other purpose unless and until it has acquired the Collateral pursuant to Section 32(d) below;
- (b) any third party making a *bona fide* offer in respect of the Collateral shall be deemed to be a "Third Party" (as defined in the Shareholders Agreement) and the offer a "Third Party Offer" (as defined in the Shareholders Agreement) and the "Selling Notice" (as defined in the Shareholders Agreement) deemed to have been given when the Collateral Agent has notified the "Offerees" (as defined in the Shareholders Agreement) of such "Third Party Offer";
- (c) the deemed price for the Collateral shall be an amount no less than the aggregate amount of the Outstanding Principal, together with all accrued unpaid interest and fees and all other Obligations, then owing to the Collateral Agent and the Secured Parties (in this Section 32, the "**Minimum Offering Price**") and such amount shall be deemed to be the "Third Party Offer" price; *provided that* if no "Third Party Offer" is made the provisions of the ROFR shall be read as if such a "Third Party Offer" had been made at the Minimum Offering Price and the "Selling Notice" deemed to have been given on the date the Collateral Agent initiates the enforcement process under this Agreement and *further provided that* the Collateral Agent shall be under no obligation to first solicit a "Third Party Offer" before initiating the ROFR;

- (d) if either: (i) no “Offeree” exercises its rights to acquire the Collateral; or (ii) the “Offerees” collectively fail to exercise their rights to acquire all of the Collateral, the Collateral Agent shall be entitled to either acquire the Collateral (for certainty without the payment of any purchase price) or to sell the Collateral to a “Third Party”, in each case pursuant to a realization under this Agreement, for an amount not less than the Minimum Offering Price; provided that if any such proposed sale results in a purchase price for the Collateral which is less than the Minimum Offering Price then the Collateral Agents shall be required to re-offer the Collateral (or such of the Collateral that were not previously acquired by the “Offeree(s)”) to the “Shareholders” (as defined in the Shareholders Agreement) in compliance with the ROFR process contemplated by this Section 32 and the associated terms of the Shareholders Agreement;
- (e) all other provisions of the ROFR shall be interpreted to give effect to the foregoing; and
- (f) the provisions of Article 4 of the Shareholders Agreement shall not apply to the transfer of the Collateral pursuant to this Section 32 to the extent required to give effect to the foregoing provisions of this Section 32 and any enforcement or realization in connection with this Agreement.

The Chargor covenants and agrees that it will perform all acts, execute and deliver all agreements, documents and instruments and take such other steps as are requested by the Collateral Agent or any Secured Party at any time to give effect to the provisions of this Section 32, including in connection with any sale or transfer of the Collateral. The Chargor agrees that it will not, in any manner, challenge, contest, object to, protest or bring into question the any sale or transfer of the Collateral (or any part thereof) pursuant to the provisions of this Section 32, it will not take any action that would hinder, delay, impede, restrict or prohibit any sale or transfer pursuant to the provisions of this Section 32, and it will not otherwise take any action that would limit, invalidate or set aside any such sale or transfer.

### **Section 33      Cash Collateral.**

The Chargor shall, immediately upon receipt of the proceeds of any sale or transfer contemplated by Section 37(g), deposit into a cash collateral account maintained by and in the name of the Collateral Agent, for the benefit of the Secured Parties, the full amount of such proceeds (the “**Drag-Along Proceeds**”) and such funds (together with any interest thereon) will be held by the Collateral Agent for payment of the Guaranteed Obligations so long as the Collateral Agent or the Secured Parties have or may in any circumstance have any obligations under the Loan Agreement (including any contingent or conditional obligation to make advances thereunder, even if such advances are uncommitted in accordance with the Loan Agreement). Such funds will be held as security for the Guaranteed Obligations and may be set-off against any Guaranteed Obligations owing from time to time. The Collateral Agent shall not be required to hold such funds in an interest bearing account, and shall have no liability for interest thereon. Any balance of such funds and interest remaining at such time as the Collateral Agent has received full and indefeasible payment of all Obligations (including the Guaranteed Obligations) and does not have and may never have any obligations under the Loan Agreement (including any contingent or conditional obligation to make advances thereunder, even if such advances are uncommitted in accordance with the Loan Agreement) will be released to the Chargor. The Collateral Agent shall have exclusive control over all amounts at any time on deposit in such cash collateral account. The deposit of such funds by the Chargor with the Collateral Agent as herein provided will not operate as a repayment of the Outstanding Principal or any other Obligations until such time as such funds are actually paid to the Collateral Agent.

### **Section 34      Dealing with the Collateral.**

- (1) The Collateral Agent and the Secured Parties are not obliged to exhaust their recourse against the Chargor or any other Person or against any other security it may hold in respect of the Secured Obligations before realizing upon or otherwise dealing with the Collateral in such manner as the Collateral Agent may consider desirable.

- (2) The Collateral Agent and the Secured Parties may grant extensions or other indulgences, take and give up securities, accept compositions, grant releases and discharges and otherwise deal with the Chargor and with other Persons, sureties or securities as it may see fit without prejudice to the Secured Obligations, the liability of the Chargor or the rights of the Collateral Agent and the Secured Parties in respect of the Collateral.
- (3) Except as otherwise provided by law or this Agreement, the Collateral Agent and the Secured Parties are not (i) liable or accountable for any failure to collect, realize or obtain payment in respect of the Collateral, (ii) bound to institute proceedings for the purpose of collecting, enforcing, realizing or obtaining payment of the Collateral or for the purpose of preserving any rights of any Persons in respect of the Collateral, (iii) responsible for any loss occasioned by any sale or other dealing with the Collateral or by the retention of or failure to sell or otherwise deal with the Collateral, or (iv) bound to protect the Collateral from depreciating in value or becoming worthless.

### **Section 35        Standards of Sale.**

Without prejudice to the ability of the Collateral Agent to dispose of the Collateral in any manner which is commercially reasonable, the Chargor acknowledges, as applicable, that:

- (a) the Collateral may be disposed of in whole or in part;
- (b) the Collateral may be disposed of by public auction, public tender or private contract, with or without advertising and without any other formality;
- (c) any assignee of such Collateral may be the Collateral Agent, any Secured Party or a customer of any such Person;
- (d) any sale conducted by the Collateral Agent will be at such time and place, on such notice and in accordance with such procedures as the Collateral Agent, in its sole discretion, may deem advantageous;
- (e) the Collateral may be disposed of in any manner and on any terms necessary to avoid violation of Applicable Law (including compliance with such procedures as may restrict the number of prospective bidders and purchasers, require that the prospective bidders and purchasers have certain qualifications, and restrict the prospective bidders and purchasers to Persons who will represent and agree that they are purchasing for their own account for investment and not with a view to the distribution or resale of the Collateral) or in order to obtain any required approval of the disposition (or of the resulting purchase) by any governmental or regulatory authority or official;
- (f) a disposition of the Collateral may be on such terms and conditions as to credit or otherwise as the Collateral Agent, in its sole discretion, may deem advantageous; and
- (g) the Collateral Agent may establish an upset or reserve bid or price in respect of the Collateral.

### **Section 36        Dealings by Third Parties.**

- (1) No Person dealing with the Collateral Agent, any Secured Party or an agent or receiver is required to determine (i) whether the Security Interest has become enforceable, (ii) whether the powers which such Person is purporting to exercise have become exercisable, (iii) whether any money remains due to the Collateral Agent or the Secured Parties by the Borrower and/or the Chargor, (iv) the necessity or expediency of the stipulations and conditions subject to which any sale or lease is made, (v) the propriety or regularity of any sale or other dealing by the Collateral

Agent with the Collateral, or (vi) how any money paid to Collateral Agent or the Secured Parties has been applied.

- (2) Any *bona fide* purchaser of all or any part of the Collateral from the Collateral Agent or any receiver or agent will hold the Collateral absolutely, free from any claim or right of whatever kind, including any equity of redemption, of the Chargor, which each specifically waives (to the fullest extent permitted by law) as against any such purchaser together with all rights of redemption, stay or appraisal which the Chargor has or may have under any rule of law or statute now existing or hereafter adopted.

### **Section 37 Representations, Warranties and Covenants.**

The Chargor represents and warrants and covenants and agrees, acknowledging and confirming that the Collateral Agent and each Secured Party are relying on such representations, warranties, covenants and agreements, that:

- (a) It is a limited liability company incorporated and existing under the laws of its jurisdiction of incorporation;
- (b) It has the corporate power to (i) own, lease and operate its properties and assets and carry on its business as now being conducted by it, and (ii) enter into and perform its obligations under this Agreement and any other Credit Documents to which it is a party.
- (c) The execution and delivery by the Chargor and the performance by it under, and compliance with the terms, conditions and provisions of, this Agreement and any other Credit Documents to which it is a party:
  - (i) do not and will not (or would not with the giving of notice, the lapse of time or the happening of any other event or condition) constitute or result in a violation or breach of, or conflict with, or allow any other Person to exercise any rights under, any of the terms or provisions of its constating, or constitutional, documents or by-laws;
  - (ii) do not and will not (or would not with the giving of notice, the lapse of time or the happening of any other event or condition) constitute or result in a breach or violation of, or conflict with or allow any other Person to exercise any rights under, any of the terms or provisions of any contracts, leases or instruments to which it is a party or pursuant to which any of its assets or property may be affected; and
  - (iii) do not and will not result in the violation of any law, regulation or rule or any judgment, injunction, order, writ, decision, ruling or award which is binding on it.
- (d) This Agreement and the other Credit Documents to which it is a party have been duly executed and delivered by the Chargor and constitute legal, valid and binding agreements of it, subject to Section 22(2)(a), enforceable against it in accordance with their respective terms, subject only to any limitation under applicable laws relating to (i) bankruptcy, insolvency, arrangement and other laws of general application affecting the enforcement of creditors' rights, and (ii) the discretion that a court may exercise in the granting of equitable remedies.
- (e) Until the Guaranteed Obligations and all other amounts owing under this Agreement are paid or repaid in full, the Guaranteed Obligations are performed in full and the Collateral Agent and the Secured Parties have no obligations under the Credit Documents, the Chargor covenants and agrees that it will take, or will refrain from taking, as the case may

be, all actions that are necessary to be taken or not taken so that no violation of any provision, covenant or agreement contained in Article 6 of the Loan Agreement, and so that no Default or Event of Default, is caused by the actions of the Chargor.

- (f) Each representation and warranty made by the Borrower under Section 5.1 of the Loan Agreement, to the extent it pertains to the Chargor, this Agreement and any other Credit Documents to which the Chargor is a party, is true, accurate and complete in all respects.
- (g) It will not sell, assign, convey, exchange, lease, release or abandon, or otherwise dispose of, any Collateral; provided, however, that the Chargor may sell the Securities in the capital of Greenfire which form part of the Collateral if the Chargor is required to do so as a result of the exercise by other shareholders of Greenfire of the drag-along right pursuant to and in accordance with Section 3.5 of the Shareholders Agreement (a “**Drag-Along Event**”) if an amount equal to the Drag-Along Proceeds is placed into the cash collateral account contemplated by Section 33 and dealt with in accordance with the provisions of Section 33. The Chargor shall provide written notice to the Collateral Agent immediately upon the exercise by any Person of such drag-along right under the Shareholders Agreement. If aggregate amount of the Outstanding Principal, together with all accrued unpaid interest and fees and all other Obligations, owing at such time (collectively, the “**Outstanding Obligations**”) exceeds the Drag-Along Proceeds, such difference shall be the “**Drag-Along Deficiency Amount**” and the Borrower shall be required to repay such Drag Along Deficiency Amount pursuant to Section 2.6(2)(e) of the Credit Agreement.
- (h) It will not create or suffer to exist, any Lien on the Collateral, as applicable, and will not grant control over the Collateral to any Person other than the Collateral Agent.
- (i) Schedule A lists all Securities in the capital of Greenfire owned or held by the Chargor on the date of this Agreement. Schedule A sets out, for each class of Securities listed in the schedule, the percentage amount that such Securities represent of all issued and outstanding Securities of that class and whether the Securities are certificated securities or uncertificated securities.
- (j) The Securities that are Collateral, as applicable, have been, where applicable, duly and validly issued and acquired and are fully paid and non-assessable.
- (k) Except as described in Schedule A, no transfer restrictions apply to the Securities listed in Schedule A, as applicable. The Chargor has delivered to the Collateral Agent copies of all shareholder, partnership or trust agreements applicable to each issuer of such Securities which are in the Chargor’s possession and confirms that any interest in a partnership or limited liability company that now, or at any time, forms part of the Collateral is, and will be, a “security” for the purposes of the STA.
- (l) No Person has or will have any written or oral option, warrant, right, call, commitment, conversion right, right of exchange or other agreement or any right or privilege (whether by law, pre-emptive or contractual) capable of becoming an option, warrant, right, call, commitment, conversion right, right of exchange or other agreement to acquire any right or interest in any of the Securities that are Collateral, as applicable.
- (m) Except for the consent of the boards of directors of the Chargor and Greenfire, which have been obtained, including in relation to the ROFR (as defined in and as contemplated by Section 32) and except as otherwise provided under Section 22(2), no authorization, approval, or other action by, and no notice to or filing with, any governmental or regulatory authority or official or any other Person, other than any filing under the PPSA, is required either:

- (i) for the pledge by the Chargor of any Collateral, as applicable, pursuant to this Agreement or for the execution, delivery and performance of this Agreement by the Chargor; or
  - (ii) for the exercise by the Collateral Agent of the voting or other rights provided for in this Agreement, or the remedies in respect of the Collateral, as applicable, pursuant to this Agreement except as may be required in connection with a disposition of the Collateral pledged hereunder, as applicable, by applicable laws affecting the offering and sale of securities generally.
- (n) The Securities that are Collateral, as applicable, have been validly issued and, subject to Section 22(2)(a), are enforceable in accordance with their respective terms, subject only to any limitation under Applicable Laws relating to (i) bankruptcy, insolvency, fraudulent conveyance, arrangement, reorganization or creditors' rights generally, and (ii) the discretion that a court may exercise in the granting of equitable remedies.
- (o) The pledge, assignment, delivery to and control by the Collateral Agent of the Collateral, as applicable, pursuant to this Agreement creates a valid and, upon filing with the Registrar of Companies (as provided under Section 22(2)(a)), perfected first ranking security interest in such Collateral and the proceeds of it. Such Collateral and the proceeds from it are not subject to any prior Lien or any agreement purporting to grant to any third party a Lien on or control of the property or assets of the Chargor which would include such Collateral. The Collateral Agent is entitled to all the rights, priorities and benefits afforded by the PPSA or other relevant personal property securities legislation as enacted in any relevant jurisdiction to perfect security interests in respect of such Collateral.
- (p) It does not know of any claim to or interest in any Collateral, as applicable, including any adverse claims. If any Person asserts any Lien, encumbrance or adverse claim against any of the Collateral, as applicable, the Chargor will promptly notify the Collateral Agent.
- (q) It has not consented to, will not consent to, and has no knowledge of any control by any Person with respect to any Collateral, other than the Collateral Agent.
- (r) It will notify the Collateral Agent immediately upon becoming aware of any change in an "issuer's jurisdiction" in respect of any Collateral, as applicable, that are uncertificated securities.
- (s) The Chargor will notify the Collateral Agent immediately upon becoming aware of:
  - (i) any material development, event or circumstance respecting the assets, business, operations, licenses, permits, approvals or financial condition of Greenfire including, without limitation, any event or circumstance that could reasonably be expected to have a material adverse effect on Greenfire, or any of its assets, business, operations, licenses, permits, approvals or financial condition, whether individually or in the aggregate; and
  - (ii) Greenfire making any distribution, dividend, loan repayment or other payment to any of its shareholders, with reasonable details as to the nature and amount of such distribution, dividend, loan repayment or other payment.

The Chargor agrees that it shall immediately upon receipt of any distribution, dividend, loan repayment or other payment to the Chargor from Greenfire, directly or indirectly (by way of equity or shareholder loan or otherwise), pay up to 75% of all such amounts to the



Borrower to be used by the Borrower for the repayment of the Obligations pursuant to the terms of the Loan Agreement.

- (t) It will not, after the date of this Agreement, establish and maintain any securities accounts in respect of the Collateral with any securities intermediary unless i) it gives the Collateral Agent 30 days' prior written notice of its intention to establish such new securities account, ii) such securities intermediary is reasonably acceptable to the Collateral Agent, and iii) the securities intermediary and the Chargor (A) execute and deliver a control agreement with respect to such securities account that is in form and substance, satisfactory to the Collateral Agent, or (B) transfer the financial assets in such securities account into a securities account in the name of the Collateral Agent.
- (u) It will perform all acts, execute and deliver all agreements, documents and instruments and take such other steps as are requested by the Collateral Agent at any time to register, file, signify, publish, perfect, maintain, protect, and enforce the Security Interest including: (i) executing, recording and filing of financing or other statements, and paying all Taxes, fees and other charges payable, (ii) placing notations on its books of account to disclose the Security Interest, (iii) delivering acknowledgements, confirmations and subordinations that may be necessary to ensure that the Security Documents constitute a valid and perfected first ranking security interest, (iv) executing and delivering any certificates, endorsements, instructions, agreements, documents and instruments, and (v) delivering opinions of counsel in respect of matters contemplated by this paragraph. The documents and opinions contemplated by this paragraph must be in form and substance satisfactory to the Collateral Agent.

**Section 38      General.**

- (1) Any demand, notice or other communication required or permitted to be given to any party hereunder shall be in writing and shall be given to that party by hand-delivery or email and shall be deemed to have been received by that party at the time it is delivered to the applicable address or sent to the applicable email address noted below, in either case to the attention of the individual designated below. Notice of change of address shall also be governed by this section. Demands, notices and other communications shall be addressed as follows:

(a)      **If to the Chargor:**

Spicelo Limited  
17 Megalou Alexandrou Street  
2121 Aglantzia  
Nicosia  
Cyprus  
Attention:      Ioannis Charalambides  
Email:          ceo@iccsovereigngroup.com

(b)      **If to the Collateral Agent or the Secured Parties, to the Collateral Agent at:**

GLAS Americas LLC  
3 Second Street, Suite 206  
Jersey City, NJ 07311  
  
Fax: 212-202-6246  
Phone: +1 (201) 839-2200  
Email: ClientServices.Americas@glas.agency; tmgus@glas.agency

with a copy to:

Trafigura Canada Limited  
1700, 400 - 3rd Avenue SW  
Calgary, Alberta  
T2P 4H2

Attention: Iain Singer  
Email: iain.singer@trafigura.com

and with a copy to:

Signal Alpha C4 Limited  
3<sup>rd</sup> Floor, Liberation House, Castle Street  
St Helier, Jersey, Channel Islands  
JE1 2LH

Attention: Credit Ops  
Email: creditops@signalcapital.com

and

Attention: Signal Alpha  
Email: signalAlpha@langhamhall.com

- (2) A notice is deemed to have been given and received (i) if sent by personal delivery or courier service, or mailed by certified or registered mail, on the date of delivery if it is a Business Day and the delivery was made prior to 4:00 p.m. (local time in place of receipt) and otherwise on the next Business Day or (ii) if sent by e-mail, on the date sent if it is a Business Day and the e-mail was sent prior to 4:00 p.m. (local time where the recipient is located) and otherwise on the next Business Day. A party may change its address for service from time to time by providing a notice in accordance with the foregoing. Any subsequent notice must be sent to the party at its changed address. Any element of a party's address that is not specifically changed in a notice will be assumed not to be changed.
- (3) The Security Interest will be discharged in accordance with Section 3.7 of the Loan Agreement.
- (4) This Agreement does not operate by way of merger of any of the Secured Obligations and no judgment recovered by the Collateral Agent or any Secured Party will operate by way of merger of, or in any way affect, the Security Interest, which is in addition to, and not in substitution for, any other security now or hereafter held by the Collateral Agent and the Secured Parties in respect of the Secured Obligations. The representations, warranties and covenants of the Chargor in this Agreement survive the execution and delivery of this Agreement and any advances under the Loan Agreement. Notwithstanding any investigation made by or on behalf of the Collateral Agent or the Secured Parties the covenants, representations and warranties continue in full force and effect.
- (5) The Chargor will do all acts and things and execute and deliver, or cause to be executed and delivered, all agreements, documents and instruments that the Collateral Agent may require and take all further steps relating to the Collateral, as applicable, or any other property or assets of the Chargor that the Collateral Agent may require for (i) protecting such Collateral, (ii) perfecting, preserving and protecting the Security Interest, and (iii) exercising all powers, authorities and discretions conferred upon the Collateral Agent and the Secured Parties. After the Security Interest becomes enforceable, the Chargor will do all acts and things and execute and deliver all documents and instruments that the Collateral Agent may require for facilitating the sale or other disposition of the Collateral, as applicable, in connection with its realization.



- (6) The Chargor acknowledges and confirms that it has established its own adequate means of obtaining from the other Credit Parties on a continuing basis all information desired by the Chargor concerning the financial condition of such other Credit Parties and that the Chargor will look to such other Credit Parties and not to the Collateral Agent or the Secured Parties, in order for the Chargor to keep adequately informed of changes in any other Credit Party's financial condition.
- (7) This Agreement is in addition to, without prejudice to and supplemental to all other security now held or which may hereafter be held by the Collateral Agent or the Secured Parties.
- (8) This Agreement is binding on the Chargor, its successors and permitted assigns, and enures to the benefit of the Collateral Agent, the Secured Parties and their respective successors and permitted assigns. This Agreement may only be assigned by the Collateral Agent without the consent of, or notice to, the Chargor, to an Affiliate of the Collateral Agent, and, in such event, such Affiliate will be entitled to all of the rights and remedies of the Collateral Agent as set forth in this Agreement or otherwise. In any action brought by an assignee to enforce any such right or remedy, the Chargor will not assert against the assignee any claim or defence which the Chargor now has or may have against the Collateral Agent or any Secured Party. The Chargor may not assign, transfer or delegate any of its rights or obligations under this Agreement without the prior written consent of the Collateral Agent which may be unreasonably withheld.
- (9) The Chargor acknowledges and agrees that in the event it amalgamates with any other corporation or corporations, it is the intention of the parties that the Security Interest (i) extends to: (A) all of the Securities in the capital of Greenfire that any of the amalgamating corporations then own, (B) all of the Securities in the capital of Greenfire that the amalgamated corporation thereafter acquires, (C) all of the Securities in the capital of Greenfire in which any of the amalgamating corporations then has any interest, and (D) all of the Securities in the capital of Greenfire in which the amalgamated corporation thereafter acquires any interest; and (ii) secures the payment and performance of all debts, liabilities and obligations, present or future, direct or indirect, absolute or contingent, matured or unmatured, at any time or from time to time due or accruing due and owing by or otherwise payable by the Borrower to the Collateral Agent and the Secured Parties in any currency, under, in connection with or pursuant to any Credit Document to which the Borrower is a party, and whether incurred alone or jointly with another or others and whether as principal, guarantor or surety and whether incurred prior to, at the time of or subsequent to the amalgamation. The Security Interest attaches to the additional collateral at the time of amalgamation and to any collateral thereafter owned or acquired by the amalgamated corporation when such becomes owned or is acquired. Upon any such amalgamation, the defined term "**Chargor**" means, collectively, each of the amalgamating corporations and the amalgamated corporation, the defined term "**Collateral**" means all of the property and undertaking and interests described in (i) above, and the defined term "**Secured Obligations**" means the obligations described in (ii) above.
- (10) If any court of competent jurisdiction from which no appeal exists or is taken, determines any provision of this Agreement to be illegal, invalid or unenforceable, that provision will be severed from this Agreement and the remaining provisions will remain in full force and effect.
- (11) This Agreement may only be amended, supplemented or otherwise modified by written agreement executed by the Collateral Agent, the Secured Parties and the Chargor.
- (12) No consent or waiver by the Collateral Agent in respect of this Agreement is binding unless made in writing and signed by an authorized officer of the Collateral Agent. Any consent or waiver given under this Agreement is effective only in the specific instance and for the specific purpose for which given. No waiver of any of the provisions of this Agreement constitutes a waiver of any other provision.

- (13) A failure or delay on the part of the Collateral Agent or the Secured Parties in exercising a right under this Agreement does not operate as a waiver of, or impair, any right of the Collateral Agent or the Secured Parties however arising. A single or partial exercise of a right on the part of the Collateral Agent or the Secured Parties does not preclude any other or further exercise of that right or the exercise of any other right by the Collateral Agent or the Secured Parties.
- (14) All monies collected by the Collateral Agent upon the enforcement of its or the Secured Parties' rights and remedies under the Security Documents and the Liens created by them including any sale or other disposition of the Collateral, together with all other monies received by the Collateral Agent and the Secured Parties under the Security Documents, will be applied as provided in the Loan Agreement. To the extent any other Credit Document requires proceeds of collateral under such Credit Document to be applied in accordance with the provisions of this Agreement, the Collateral Agent shall apply such proceeds in accordance with this Section.
- (15) In the event of any conflict between the provisions of this Agreement and the provisions of the Loan Agreement which cannot be resolved by both provisions being complied with, the provisions contained in the Loan Agreement will prevail to the extent of such conflict.
- (16) By accepting the benefits of this Agreement, the Collateral Agent and the Secured Parties agree that this Agreement may be enforced only by the action of the Collateral Agent and that no other Secured Party shall have any right individually to seek to enforce this Agreement or to realize upon the security to be granted hereby, it being understood and agreed that such rights and remedies may be exercised by the Collateral Agent for the benefit of the Secured Parties upon the terms of the Loan Agreement.
- (17) Notwithstanding the provisions of the *Limitations Act* (Alberta), to the maximum extent permitted by Applicable Law, the Chargor hereby agrees that the Collateral Agent may bring an action under this Agreement, notwithstanding any limitation periods applicable to such claim, and that any limitation periods applicable to this Agreement are hereby explicitly excluded. If the exclusion of limitation periods is not permitted under Applicable Law, then the applicable limitation periods are hereby extended to the maximum extent permitted by Applicable Law.
- (18) This Agreement will be governed by, interpreted and enforced in accordance with the laws of the Province of Alberta and the federal laws of Canada applicable therein.
- (19) The Chargor irrevocably attorns and submits to the non-exclusive jurisdiction of any court of competent jurisdiction of the Province of Alberta sitting in Calgary, Alberta in any action or proceeding arising out of or relating to this Agreement and the other Credit Documents to which it is a party. The Chargor irrevocably waives objection to the venue of any action or proceeding in such court or that such court provides an inconvenient forum. Nothing in this Section limits the right of the Collateral Agent to bring proceedings against the Chargor in the courts of any other jurisdiction.
- (20) The Chargor hereby irrevocably consents to the service of any and all process in any such action or proceeding by the delivery of copies of such process to the Chargor in accordance with Section 36(1). Nothing in this Section affects the right of the Collateral Agent to serve process in any manner permitted by Applicable Law.
- (21) This Agreement may be executed in any number of counterparts, each of which is deemed to be an original, and such counterparts together constitute one and the same instrument. Transmission of an executed signature page by facsimile, email or other electronic means is as effective as a manually executed counterpart of this Agreement.

**[Remainder of page intentionally blank.]**

DATED as of the date first above written.

SPICELO LIMITED

Per:

Ioannis Charalambides  
Secretary and Director




Signature Page to Limited Recourse Guarantee and Securities Pledge Agreement

AB

MM

Acknowledged and Agreed to by:

GLAS AMERICAS LLC

Per:   
Name: Yana Kislenko  
Title: Vice President

## SCHEDULE A SECURITIES

Issuer	Owner	Class of Securities	Number of Securities	Certificated or Uncertificated	Certificate Number
Greenfire Resources Inc.	Spicelo Limited	Common Shares	1,125,000	Certificated	7-C
		Common Shares	2	Certificated	11-C

## TRANSFER RESTRICTIONS

Capitalized terms which are used the following excerpts of Article 3 and Article 4 from the Shareholders Agreement shall have the meanings assigned thereto in the Shareholders Agreement.

## ARTICLE 3 TRANSFER, DISPOSITION AND ISSUE OF SHARES

### 3.1 New Issuances

Upon the issuance of Shares to any Person or Persons if the subscriber is not then a Shareholder who is a party to this Agreement, including, for certainty, through the exercise of any warrants, options or other rights to acquire Shares of the Corporation, such Person or Persons shall become a party to this Agreement and shall agree to be bound by the terms of this Agreement by duly executing a joinder agreement in the form of Schedule B. The Corporation shall require that the subscriber become a party to this Agreement in accordance with the foregoing as a condition of the issuance of any Shares to any Person or Persons if the subscriber is not then a Shareholder who is a party to this Agreement.

### 3.2 Restriction on Transfer

**3.2.1** Except as expressly required or permitted pursuant to the provisions of this Agreement or as required by law, no Shareholder shall directly or indirectly sell, Transfer or otherwise dispose of or Encumber any Shares or its rights under this Agreement. A purported Transfer of any Shares in violation of this Agreement will not be valid and shall be null and void. The Corporation will neither register, nor permit any transfer agent to register, any such Shares purportedly Transferred in violation of this Agreement on the securities register of the Corporation. In addition, during the period of the purported Transfer, no voting rights attaching to or relating to such Shares may be exercised, no purported exercise of voting rights will be valid or effective and no dividend or distribution will be paid or made on those Shares. Any Shareholder who purports to make a Transfer of any Shares in violation of this Agreement agrees to donate and hereby donates to the Corporation all dividends and distributions that would otherwise be paid or made on those Shares during the period of the purported Transfer (but any such donated dividend or distribution shall be paid when the breach is cured). The provisions of the immediately preceding sentence are in addition to, and not in lieu of, any other remedies to enforce the provisions of this Agreement.

**3.2.2** If a proposed Transfer of Shares may be effected in accordance with the terms of this Agreement, then all Shareholders who are party to this Agreement and the Corporation shall execute such documents and provide all such approvals, votes, consents and other reasonable assistance as may be necessary or desirable in order to effect the Transfer of the Shares in accordance with the Articles and this Agreement. Notwithstanding any other provision of this Agreement, every Transfer of Shares to any Person or Persons if the Transferee is not then a Shareholder who is a party to this Agreement, will be subject to the condition that such Person or Persons will, as a result of such Transfer agree to be bound by the terms of this Agreement and become a party by duly executing a joinder agreement in the form of Schedule B.

### **3.3 Right of First Refusal**

**3.3.1** Subject to sections 3.4, 3.5, 3.6 and 3.9, if any Shareholder (the “**Offeror**”) desires to sell or dispose of any of its Shares, the other Shareholders (each, an “**Offeree**”) will have the prior right to purchase such Shares on the terms and in accordance with the procedures set forth in this section 3.3.1:

3.3.1.1 Upon receipt of a bona fide offer from a third party dealing at Arm’s Length with the Offeror (the “**Third Party Purchaser**”) to purchase any of the Offeror’s Shares (the “**Offered Shares**”) in cash which the Offeror wishes to accept (a “**Third Party Offer**”), an Offeror will give written notice (the “**Selling Notice**”) to each of the Offerees of its intention to Transfer any of its Shares. The Selling Notice will offer to sell to the Offerees, on a pro rata basis in proportion to the number of Shares held by each Offeree at the date of the Selling Notice, the number of Shares specified in the Third Party Offer on the terms contained in the Third Party Offer and will include a true copy of the Third Party Offer and the name of the Third Party Purchaser and any Person Controlling the Third Party Purchaser, directly or indirectly, and will contain the Piggy-Back Offer set out in section 3.4. The Offerees will have 30 days from its receipt of the offer to accept it by notice in writing to the Offeror.

3.3.1.2 The Selling Notice will state that any Offeree may accept the offer contained therein in respect of all or part of the Offeree’s pro rata portion of the offered Shares by delivering a written notice and indicate whether the Offeree wishes to purchase any excess Shares not being purchased by other Offerees and the maximum number of excess Shares so desired (a “**Purchase Notice**”) to the Offeror and to the Chairman of the Board within 30 days of receipt of the Selling Notice (the “**Offering Period**”) which will state the number of Shares the Offeree desires to purchase. The agreement of sale arising pursuant to this section 3.3.1.2 shall close within 30 days after the expiration of the Offering Period. If, within the Offering Period, a Purchase Notice has not been given by an Offeree, the Offeree will be deemed to have refused to purchase any of the Shares being offered.

3.3.1.3 If any Offeree does not accept the offer contained in the Selling Notice in respect of its proportion of the Shares being offered, its proportion will be divided pro rata among the Offerees desiring such Shares in excess of their proportions to the number of Shares held by them at the date of the Selling Notice, provided that no Offeree will be bound to take any Shares in excess of the number it so desires as indicated in the Purchase Notice.

3.3.1.4 If the Shares being offered will not be capable of being offered to or divided among the Offerees as set forth above in proportion to the number of Shares held by them at the date of the Selling Notice or without resulting in division into fractions, the same will be offered or divided among the Offerees as nearly as may be in accordance with the foregoing provisions and the balance will be offered to or divided among the Offerees or some of them in such manner as may be determined by the Board to be equitable.

3.3.1.5 Subject to section 3.4, if a Purchase Notice or Purchase Notices have not been given by the Offerees within the Offering Period to purchase all of the Shares being offered, the Offeror may, within 90 days after the expiration of the Offering Period, sell any or all of such Shares not purchased by the Offerees pursuant to the Third Party Offer and all the Purchase Notices will be void and of no legal effect.

**3.3.2** Transfer of the Shares subject to this Agreement will be subject to the condition that a purchaser thereof will, if not a party to this Agreement, agree to be bound by the terms of this Agreement and become a party to this Agreement in accordance with the provisions of section 3.2.

### **3.4 Piggy-Back Offer**

**3.4.1** If the Third Party Offer(s) delivered pursuant to section 3.3 constitutes an offer to purchase 75% or more of the then issued and outstanding Shares, such Third Party Offer(s) must contain an offer (the **"Piggy-Back Offer"**) to purchase that proportion of the Shares held by each of the Offerees which is equal to the proportion of the Shares held by the Offeror(s) and its Affiliates which is the subject of the Third Party Offer(s) to the total number of Shares held by the Offeror(s) and its Affiliates (e.g. if the Third Party Purchaser offers to purchase 100% of the Offeror's and its Affiliates' (or Offerors and their Affiliates') Shares, then the Third Party Purchaser must offer to purchase 100% of each Offeree's Shares). The Piggy-Back Offer will contain terms and conditions identical to those contained in the Third Party Offer(s), provided that the obligations of the Third Party Purchaser to the Offerees under the Piggy-Back Offer may be conditional upon completion of the transaction contemplated by the Third Party Offer(s) and provided further that the Piggy-Back Offer will require each Offeree to provide joint and several covenants, representations and warranties and indemnities (including any escrow arrangements) that are substantially similar to those provided by the Offeror with recourse limited to the aggregate purchase price actually paid to such Offerree. The Piggy-Back Offer will be irrevocable and will provide that it is open for acceptance by the Offerees for a period of 30 days following receipt of the Selling Notice in writing (an **"Acceptance Notice"**) which will state the number of Shares that the accepting Offeree wishes to sell under the Piggy-Back Offer (up to the maximum number of Shares for which the Piggy-Back Offer is made to that Shareholder). Each Offeree who delivers an Acceptance Notice will be obligated to sell the number of Shares specified in the Acceptance Notice upon the terms specified in the Piggy-Back Offer to the Purchaser under the Piggy-Back Offer, conditional upon and contemporaneously with the completion of the transaction of purchase and sale contemplated in the Third Party Offer(s); provided, however, that no Shares will be sold under a Third Party Offer to which this section 3.4 applies unless, subject to section 3.4.2, payment for all Shares specified in all Acceptance Notices is made or provided for in accordance with the terms of the Piggy-Back Offer. The Piggy-Back Offer will not apply if the Offeror sells its Shares to the Offerees under the terms of the right of first refusal set out in section 3.3.

**3.4.2** Notwithstanding the foregoing, if the Third Party Purchaser does not wish to purchase all the Shares that are the subject of an Acceptance Notice as described above, then the number of Shares that the Offeror(s) and each of the Offerees will be entitled to sell will be adjusted proportionately so that the Offeror(s) and each Offeree will each be entitled to sell the same relative proportion of the total number of Shares held by each such party (e.g. if such an adjustment resulted in the Third Party Purchaser purchasing 50% of the Offeror's (or Offerors') Shares, the Third Party Purchaser would also be purchasing 50% of each Offeree's Shares).

### **3.5 Drag-Along Right**

**3.5.1** If the Super-Majority Shareholders receive an offer from a third party (the **"Drag-Along Offer"**) to purchase all (but not less than all) of the Shares of such Shareholders and such Shareholders (the **"Approving Shareholders"**) wish to accept the Drag-Along Offer, then the Approving Shareholders may, if requested to do so by the third party, deliver to each other



Shareholder (the “**Receiving Shareholders**”) a copy of the Drag-Along Offer addressed to each of the Receiving Shareholders together with a statement executed by each of the Approving Shareholders (the “**Drag-Along Notice**”) notifying each of the Receiving Shareholders that the Approving Shareholders are exercising their rights (the “**Drag-Along Rights**”) under this section 3.5. Notwithstanding the foregoing, a Drag-Along Offer must in addition (a) provide for the representations and warranties of the Receiving Shareholders to be limited to, where applicable, good title to the Shares being sold, free and clear of all encumbrances, and the residency of the Receiving Shareholders; (b) provide for the covenants, where applicable, of the Receiving Shareholders to be limited to the obligation to complete the Drag-Along Offer and for greater certainty, there will be no restrictive covenants such as non-competition, confidentiality or non-solicitation; and (c) provide for the liability of the Receiving Shareholder for misrepresentation or breach of contract, where applicable, to be capped at the value on closing of the purchase price consideration received on closing by that Receiving Shareholder. No Drag-Along Notice will be valid if the transaction to which it relates provides for any member of Senior Management to receive consideration or collateral benefits unavailable to other Shareholders other than an employment contract at reasonable market rates and other reasonable terms.

**3.5.2** The Drag-Along Offer will be deemed not to be a Third Party Offer and the Drag-Along Notice will be deemed not to be a Selling Notice within the meaning of section 3.3.2 and the provisions of section 3.3 will not apply to any sale contemplated in this section 3.5.

**3.5.3** Upon receipt of the Drag-Along Notice, each Receiving Shareholder will be obligated to sell (whether pursuant to a share sale, plan of arrangement, merger, amalgamation or other form of business combination) its Shares to the third party pursuant to the Drag-Along Offer at the same time as the Approving Shareholders sell their Shares to the third party and as part of the same closing, or where applicable, and/or to vote their Shares in favour of the transaction proposed in the Drag-Along Offer.

**3.5.4** The Approving Shareholders will be entitled to accept the Drag-Along offer on behalf of the Receiving Shareholders and to deliver the same to the third party and, for such purpose, each Shareholder hereby appoints the Approving Shareholder holding the greatest number of Shares as its attorney, with full power of substitution to accept the Drag-Along Offer and to execute and deliver all documents and instruments to give effect to such acceptance and to establish a contract of purchase and sale between each of the Receiving Shareholders and the third party with respect to all the Shares held by such Receiving Shareholders, and/or, where applicable, to vote the Shares held by the Receiving Shareholders in favour of the transaction proposed in the Drag-Along Offer. Such appointment is irrevocable by each Shareholder and will not be revoked by the insolvency, bankruptcy, death, incapacity, dissolution, liquidation or other termination of the existence of the Shareholder. Each Shareholder agrees that it will perform the agreement resulting from acceptance of the Drag-Along Offer in accordance with its terms and will ratify and confirm all that the Approving Shareholders may do or cause to be done pursuant to the foregoing.

**3.5.5** Any purchase and sale of the Shares of the Receiving Shareholders to the third party pursuant to the Drag-Along Offer will be completed in accordance with the provisions of the Drag-Along Offer and at the same time as the purchase and sale of the Shares by the Approving Shareholders to the third party and as part of the same closing, provided that the purchase price payable in respect of Shares acquired pursuant to the Drag-Along Offer will be paid in cash or Marketable Securities at the closing.

## **3.6 Pre-Emptive Right**

**3.6.1** If any additional Shares are to be issued from treasury, other than pursuant to:



3.6.1.1 the issuance of Shares upon the due exercise of stock options granted pursuant to the Corporation's stock option plan or other incentive plan approved by Shareholders holding an aggregate Proportionate Interest not less than 60%; and

3.6.1.2 any issuance specifically excluded by Shareholders holding an aggregate Proportionate Interest not less than 60%.

the Corporation will provide the Shareholders with notice in writing of the Corporation's intention to issue additional Shares and the number thereof to be issued, the issue price for the Shares and the closing date for such offering, which shall be not less than 30 Business Days from the date of delivery of such notice (or such longer period as may reasonably be required to comply with all applicable statutory and regulatory requirements), or as required to comply with this section 3.6. The Shareholders shall have the right to purchase, on the same terms and conditions as offered in such issuance, up to that number of additional Shares which if owned by the Shareholders following completion of such issuance would result in the Shareholders' Proportionate Interest after the completion of such issuance remaining the same as the Shareholders' Proportionate Interest as immediately prior to the closing of such issuance.

**3.6.2** To exercise their right to purchase, the Shareholders must provide written notice to the Corporation within 10 Business Days of receipt of notice from the Corporation that additional Shares are to be issued, which notice must set forth the maximum number of Shares that such Shareholder wish to subscribe for pursuant to the offering. If all of the additional Shares to be issued from treasury are not purchased by the Shareholders pursuant to this section 3.6, the Corporation shall be entitled to issue any remaining additional Commons Shares on the same terms and conditions stated in the Corporation's notice referenced in section 3.6.1 for a period of 60 days (or such other date as may be determined by the Board) after the date of expiration of the 10 Business Day notice period referred to above. If the Corporation has not received written notice of exercise of a Shareholder's right to purchase Shares within the 10 Business Day time period stated above, such Shareholder shall be deemed to have waived such right to purchase Shares pursuant to this section 3.6 in connection only with the offering of Shares described in such notice of exercise. For greater certainty, if a Shareholder declines to exercise its rights under this section 3.6 with respect to a particular offering of Shares, the rights contained in this section 3.6 shall continue to apply to all future issuances of Shares from treasury by the Corporation.

**3.6.3** The provisions of sections 3.6.1 and 3.6.2 shall apply, mutatis mutandis, to any issuance from treasury of any securities exchangeable or convertible into Shares, but shall not apply to the issuance of Shares pursuant to the exceptions listed in section 3.6.1.

### **3.7 Exclusivity of Sections**

Each of sections 3.3, 3.4 and 3.5 is exclusive and the provisions thereof may only be relied upon by a party hereto if the provisions of one of the other of such sections are not at the same time being relied upon by the same or another party hereto. Section 3.5 will supersede sections 3.3 and 3.4 and once it has been invoked, such sections 3.3 and 3.4 will be suspended until the process prescribed by section 3.5 has been completed.

### **3.8 Control**

**3.8.1** For the purposes of this section 3.8, the term "Corporate Shareholder" will include any Shareholder which is a corporation, partnership, trust, syndicate, or other entity any of the beneficial interests in which are Transferable.

**3.8.2** Each Corporate Shareholder which is a party hereto and holds at least 5% of the Shares of the Corporation will deliver to the Chairman of the Board accurate information relating to

beneficial holders of the Corporate Shareholder's securities or ownership interests 14 days after its receipt of a written demand therefor made by or on behalf of the Corporation.

**3.8.3** The Corporate Shareholder's compliance with that written notice to it may be waived by the written approval of holders of not less than a majority of the Shares not then held by the Corporate Shareholder and its Affiliates, given within 30 days following the receipt by the Corporate Shareholder of such written notice, and upon whatever terms and conditions may be set forth in such written waiver and approval, and in that event the written notice to the Corporate Shareholder will be without effect.

### **3.9 Permitted Transfers**

**3.9.1** Subject to section 3.2.2 and 3.8, but notwithstanding any other provisions hereof, any Shareholder shall be permitted to Transfer all or any part of the Shares owned by such Shareholder (the "**Transferor**") to an Affiliate or Immediate Family Member of such Shareholder, or, in the case of a Corporate Shareholder, to Persons who Control a Corporate Shareholder, Immediate Family Members or Affiliates of such Persons (in each case a "**Permitted Transferee**" and each such Transfer in accordance with this section 3.9, a "**Permitted Transfer**"). As a condition precedent to being registered as a holder of Shares, the Permitted Transferee shall execute and deliver to the Corporation and the other Shareholders a written acknowledgment substantially in the form satisfactory to the Corporation that such transfer is in accordance with and subject to the terms of this Agreement. Notwithstanding any such disposition as between the disposing Shareholder and the other parties hereto the disposing Shareholder shall remain liable as principal debtor under all covenants on its part contained herein and the disposing Shareholder agrees to unconditionally guarantee to the other parties hereto the due performance by the acquirer of all obligations imposed upon it hereunder. The guarantee of the disposing Shareholder is unconditional and may be enforced against him without requiring the other parties hereto to first proceed against the acquirer or to proceed against or exhaust any security held or to pursue any other remedy whatsoever. The disposing Shareholder hereby authorizes the other parties hereto to renew, compromise, extend, accelerate or otherwise change the time for payment or any term relating to the performance of any such obligations or to otherwise amend any provision hereof and hereby waives presentment, protest, notice of protest, notice of dishonour, demand for performance and notice of acceptance of this guarantee by the other parties hereto; provided, however, that notwithstanding anything to the contrary contained in this Agreement, Shares shall not be transferred if such transfer would not be in compliance with applicable securities legislation or, if regulatory approval is required, until all such approvals are received.

### **3.10 Access to Information**

In connection with the exercise of any rights of first refusal or any other rights granted to the parties hereto to sell or purchase shares of the Corporation, the Corporation will promptly give or cause to be given to any party proposing to sell or purchase or contemplating the purchase or sale of more than 5% of the Shares and that party's accountants, legal advisers and representatives full access to its premises, all the assets of the relevant entities, and the books and records relating thereto and to the relevant personnel and will promptly furnish them with all information relating to the relevant businesses and assets as the party may reasonably request; provided, however, that such activities will not unduly interfere with the business of the Corporation and the Corporation will not be obligated pursuant to this section 3.10 to provide access to any information that it reasonably considers to be a trade secret or similar confidential information or to share any information with a Shareholder or any other person which the Corporation determines, in its reasonable discretion, directly or indirectly is involved with, has a greater than 1% ownership in, or otherwise transacts business with, a business competitive to that of the Corporation. No Corporate Confidential Information shall be disclosed to a party who is not a Shareholder pursuant to this section except where the selling Shareholder and the Corporation require such party to enter into a confidentiality agreement with the selling Shareholder and the Corporation containing substantially the same provisions as those set out in Section 5.14, as well as a covenant of such party not

to use or allow the use, for any purpose, of the Corporate Confidential Information, or notes, summaries or other material derived from the review of the Corporate Confidential Information, except to determine whether to enter into a transaction with the selling Shareholder.

## **ARTICLE 4 GENERAL SALE PROVISIONS**

### **4.1 Application of Provisions**

The provisions of this Article 4 shall apply, with such changes in detail as may be necessary, to any sale of Shares between or among the parties made pursuant to sections 3.3, 3.4 and 3.5, as the case may be. All references in this Article 4 to the "Vendor" are to the party or parties entitled or obligated to sell their Shares (or their legal or other personal representatives) and all references in this Article 4 to the "Purchaser" are to the party or parties entitled or obligated to purchase such Shares. All references in this Article 4 to a "Sale Transaction" are to the transaction of purchase and sale between or among such Vendor and Purchaser and all references in this Article 4 to the "Purchase Price" and "Purchased Shares" are to the purchase monies payable on, and the Shares to be delivered in connection with the completion of, such Sale Transaction. All references in this Article 4 to a "Closing" are to the date upon which such Sale Transaction is to be completed as determined under Sections 3.3, 3.4 and 3.5, as the case may be.

### **4.2 Obligations of Vendor**

At or prior to the Closing, the Vendor will:

**4.2.1** assign and transfer to the Purchaser the Purchased Shares and deliver the share certificate(s) representing the Purchased Shares duly endorsed for transfer to the Purchaser or as directed by it;

**4.2.2** do all other things required in order to deliver good and marketable title to the Purchased Shares to the Purchaser free and clear of any claims, liens and encumbrances whatsoever including, without limitation, the delivery of any governmental releases and declarations of transmission (provided that, if at the time of Closing, after diligent effort by the Vendor, the Purchased Shares are not free and clear of all claims, liens and encumbrances whatsoever, the Purchaser, may, without prejudice to any other rights which it may have, purchase the Purchased Shares subject to such claims, liens and encumbrances and, in that event, the Purchaser will, at the time of Closing, assume all obligations and liabilities with respect to such claims, liens and encumbrances and the Purchase Price payable by the Purchaser for the Purchased Shares will be satisfied, in whole or in part, as the case may be, by such assumption and the amount so assumed by the Purchaser will be deducted from the Purchase Price payable at the Closing); and

**4.2.3** either (i) provide the Purchaser with evidence reasonably satisfactory to the Purchaser that the Vendor is not then a non-resident of Canada within the meaning of the *Income Tax Act* (Canada), (ii) provide the Purchaser with a certificate pursuant to Subsection 116(2) of the *Income Tax Act* (Canada) with a certificate limit in an amount not less than the Purchase Price for the Purchased Shares, or (iii) establish to the satisfaction of the Purchaser acting reasonably that either the Purchased Shares are not taxable Canadian property of the Vendor within the meaning of the *Income Tax Act* (Canada) or that subsection 116(5.01) of the *Income Tax Act* (Canada) applies to the acquisition of the Purchased Shares by the Purchaser, failing which the Purchaser will be entitled to make the payment of tax required under Section 116 of the *Income Tax Act* (Canada) and to deduct such payment from the Purchase Price for the Purchased Shares.

### **4.3 Repayment of Debts**

If, at the time of Closing, the Vendor is indebted to the Corporation in an amount recorded on the books of the Corporation and verified by the accountant of the Corporation, the Vendor will repay such amount to

the Corporation at the time of Closing and, if the Vendor fails to make such repayment, the Purchaser will be entitled to pay the amount of such indebtedness to the Corporation from the Purchase Price and the amount of the Purchase Price payable to the Vendor will be reduced accordingly.

#### **4.4 Non-Completion by Vendor**

If, at the time of Closing, the Vendor fails to complete a sale transaction, the Purchaser will have the right, if not in default under this Agreement, without prejudice to any other rights which it may have, upon payment of the Purchase Price payable to the Vendor at the time of Closing to the credit of the Vendor in the main branch of the Corporation's bankers in the City of Calgary, to execute and deliver, on behalf of and in the name of the Vendor, such deeds, transfers, share certificates, resignations or other documents that may be necessary to complete the Sale Transaction and each party, to the extent it may be a Vendor hereunder, hereby irrevocably appoints any party who becomes a Purchaser in a Sale Transaction its attorney in that behalf in accordance with the *Powers of Attorney Act* (Alberta) (which power coupled with an interest will not be revoked by the subsequent death, incapacity or bankruptcy of such party), with no restriction or limitation in that regard, each party declaring that this power of attorney may be exercised during any subsequent legal incapacity on its part. Upon such execution and delivery of such documents by the Purchaser, the Purchaser's name will be entered in the registers of the Corporation in exercise of the aforesaid power, and the validity of the proceeding will not be subject to question by any person. On such registration, the Vendor will cease to have any right to or in respect of the Shares to be sold except the right to receive, without interest, the purchase price for the Shares deposited with the Corporation's banker.

#### **4.5 No Joint Liability**

For greater certainty, the parties acknowledge and agree that where a Sale Transaction involves more than one Purchaser, the Purchasers in such Sale Transaction are not jointly liable for the payment of the Purchase Price for the Purchased Shares, but are only liable for their proportionate share thereof.

#### **4.6 Consents**

The parties acknowledge that the completion of any Sale Transaction will be subject, in any event, to the receipt of all necessary governmental and regulatory consents and approvals to the Transfer of Shares contemplated thereby.

This is **Exhibit “E”** referred to in the Affidavit of  
Matthieu Milandri sworn before me via video  
technology this 18 day of March, 2024.

*Archer Bell*

---

Commissioner for Oaths in and for the  
Province of Alberta

**ARCHER BELL**  
Barrister & Solicitor

Greenfire Resources Ltd. (GFR)

NYSE - Nasdaq Real Time Price. Currency in USD

Follow

Quote Lookup

5.12 +0.04 (+0.76%)

As of 12:51PM EDT. Market open.

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1D5D1M6MYTD1Y5YMaxFull screen



Trade prices are not sourced from all markets

Previous Close	5.08	Market Cap	351.36M
Open	5.12	Beta (5Y Monthly)	0.12
Bid	5.08 x 2200	PE Ratio (TTM)	N/A
Ask	5.15 x 800	EPS (TTM)	-0.67
Day's Range	5.12 - 5.18	Earnings Date	N/A
52 Week Range	4.68 - 12.49	Forward Dividend & Yield	N/A (N/A)
Volume	1,575	Ex-Dividend Date	N/A
Avg. Volume	12,901	1y Target Est	N/A

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People Also Watch

Symbol	Last Price	Change	% Change
KCLI	37.01	-0.04	-0.11%
Kansas City Life Insurance Company			
PTA	19.28	+0.02	+0.10%
Cohen & Steers Tax-Advantaged Preferred ...			
CIA	2.2600	+0.0800	+3.67%
Citizens, Inc.			
MNY	1.4300	-0.1700	-10.6250%
MoneyHero Limited			
CSLI	0.0001	0.0000	0.00%
Critical Solutions, Inc.			

Similar to GFR

Symbol	Last Price	Change	% Change
CHKEL	67.17	-1.72	-2.50%
Chesapeake Energy Corporation			
GRNT	6.18	-0.07	-1.04%
Granite Ridge Resources, Inc.			
CRLFF	5.03	+0.06	+1.17%
Cardinal Energy Ltd.			
ISU.F	13.40	-0.40	-2.90%
Inpex Corporation			
CEIEF	0.5745	+0.0010	+0.18%
Coelacanth Energy Inc.			

Company Profile >

205 – 5th Avenue SW  
Suite 1900  
Calgary, AB T2P 2V7  
Canada  
587-315-5656  
<https://www.greenfireres.com>  
Sector(s): **Energy**  
Industry: **Oil & Gas E&P**  
Full Time Employees: **165**

Greenfire Resources Ltd., together with its subsidiaries, engages in the development, exploration, and operation of oil and gas properties in the Athabasca oil sands region of Alberta. The company operates the Tier-1 oil sands assets located in Western Canada. It utilizes steam-assisted gravity drainage (SAGD) extraction technology, a thermal oil recovery process to recover bitumen. The company is headquartered in Calgary, Canada.

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Greenfire Resources Ltd. (GFR)

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+0.04 (+0.76%)

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Date	Open	High	Low	Close*	Adj Close**	Volume
Mar 18, 2024	5.12	5.18	5.12	5.12	5.12	1,575
Mar 15, 2024	5.03	5.20	5.03	5.08	5.08	1,300
Mar 14, 2024	5.17	5.17	5.01	5.10	5.10	4,800
Mar 13, 2024	5.06	5.24	5.00	5.24	5.24	73,300
Mar 12, 2024	5.04	5.11	4.90	5.03	5.03	4,000
Mar 11, 2024	5.02	5.03	4.91	5.03	5.03	800
Mar 08, 2024	5.01	5.16	5.01	5.15	5.15	3,200
Mar 07, 2024	5.15	5.27	4.99	5.20	5.20	4,300
Mar 06, 2024	5.03	5.27	5.03	5.24	5.24	800
Mar 05, 2024	4.96	5.29	4.86	5.16	5.16	18,000
Mar 04, 2024	5.40	5.40	4.71	4.96	4.96	49,500
Mar 01, 2024	4.93	5.32	4.93	5.30	5.30	91,300
Feb 29, 2024	4.80	5.21	4.80	5.04	5.04	9,200
Feb 28, 2024	4.85	4.99	4.85	4.88	4.88	13,100
Feb 27, 2024	4.68	4.98	4.68	4.86	4.86	18,000
Feb 26, 2024	4.93	4.95	4.71	4.80	4.80	63,700
Feb 23, 2024	5.10	5.15	4.91	4.94	4.94	66,700
Feb 22, 2024	5.14	5.22	4.95	5.14	5.14	36,900
Feb 21, 2024	5.29	5.45	5.12	5.12	5.12	15,700
Feb 20, 2024	5.40	5.60	5.29	5.40	5.40	13,000
Feb 16, 2024	5.37	5.50	5.20	5.45	5.45	5,400
Feb 15, 2024	5.36	5.55	5.36	5.49	5.49	2,900
Feb 14, 2024	5.45	5.59	5.36	5.45	5.45	7,500
Feb 13, 2024	5.29	5.66	5.29	5.50	5.50	3,200
Feb 12, 2024	5.48	5.70	5.34	5.44	5.44	12,000
Feb 09, 2024	5.45	5.87	5.45	5.50	5.50	21,100
Feb 08, 2024	5.20	5.50	5.20	5.37	5.37	1,700
Feb 07, 2024	5.50	5.55	5.27	5.45	5.45	2,900
Feb 06, 2024	5.75	5.97	5.48	5.48	5.48	5,000
Feb 05, 2024	5.49	5.49	5.49	5.49	5.49	500
Feb 02, 2024	5.75	5.97	5.51	5.60	5.60	15,500

\*Close price adjusted for splits.    \*\*Adjusted close price adjusted for splits and dividend and/or capital gain distributions.

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Symbol	Last Price	Change	% Change
<b>KCLI</b> Kansas City Life Insurance Company	37.01	-0.04	-0.11%
<b>PTA</b> Cohen & Steers Tax-Advantaged Preferred ...	19.28	+0.02	+0.10%
<b>CIA</b> Citizens, Inc.	2.2600	+0.0800	+3.67%
<b>MNY</b> MoneyHero Limited	1.4300	-0.1700	-10.6250%
<b>CSLI</b> Critical Solutions, Inc.	0.0001	0.0000	0.00%

Similar to GFR

Symbol	Last Price	Change	% Change
<b>CHKEL</b> Chesapeake Energy Corporation	67.17	-1.72	-2.50%
<b>GRNT</b> Granite Ridge Resources, Inc.	6.18	-0.07	-1.04%
<b>CRLFF</b> Cardinal Energy Ltd.	5.03	+0.06	+1.17%
<b>ISU.F</b> Inpex Corporation	13.40	-0.40	-2.90%
<b>CEIEF</b> Coelacanth Energy Inc.	0.5745	+0.0010	+0.18%

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Watchlists	My Portfolio	Markets	News	Videos	Screeners	Personal Finance	Crypto	Sectors
Feb 01, 2024	5.55	5.75	5.45	5.74		5.74	15,100	
Jan 31, 2024	5.55	5.74	5.55	5.60		5.60	2,400	
Jan 30, 2024	5.52	5.75	5.52	5.75		5.75	4,600	
Jan 29, 2024	5.50	5.60	5.50	5.52		5.52	1,400	
Jan 26, 2024	5.66	5.72	5.50	5.50		5.50	1,800	
Jan 25, 2024	5.94	5.94	5.51	5.51		5.51	6,000	
Jan 24, 2024	5.79	6.19	5.71	5.90		5.90	9,600	
Jan 23, 2024	5.71	5.95	5.71	5.93		5.93	2,100	
Jan 22, 2024	6.06	6.15	5.93	6.15		6.15	2,000	
Jan 19, 2024	6.26	6.26	5.75	5.93		5.93	28,200	
Jan 18, 2024	6.16	6.17	6.11	6.12		6.12	8,200	
Jan 17, 2024	5.93	6.28	5.93	6.15		6.15	4,700	
Jan 16, 2024	6.07	6.11	5.92	5.92		5.92	800	
Jan 12, 2024	6.05	6.11	5.86	6.06		6.06	3,700	
Jan 11, 2024	5.88	5.99	5.76	5.99		5.99	2,400	
Jan 10, 2024	5.86	5.97	5.71	5.73		5.73	1,300	
Jan 09, 2024	5.64	6.04	5.64	5.84		5.84	1,700	
Jan 08, 2024	5.58	5.63	5.21	5.63		5.63	4,700	
Jan 05, 2024	5.45	5.69	5.43	5.43		5.43	2,700	
Jan 04, 2024	5.38	5.70	5.33	5.43		5.43	5,200	
Jan 03, 2024	5.12	5.45	5.12	5.36		5.36	8,900	
Jan 02, 2024	5.12	5.25	5.09	5.12		5.12	5,800	
Dec 29, 2023	5.20	5.49	4.86	4.86		4.86	25,300	
Dec 28, 2023	5.18	5.44	5.11	5.19		5.19	3,400	
Dec 27, 2023	5.23	5.23	4.94	5.17		5.17	5,200	
Dec 26, 2023	4.87	5.14	4.86	5.04		5.04	2,600	
Dec 22, 2023	4.85	5.23	4.85	4.86		4.86	2,900	
Dec 21, 2023	4.84	5.15	4.83	4.85		4.85	27,200	
Dec 20, 2023	4.91	5.15	4.72	5.00		5.00	9,800	
Dec 19, 2023	5.12	5.36	5.12	5.20		5.20	5,100	
Dec 18, 2023	5.36	5.38	5.07	5.20		5.20	30,500	
Dec 15, 2023	5.27	5.45	5.25	5.45		5.45	9,900	
Dec 14, 2023	5.29	5.36	5.10	5.36		5.36	8,700	
Dec 13, 2023	5.25	5.47	4.80	5.08		5.08	7,900	
Dec 12, 2023	5.65	5.65	5.41	5.41		5.41	11,400	
Dec 11, 2023	5.69	5.89	5.42	5.64		5.64	17,100	
Dec 08, 2023	6.01	6.01	5.71	5.77		5.77	6,100	
Dec 07, 2023	6.03	6.03	5.78	5.93		5.93	17,600	
Dec 06, 2023	5.92	5.95	5.75	5.95		5.95	18,600	
Dec 05, 2023	6.06	6.06	5.35	5.87		5.87	24,700	
Dec 04, 2023	6.05	6.14	5.89	5.98		5.98	19,200	
Dec 01, 2023	5.96	6.04	5.91	6.03		6.03	8,600	
Nov 30, 2023	6.03	6.03	5.88	5.94		5.94	2,200	
Nov 29, 2023	5.99	6.01	5.86	5.92		5.92	21,100	
Nov 28, 2023	6.09	6.24	5.89	5.96		5.96	33,200	
Nov 27, 2023	6.14	6.43	6.00	6.07		6.07	56,100	
Nov 24, 2023	6.20	6.20	6.08	6.09		6.09	2,700	

\*Close price adjusted for splits.    \*\*Adjusted close price adjusted for splits and dividend and/or capital gain distributions.



Watchlists	My Portfolio	Markets	News	Videos	Screeners	Personal Finance	Crypto	Sectors
Nov 22, 2023	6.17	6.18	6.18	6.18		6.18	1,000	
Nov 21, 2023	6.12	6.15	6.12	6.15		6.15	500	
Nov 20, 2023	6.05	6.19	6.05	6.10		6.10	15,900	
Nov 17, 2023	6.05	6.10	5.96	6.05		6.05	19,100	
Nov 16, 2023	5.94	6.20	5.88	5.97		5.97	27,900	
Nov 15, 2023	5.75	6.10	5.75	6.02		6.02	30,900	
Nov 14, 2023	5.81	5.96	5.56	5.95		5.95	29,400	
Nov 13, 2023	5.81	6.00	5.57	5.85		5.85	59,900	
Nov 10, 2023	5.98	6.07	5.53	5.88		5.88	81,900	
Nov 09, 2023	6.01	6.47	5.56	5.83		5.83	115,100	
Nov 08, 2023	6.09	6.29	6.00	6.03		6.03	31,400	
Nov 07, 2023	6.37	6.50	6.10	6.19		6.19	44,600	
Nov 06, 2023	5.95	6.60	5.95	6.50		6.50	641,100	
Nov 03, 2023	6.15	6.43	5.99	6.00		6.00	109,900	
Nov 02, 2023	5.94	6.13	5.94	6.11		6.11	23,300	
Nov 01, 2023	6.13	6.18	5.96	6.00		6.00	41,400	
Oct 31, 2023	6.19	6.31	6.00	6.06		6.06	39,000	
Oct 30, 2023	6.20	6.20	5.89	6.19		6.19	20,700	
Oct 27, 2023	6.09	6.22	5.94	6.10		6.10	18,300	
Oct 26, 2023	6.08	6.40	6.03	6.13		6.13	44,700	
Oct 25, 2023	6.19	6.47	6.00	6.11		6.11	34,900	
Oct 24, 2023	5.90	6.22	5.90	6.13		6.13	25,400	

\*Close price adjusted for splits.

\*\*Adjusted close price adjusted for splits and dividend and/or capital gain distributions.

Loading more data...

This is **Exhibit “F”** referred to in the Affidavit of  
Matthieu Milandri sworn before me via video  
technology this 18 day of March, 2024.

*Archer Bell*

---

Commissioner for Oaths in and for the  
Province of Alberta

**ARCHER BELL**  
Barrister & Solicitor

Karen Fellowes, KC  
Direct: (403) 724-9469  
kfellowes@stikeman.com

August 16, 2023

BY EMAIL AND COURIER

Spicelo Limited  
17 Magalou Alexandrou St,  
2121 Aglantzic,  
Nicosia, Cyprus

Attention: Ionnis Charalambides

Dear Sir:

**Re: Guarantee with respect to the Indebtedness of Griffon Partners Operation Corporation to Trafigura Canada Ltd. and Signal Alpha C4 Limited (the "Lenders")**

We are counsel for the Lenders. We refer to:

1. a Limited Recourse Guarantee and Securities Pledge Agreement between GLAS Americas LLC as agent for the Lenders, and Spicelo Limited (the "**Company**") dated July 21, 2022, (the "**Guarantee Agreement**"); and
2. a Loan Agreement between the Griffon Partners Operation Corporation ("**Griffon**") and GLAS Americas LLC as agent for the Lenders dated July 21, 2022.

Griffon is in breach of its obligations under the Loan Agreement, including, without limitation, an Event of Default has occurred pursuant to the Loan Agreement with respect to principal payment.

Pursuant to the Guarantee Agreement, you agreed to indemnify, guarantee and save harmless the Lenders with respect to any default of Griffon with respect to the Loan Agreement. We hereby demand payment from you of the full amount of the obligations owed by Griffon (the "**Indebtedness**") being:

1. USD \$37,938,054.69 representing the amount of outstanding indebtedness of Griffon under the Loan Agreement as of August 16, 2023; and
2. all fees and expenses and other amounts owing as part of the Indebtedness, including solicitor and client legal expenses.

We reserve all rights to make further demand for payment of any and all additional amounts owing by the Company to the undersigned.

We enclose a notice of intention to enforce security pursuant to section 244 of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3. If you wish to waive the ten day notice as described therein, please sign the notice and return to my attention.

Yours truly,

Stikeman Elliott LLP



Karen Fellowes, KC.

KF/rs

Enclosures

**Notice of Intention to Enforce Security**  
(Rule 124)

To: Spicelo Limited (the “**Debtor**”), an insolvent person.

Take notice that:

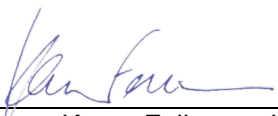
1. **TRAFIGURA CANADA LIMITED and SIGNAL ALPHA C4 LIMITED** (or the “**Secured Creditors**”), secured creditors, intend to enforce its security on the Debtor’s property described below:

All of the property and undertaking of the Debtor now owned or hereafter acquired and all of the property and undertaking in which the Debtor now has or hereafter acquires any interest (collectively, the “**Collateral**”) including all of the Debtor’s:

- (a) All present and after-acquired personal property as described in Alberta Personal Property Registry Base Registration Number 22071936257, including but not limited to all securities in the capital of Greenfire Resources Inc. owned by the Debtor.
2. The security that is to be enforced is in the form of:
- (a) a Limited Recourse Guarantee and Securities Pledge dated July 21, 2022 ( “**Pledge**”), between the Debtor as Obligor, and the Secured Creditors, as Secured Creditors, executed and delivered in favour of the Secured Creditors as security for the payment and performance of the Griffon Partners Operation Corporation’s obligations under a Loan Agreement with GLAS Americas LLC as agent of the Secured Creditors.
3. The total amount of indebtedness secured by the security is \$37,938,054.69 as of August 16, 2023, plus all legal fees and expenses incurred by the Secured Creditors in relation to the enforcement of its rights against the Debtor, plus any fees and expenses incurred between the date of this notice and the date of enforcement.
4. The secured creditor will not have the right to enforce the security until after the expiry of the 10-day period after this notice is sent unless the insolvent person consents to an earlier enforcement.

Dated at Calgary, this 16 day of August, 2023.

**TRAFIGURA CANADA LIMITED and  
SIGNAL ALPHA C4 LIMITED** by its counsel

By:   
Name: Karen Fellowes, KC  
Title: Counsel

## ACKNOWLEDGEMENT AND CONSENT

TO: TRAFIGURA CANADA LIMITED and SIGNAL ALPHA C4 LIMITED ("**THE LENDERS**")

**SPICELO LIMITED** (the "**Guarantor**") acknowledges receipt of the Notice of Intention to Enforce Security under section 244 of the *Bankruptcy and Insolvency Act* (Canada). The Guarantor waives the benefit of the delay of ten (10) days provided for in such notice, and consents to the immediate enforcement of the security interest in its property granted by the Guarantor to THE LENDERS.

Dated at \_\_\_\_\_, this \_\_\_\_\_, day of \_\_\_\_\_, 2023.

**SPICELO LIMITED**

By: \_\_\_\_\_  
Name:  
Title:

This is **Exhibit “G”** referred to in the Affidavit of  
Matthieu Milandri sworn before me via video  
technology this 18 day of March, 2024.

*Archer Bell*

---

Commissioner for Oaths in and for the  
Province of Alberta

**ARCHER BELL**  
Barrister & Solicitor

Action No.: B201- 979735  
E-File Name: CVK24GRIFFON  
Appeal No.: \_\_\_\_\_

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

IN THE MATTER OF THE BANKRUPTCY AND INSOLVENCY ACT,  
RSC 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

AND BETWEEN:

Action No.: 2401-01422

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

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PROCEEDINGS

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Calgary, Alberta  
February 7, 2024

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TABLE OF CONTENTS

Description		Page
February 7, 2024	Morning Session	1
Decision		2
Certificate of Record		10
Certificate of Transcript		11

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

February 7, 2024

Morning Session

The Honourable

Court of King's Bench of Alberta

Justice Johnston (remote appearance)

R.S. Van de Mosselaer (remote appearance)	For 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
J.L. Treleaven (remote appearance)	For 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
R. Algar (remote appearance)	Greenfire Resources Limited
K.L. Fellowes, KC (remote appearance)	For Trafigura Canada and Signal Alpha
K. Kashuba (remote appearance)	For Alvarez & Marsal Canada Inc., in its capacity as Proposal Trustee and proposed Monitor 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
M.C. Lemmens (remote appearance)	For Tamarack Valley Energy
J. Maslowski (remote appearance)	For Tamarack Valley Energy
R.Q. Gregory (remote appearance)	For RM Antelope, RM Oakdale, and RM Milton
L. Musendeka	Court Clerk

THE COURT:

Good afternoon. This is Justice Johnston. If I could just have the parties confirm that they are here before I give my decision.

MR. VAN DE MOSSELAER:

Good morning, My Lady. I believe everyone that we are expecting is present in the virtual courtroom.

THE COURT:

All right.

1 MR. VAN DE MOSSELAER: Would you like me to do introductions or is that  
2 not necessary?

3  
4 **Decision**

5  
6 THE COURT: No, that is fine. As long as you are comfortable  
7 everyone is in attendance. I see Ms. Fellowes, Mr. Kashuba, Mr. Gorman (phonetic),  
8 (INDISCERNIBLE) Algar, and Ms. Lemmens. Sorry. Yes. Okay. We are ready to go.  
9

10 The applicants seek an initial order under the *Companies' Creditors Arrangement Act*  
11 authorizing the continuation of proposal proceedings commenced August 25th, 2023, by  
12 the applicants under the *Bankruptcy and Insolvency Act* and a stay until February 16th,  
13 2023. They further seek an amended and restated initial order granting substantially the  
14 same relief as the initial order until March 29th, 2024, the AIRO. They ask that Alvarez &  
15 Marsal, A&M, be appointed as monitor and that the continued engagement A&M Canada  
16 Securities ULC, the transaction action, be approved to complete the sale and investment  
17 solicitation processes that was approved by this Court on October 18th, 2023 in the NOI  
18 proceedings. The applicants further ask this Court to grant the monitor enhanced powers  
19 with respect to Spicelo. They further ask that the fees and disbursement of A&M and their  
20 counsel in their capacity as proposal trustee in the NOI proceedings be paid and that their  
21 activities be approved. Finally, they seek a sealing order over the final bid summary.  
22

23 The respondents, the primary secured creditors in these proceedings, Trafigura Canada Ltd.  
24 and Signal Alpha C4 Ltd., do not oppose the initial CCAA application except as it relates  
25 to Spicelo. They oppose the granting of enhanced monitor powers relating to Spicelo.  
26 Alternative, they ask that any enhanced powers be limited. The respondents cross-apply to  
27 the NOI proceedings terminated with respect to Spicelo, and to have Grant Thornton  
28 appointed receiver over Spicelo. They also ask a sealing order be granted with respect to  
29 the affidavit of David Gallagher (phonetic).  
30

31 Greenfire takes no position on whether a receiver or super monitor should be appointed but  
32 asks that they have the opportunity to provide submissions to the Court as a stakeholder  
33 prior to any shares being sold.  
34

35 Tamarack, the second subordinate to (INDISCERNIBLE) or GPOC, supports the sale of  
36 the assets of Spicelo, mainly the common shares it holds in Greenfire Resources, either by  
37 way of the application of the respondents to appoint a receiver over Spicelo or by the  
38 applicants continuing the NOI proceedings under the CCAA and appointing A&M as the  
39 monitor. However, they ask that before any shares of Greenfire are sold, they also have the  
40 opportunity to address their marshalling argument.  
41

1 Madam clerk, can you just make sure everyone is muted? I am getting some feedback.

2  
3 THE COURT CLERK: For sure.

4  
5 THE COURT: That is better. Thanks.

6  
7 Analysis

8  
9 THE COURT CLERK: Okay. Everybody is muted.

10  
11 THE COURT: Should the CCAA order be granted.

12  
13 This Court must first consider whether the Court should approve the continuance of the  
14 *BIA* proposal proceedings under the CCAA. With the exception of Spicelo, there's  
15 objection to this part of the application. Section 11.06 of the CCAA authorizes this Court  
16 to take up and continue the proposal proceedings commenced under the *BIA* where no  
17 proposal has been filed. In addition to section 11.06, this Court should consider whether a  
18 continuation would be consistent with the purposes of the CCAA and whether the applicant  
19 had provided the Court with evidence that serves as a reasonable surrogate for the  
20 information required by section 10(2) of the CCAA, (*Re Clothing for Modern Times*, 2011  
21 ONSC 7522 at para 8 and 9.

22  
23 I agree with the applicant that they have satisfied the test in *Clothing for Modern Times*. In  
24 this case, no proposal has been filed by the applicants. I further accept that the purposes of  
25 the CCAA are met, notwithstanding the reorganization involves the sale of the company as  
26 the continuation of the SISP procedure provides the best opportunity to preserve the  
27 remaining value of the applicant's property. The information required under section 10(2)  
28 of the CCAA is also attached to the (INDISCERNIBLE) affidavit.

29  
30 Next, the Court must determine whether the applicants are entitled to seek protection under  
31 the CCAA. I find they are. In particular, the applicants are all incorporated or extra-  
32 provincially registered under the laws of Alberta. The liabilities of the debtor companies  
33 and affiliated companies meets the \$5 million threshold collectively. In this case, the  
34 applicants are indebted to the respondents in the approximate amount of \$51,216,374  
35 Canadian as of January 26th, 2024, under an amended credit agreement. Further, the  
36 applicants owe amounts to trade creditors in excess of 1.4 million. They are unable to pay  
37 these amounts.

38  
39 The applicants have been in default of their obligations under the amended credit  
40 agreement since November 2022. I agree the applicants are insolvent and unable to meet  
41 their obligations generally as they become due. They further committed acts of bankruptcy

1 when they filed the NOI. I note A&M has agreed to act as a monitor. I also find that the  
2 completion of the ongoing SISP meets the policy objectives of the CCAA as it will preserve  
3 value for stakeholders. On October 18th, 2023, this Court approved the SISP. The SISP is  
4 ongoing and multiple bids were received as of the revised final bid deadline, which was  
5 January 22, 2024, with an extension to February 5th, 2024 to review the final bids.

6  
7 I note the proposal trustee is of the view that the conversion of the NOI proceedings to the  
8 proposed CCAA proceedings is necessary and will provide flexibility and the required time  
9 to select a final bid for the GPOC assets, see the transaction implemented, and other  
10 administrative matters in these proceedings completed. As such, the proposal trustee is of  
11 the respectful view that the continuation of the NOI proceedings under the CCAA is  
12 reasonable and appropriate in the circumstances. I agree.

13  
14 I find it is appropriate to grant a stay of 10 days under section 11.02(1) as I find the  
15 applicants have acted with due diligence and in good faith. In particular, they have been  
16 engaged in a court process procedure, numerous final bids have been received, and the  
17 applicant's require additional time to conclude the process. I find it is in the parties' best  
18 interests to allow the SISP to conclude, and I find that no creditors will be prejudiced by  
19 the granting of the initial order. I therefore grant the order as it relates to the applicants  
20 other than Spicelo, but I will address the applicant's application as it relates to Spicelo  
21 below.

22  
23 Should the Spicelo NOI proceedings be terminated, and a receiver appointed? If not, should  
24 the CCAA proceedings apply to Spicelo?

25  
26 The applicants provided the respondents with a limited recourse guarantee and securities  
27 pledge agreement dated July 21, 2022, pursuant to which of all the GPOC obligations under  
28 the amended credit agreement were guaranteed in respect of Spicelo by a pledge of all of  
29 the Greenfire shares and any proceeds derived therefrom. Upon conversion of the shares  
30 Spicelo owns in Greenfire, Spicelo will own \$5,499,506 in the publicly traded Greenfire  
31 Resources or GFR. As at January 29, 2024, the Spicelo collateral loan is valued at  
32 approximately \$37 million US. In this case, the respondents cross-apply to terminate the  
33 NOI proceedings as they related to Spicelo and to appoint a receiver over the assets,  
34 undertakings, and Spicelo. The applicants seek to take up and continue the proposal  
35 proceeding commenced under the BIA with the inclusion of Spicelo.

36  
37 Pursuant to section 50.4(11) of the BIA, a creditor may terminate the period for making a  
38 proposal prior to its actual expiration if the Court is satisfied that the insolvent person has  
39 not acted in good faith and due diligence, they're unlikely to make a viable proposal before  
40 the expiry of the period in question, including one that will be accepted by the creditors or  
41 the creditor as a whole would be materially prejudiced if such application was rejected. In

1 particular, the respondents argue there is no proposal arising out of the SISP that includes  
2 the pledged shares in a refinancing transaction or otherwise and there is no adequate reason  
3 to further delay the lenders enforcement of their contractual rights. They argue the debtors  
4 have already been engaged in refinancing efforts since January 2023, and there is no reason  
5 to believe a viable proposal will materialize in the next weeks. As the sole secured creditor,  
6 they will not support any proposal that will not see them paid out in full. They raise  
7 concerns with excess fees and delay.

8  
9 I do not agree with the respondents that the applicants have not acted in good faith.  
10 Although I accept there is no reason to believe that a viable proposal will materialize in the  
11 next couple weeks, this is now a liquidating filing. I also agree with the applicants based  
12 on the limited evidence currently before me that there is at least an argument related to  
13 whether or not there is a contractual right to appoint a receiver or if this is the right of the  
14 collateral agent. The balance of convenience favours letting the SISP run its course. I find  
15 the appointment of a receiver at this time is neither just nor convenient. I agree with the  
16 applicants that the completion of the SISP will maintain stability and reduce risk to  
17 creditors. The final bids have been received and the SISP is well underway. Although I  
18 accept the concerns of the lenders regarding professional fees in this matter, and  
19 notwithstanding the market fluctuations of the Greenfire shares, the evidence still supports  
20 that the lenders continue to be overcollateralized. There is no material prejudice to the  
21 lenders if their application is rejected. Given there is no certainty yet on the form of  
22 definitive bid, I accept that Spicelo should, at the initial stage, be included in the CCAA  
23 proceedings.

24  
25 I also note the proposal trustee is of the view that the SISP process remains ongoing, and  
26 they note that: (as read)

27  
28       Depending on the price that can be realized from a sale of the GFR  
29       shares, there are possible scenarios where the proceeds of the sale  
30       of the GPOC assets and a combination of apportion of the  
31       Greenfire dividend and only a portion of the GFR shares would  
32       need to be sold in order to fully satisfy the company's obligations  
33       to the senior secured lenders. As such, until an offer is selected and  
34       executed and the transaction closes, retaining the GFR shares in  
35       Spicelo as part of the CCAA proceedings will be important as it  
36       acts as an additional security to the overall estate. Should the GFR  
37       shares and Spicelo's inclusion be carved out from the proposed  
38       CCAA proceedings by the appointment of a receiver, the proposal  
39       trustee is concerned this may create instability and uncertainty to  
40       the overall restructuring process and the ongoing SISP. The  
41       proposal trustee believes there will be benefits of coordination if

all assets remain within the CCAA proceedings and increased difficulties of coordinating effort as coordination efforts may arise with the appointment of the receiver.

I agree with the proposal trustee that it would be imprudent at this point to carve out Spicelo given the ongoing nature of the SISP. I therefore dismiss the application by the respondents to terminate the NOI proceedings against Spicelo and appoint a receiver. I grant the applicant's application to include Spicelo in the CCAA proceedings. I do grant the amended and restated initial order except I only grant a stay as requested by the secured lenders until March 6th, 2024. In the context of Spicelo, this shortened period will allow the lenders to make further submissions regarding the appropriateness of Spicelo remaining part of the CCAA proceedings once the terms of a definitive deal are better known.

Should A&M be appointed monitor?

I note A&M has consented to act as monitor and I grant this part of the applicant's application.

Should enhanced powers be granted to the monitor with respect to Spicelo?

The applicants asked this Court to grant the monitor enhanced powers as it relates to Spicelo as more particularly set out in their originating application at paragraph 1(f). After reviewing the current bids, it appears that a shortfall owing to the lenders may exist after the SISP proceeds are paid. The monitor therefore asks for the opportunity to market and sell the Greenfire shares to ensure their security under the Spicelo securities pledge agreement is repaid.

The respondents argue it is not appropriate to extend enhanced powers to the monitor. They argue they are the sole secured creditor of Spicelo and represent 100 percent of the proven creditor claims of Spicelo and no other creditor has recourse to the pledged shares. The relief sought by the applicant is an attempt to sidestep the lender's contractual rights. In the alternative, if the Court grants enhanced powers to the monitor, certain restrictions should be placed on A&M.

I decline to grant the monitor any enhanced powers as it relates to the marketing and sale of the Greenfire shares at this time. The amount of the shortfall, if any, from the SISP is not known. Until an offer is selected, granting the monitor additional enhanced powers is premature. This will also allow Tamarack the opportunity to have their application heard prior to any sale process being initiated and allow for input for Greenfire on the process that is to be undertaken relating to the sale of any shares.



1 Should the activities and fees of A&M and their counsel in the NOI proceedings be  
2 approved?

3  
4 I am prepared to approve the activities of A&M related to the NOI proceedings. I also  
5 approve their professional fees and disbursements. I note in particular that the proposal  
6 trustee has confirmed that they are fair and reasonable.

7  
8 Sealing orders

9  
10 The applicant's asks that final bid summaries including the transaction agent's initial  
11 analysis of the offers received be sealed. The respondents also ask that the affidavit of  
12 David Gallagher be sealed. Neither party opposes the other (INDISCERNIBLE). I note  
13 that appropriate notices to the media were sent. The applicants and respondents assert that  
14 the affidavit of David Gallagher and the final bid meets the test for a sealing order as  
15 recently articulated in *Sherman Estate v Donovan*, 2021 SCC 25.

16  
17 I agree. I accept that the affidavit of Gallagher is limited to information pertaining to the  
18 SISP, that it is of a confidential and highly sensitive commercial nature. Public disclosure  
19 could serve to undermine the SISP and any potential sale or reorganization and jeopardize  
20 the timely and efficient repayment of the debtors' creditors. Overall, the salutary effects of  
21 the sealing order, which include maintaining confidentiality over the parties' legitimate  
22 commercial interests outweigh the deleterious affects of court access restriction. The final  
23 bid summary meets the test for the same reason. I therefore grant the sealing orders as  
24 requested.

25  
26 All right. Is there anything else counsel wishes to speak to?

27  
28 MR. VAN DE MOSSELAER: I don't think so from my side, My Lady.  
29 Obviously, our form of order is going to need to be pretty significantly reworked.

30  
31 THE COURT: Yes.

32  
33 MR. VAN DE MOSSELAER: I'm happy to walk you through the blackline to  
34 the template anyway if you would like me to, but --

35  
36 THE COURT: I -- I don't think that is necessary in light of the  
37 changes that I have made in my decision.

38  
39 MR. VAN DE MOSSELAER: All right. And I think that's --

40  
41 THE COURT: Unless --

1  
2 MR. VAN DE MOSSELAER: I think that --  
3  
4 THE COURT: -- Ms. Fellowes thinks there is anything in  
5 particular that she is concerned about.  
6  
7 MS. FELLOWES: No. I would like to see the form of order and I --  
8  
9 MR. VAN DE MOSSELAER: Of course.  
10  
11 MS. FELLOWES: -- would work with --  
12  
13 THE COURT: Absolutely.  
14  
15 MS. FELLOWES: -- Mr. Van de Mosselaer, of course --  
16  
17 THE COURT: Yeah.  
18  
19 MS. FELLOWES: -- to make sure that the form that's provided to  
20 you for signature is something that's agreed upon by counsel.  
21  
22 THE COURT: Yes, absolutely. That -- that's -- that would be  
23 the ordinary course.  
24  
25 MR. VAN DE MOSSELAER: Yeah.  
26  
27 THE COURT: So, Mr. Van de Mosselaer, you will draft the  
28 order and circulate it to counsel for review?  
29  
30 MR. VAN DE MOSSELAER: Yeah, absolutely, and -- and I expect it'll -- it'll  
31 cleave pretty closely to the template form. There's nothing very unusual in this, so it'll be  
32 -- it'll be pretty close to the template form of a CCAA order. I'm happy to circulate it to  
33 both Ms. Fellowes and I expect Ms. Lemmens would like to see it as well and I'm happy  
34 to circulate it to them for their approval.  
35  
36 THE COURT: All right. Thank you very much. And I will just  
37 -- I would like to thank counsel for their excellent submissions. All of the materials and all  
38 of the submissions were extraordinarily helpful to this Court. I would suggest if this matter  
39 is before the Court again that you suggest that some significant amount of reading time be  
40 built in just because of the nature of the materials are -- are quite vast on this one, so I  
41 would ask that you do that for future applications. All right?

1  
2 MR. VAN DE MOSSELAER:

Good. Thank you.

3  
4 THE COURT:

Thank you.

5  
6  
7  
8 PROCEEDINGS CONCLUDED  
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**Certificate of Record**

I, Ludovick Musendeka, certify that his recording is the record made of the proceeding at Calgary Court of King's Bench held in courtroom 1702 at Calgary, Alberta on Wednesday, February the 7th, 2023 (sic), and that I was the court official in charge of the sound-recording machine during the proceedings.

1 **Certificate of Transcript**

2  
3 I, Marcey Lepka, certify that

4  
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

8  
9 (b) the Certificate of Record for these proceedings was included orally on the record and is  
10 transcribed in this transcript.

11  
12 Marcey Lepka, Transcriber

13 Order Number: TDS-1051206

14 Dated: February 7, 2024  
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This is **Exhibit “H”** referred to in the Affidavit of  
Matthieu Milandri sworn before me via video  
technology this 18 day of March, 2024.

*Archer Bell*

---

Commissioner for Oaths in and for the  
Province of Alberta

**ARCHER BELL**  
Barrister & Solicitor

INTERCREDITOR AGREEMENT

Dated as of July 21, 2022

among

GLAS USA LLC  
as Lender Representative,

GLAS AMERICAS LLC  
as the Collateral Agent,

J. ARON & COMPANY LLC,  
as a Hedge Provider and the Hedge Provider Representative,

and

the other Hedge Providers and Representatives from time to time party hereto,

and acknowledged and agreed to by

GRIFFON PARTNERS OPERATION CORP.,  
as the Company

and

GRIFFON PARTNERS HOLDING CORP.

as the Parent

## TABLE OF CONTENTS

	Page
ARTICLE I. DEFINITIONS .....	2
SECTION 1.1    Certain Defined Terms .....	2
SECTION 1.2    Rules of Interpretation .....	9
ARTICLE II. PRIORITIES AND AGREEMENTS WITH RESPECT TO SHARED COLLATERAL .....	10
SECTION 2.1    Priority of Claims .....	10
SECTION 2.2    Actions with Respect to Shared Collateral; Prohibition on Contesting Liens .....	12
SECTION 2.3    No Interference; Payment Over; Exculpatory Provisions .....	13
SECTION 2.4    Automatic Release of Liens .....	14
SECTION 2.5    Certain Agreements with Respect to Bankruptcy or Insolvency Proceedings .....	14
SECTION 2.6    Reinstatement .....	15
SECTION 2.7    Insurance and Condemnation Awards .....	16
SECTION 2.8    Gratuitous Bailee/Agent for Perfection .....	16
SECTION 2.9    Amendments to Shared Security Documents .....	17
SECTION 2.10   Similar Liens and Agreements .....	17
ARTICLE III. EXISTENCE AND AMOUNTS OF LIENS AND OBLIGATIONS .....	17
ARTICLE IV. THE APPLICABLE REPRESENTATIVE .....	18
SECTION 4.1    Authority .....	18
SECTION 4.2    Power-of-Attorney .....	18
ARTICLE V. MISCELLANEOUS .....	18
SECTION 5.1    Integration/Conflicts .....	18
SECTION 5.2    Effectiveness; Continuing Nature of this Agreement; Severability .....	19
SECTION 5.3    Amendments; Waivers .....	19
SECTION 5.4    Information Concerning Financial Condition of the Grantors and their Subsidiaries .....	19
SECTION 5.5    Submission to Jurisdiction; Certain Waivers .....	20
SECTION 5.6    WAIVER OF JURY TRIAL .....	20
SECTION 5.7    Notices .....	20
SECTION 5.8    Further Assurances .....	21
SECTION 5.9    Agency Capacities .....	21
SECTION 5.10   GOVERNING LAW .....	23
SECTION 5.11   Binding on Successors and Assigns .....	24
SECTION 5.12   Section Headings .....	25
SECTION 5.13   Counterparts .....	25
SECTION 5.15   Authorization .....	25
SECTION 5.16   No Third Party Beneficiaries/ Provisions Solely to Define Relative Rights .....	25
SECTION 5.17   No Indirect Actions .....	26
SECTION 5.18   Additional Grantors .....	Error! Bookmark not defined.



This **INTERCREDITOR AGREEMENT** (as amended, restated, amended and restated, supplemented or otherwise modified from time to time, this “**Agreement**”) dated as of July 21, 2022, among **GLAS USA LLC** as administrative agent for the Loan Claimholders (in such capacity and together with its successors from time to time in such capacity, the “**Lender Representative**”), **GLAS AMERICAS LLC** as collateral agent for the Loan Claimholders and the Hedge Facility Claimholders with respect to the Shared Collateral (in such capacity and together with its successors from time to time in such capacity, the “**Collateral Agent**”) and, where the context so requires, in its capacity as collateral agent for the Loan Claimholders under the Loan Agreement as defined below (in such capacity, the “**Lender Collateral Agent**”), **J. ARON & COMPANY LLC**, as Representative for the Hedge Facility Claimholders (in such capacity and together with its successors from time to time in such capacity, the “**Hedge Provider Representative**”), and acknowledged and agreed to by **GRIFFON PARTNERS OPERATING CORP.** (the “**Company**”) and **GRIFFON PARTNERS HOLDING CORP.** (the “**Parent**”). Capitalized terms used in this Agreement have the meanings assigned to them in Section 1.1 below.

Reference is made to the Loan Agreement, dated as of July 21, 2022 (as amended, restated, amended and restated, supplemented or otherwise modified from time to time, the “**Loan Agreement**”), among the Company, as borrower, Griffon Partners Capital Management Ltd. and the Parent, as guarantors, the lenders party thereto from time to time, collectively, the “**Lenders**”) the Lender Representative, as administrative agent and the Lender Collateral Agent.

The Loan Obligations of the Company and the Parent under the Loan Agreement and the other Loan Documents to which they are a party and the obligations of the Company under the Hedge Agreements, and the obligations of the Parent under the guaranty of the foregoing, shall constitute First Lien Obligations and will be secured on a first-priority, pari passu basis by liens on substantially all of the assets of the Company and the Parent, pursuant to the terms of the Shared Security Documents, in accordance with and subject to the terms and conditions of this Agreement.

In consideration of the foregoing, the mutual covenants and obligations herein set forth and for other good and valuable consideration, the sufficiency and receipt of which are hereby acknowledged, the Lender Representative (for itself and on behalf of each other Loan Claimholder), the Collateral Agent (for itself and on behalf of each other Loan Claimholder and Hedge Facility Claimholder), the Hedge Provider Representative (for itself and on behalf of each other Hedge Facility Claimholder), intending to be legally bound, hereby agrees as follows:

## ARTICLE I.

### DEFINITIONS

#### SECTION 1.1 Certain Defined Terms.

Capitalized terms used and not otherwise defined herein shall have the meanings set forth in the Loan Agreement as in effect on the date hereof (whether or not the Loan Agreement is then in effect), and the following terms which are defined in the PPSA or STA, as applicable, are used herein as so defined: Certificated Security, Futures Account, Futures Contract, Chattel Paper, Instrument, Securities Entitlement and Securities Account (or equivalent, or substantially equivalent, term under the PPSA or STA, as applicable). As used in this Agreement, the following terms have the meanings specified below:

“**Agreement**” has the meaning set forth in the introductory paragraph hereto.

“**Applicable Representative**” means (i) until the earliest of (y) the Discharge of the Loan Obligations and (z) the Non-Controlling Representative Enforcement Date, the Lender Representative (acting pursuant to written instructions from the required holders of the Loan Obligations under the Loan Agreement) and (ii) from and after the earlier of (y) the Discharge of the Loan Obligations and (z) the Non-Controlling Representative Enforcement Date, the Hedge Provider Representative.

**"Bankruptcy Case"** has the meaning set forth in Section 2.5(b).

**"Bankruptcy Code"** means Title 11 of the United States Code, as amended.

**"Bankruptcy or Insolvency Law"** means the Bankruptcy Code, the *Bankruptcy and Insolvency Act* (Canada), the *Companies' Creditors Arrangement Act* (Canada), the *Winding-Up and Restructuring Act* (Canada) and any Canadian corporate statute where such statute is used to propose an arrangement involving the compromise of claims of creditors, each as amended from time to time, and any similar federal, provincial, state or foreign law for the relief of debtors, including any other bankruptcy, insolvency or analogous laws applicable to the Company or the Parent or any of their respective properties or liabilities.

**"Business Day"** means a day other than a Saturday, Sunday or other day on which commercial banks in New York City or Calgary, Alberta are authorized or required by law to close.

**"Collateral"** means all assets and properties subject to, or purported to be subject to, Liens created pursuant to any Shared Security Document to secure one or more Series of First Lien Obligations and shall include any property or assets subject to replacement Liens or adequate protection Liens in favor of any First-Priority Secured Party; and where the context so requires "Collateral" includes Supplemental Collateral.

**"Collateral Agent"** has the meaning set forth in the introductory paragraph to this Agreement.

**"Company"** has the meaning set forth in the introductory paragraph to this Agreement.

**"Control"** means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ownership of voting securities, by agreement or otherwise. **"Controlling"** and **"Controlled"** have meanings correlative thereto.

**"Control Collateral"** means any Shared Collateral in the "control" (within the meaning of the PPSA or STA, as applicable) of the Collateral Agent or any Representative (or its agents or bailees), to the extent that control thereof perfects a Lien thereon (or provides additional rights to a secured party in respect thereof) under the PPSA.

**"Controlling Claimholders"** means (i) at any time when the Lender Representative is the Applicable Representative, the Loan Claimholders and (ii) at any other time, the Hedge Facility Claimholders.

**"Credit Facility"** means, one or more debt facilities with banks (or other institutional lenders that provide revolving credit loans in the ordinary course of business) providing for revolving credit loans (including, without limitation, an asset based loan facility), in each case, as amended, restated, modified, renewed, refunded, replaced in any manner (whether upon or after termination or otherwise) or refinanced in whole or in part from time to time.

**"Declined Liens"** has the meaning set forth in Section 2.10.

**"Default"** means a "Default" (or similarly defined term) as defined in any First Lien Document.

**"DIP Financing"** has the meaning set forth in Section 2.5(b).

**"DIP Financing Liens"** has the meaning set forth in Section 2.5(b).

**"DIP Lenders"** has the meaning set forth in Section 2.5(b).

**“Discharge”** means, with respect to any Series of First Lien Obligations, that such Series of First Lien Obligations is no longer secured by, and no longer required to be secured by, any Shared Collateral pursuant to the terms of the applicable First Lien Documents for such Series of First Lien Obligations. The term **“Discharged”** shall have a corresponding meaning.

**“Discharge of the Obligations”** means, except to the extent otherwise provided in Section 2.6, the Discharge of the Loan Obligations.

**“Equity Release Proceeds”** has the meaning set forth in Section 2.4(a).

**“Event of Default”** means an “Event of Default” (or similarly defined term) as defined in any First Lien Document and, with respect to the Hedge Facility Documents, any event of default or termination event (including any early termination event after taking into account grace and cure periods thereunder).

**“Finance Lease”** means, as applied to any Person, any lease by that Person as lessee that has been or should be, in accordance with GAAP, recorded as a liability on the balance sheet of that Person.

**“First-Priority Secured Parties”** means, collectively, (i) the Loan Claimholders and (ii) the Hedge Facility Claimholders.

**“First Lien Documents”** means, collectively, (i) the Loan Documents and (ii) the Hedge Facility Documents.

**“First Lien Obligations”** means, collectively, (i) the Loan Obligations and (ii) the Hedge Secured Obligations.

**“Grantors”** means, collectively, the Company and the Parent, and **“Grantor”** means any one of them as the context requires.

**“Hedge Agreements”** means, collectively, (i) the 2002 ISDA Master Agreement, dated as of July 21, 2022, between the Hedge Provider and the Company, as amended or supplemented from time to time, including any confirmations duly issued thereunder, and (ii) any other hedge agreement entered into with the Hedge Provider to support entering into certain hedging arrangements for the benefit of the Company, so long as such hedge agreement is permitted in accordance with the provisions of the Loan Agreement.

**“Hedge Facility Claimholders”** means the holders of any Hedge Secured Obligations, the Hedge Provider Representative and the Hedge Providers.

**“Hedge Facility Documents”** means, with respect to any Hedge Facility Obligations, the Hedge Agreements and the Shared Security Documents applicable thereto and each other agreement, document and instrument providing for or evidencing any other Hedge Facility Obligations, as each may be amended, restated, amended and restated, supplemented or otherwise modified from time to time.

**“Hedge Facility Obligations”** means all Pari Passu Indebtedness owing to any Hedge Facility Claimholder pursuant to the terms of any Hedge Facility Document, including all swap payments, termination payments, interest on late payments (including any Post-Petition Interest), fees, expenses (including fees, expenses and disbursements of agents, professional advisors and legal counsel), indemnifications, reimbursements, damages and other liabilities, and guarantees of the foregoing amounts, in each case whether or not allowed or allowable in an Insolvency or Liquidation Proceeding. For avoidance of doubt, the Loan Obligations shall not constitute Hedge Facility Obligations.

**“Hedge Provider”** means J. Aron & Company LLC.

**"Hedge Provider Representative"** means, (i) initially, the Hedge Provider Representative, and (ii) upon either of the removal or withdrawal of the Hedge Provider Representative, its replacement in such capacity pursuant to the Hedge Facility Documents.

**"Hedge Secured Obligations"** means Hedge Facility Obligations that are secured by Liens on the Shared Collateral on a pari passu basis with the Liens securing the Loan Obligations.

**"Indebtedness"** means all indebtedness for borrowed money (including, for certainty and without limitation, the Loan Obligations) and all obligations incurred under hedging agreements (whether present or future, contingent or otherwise, as principal or surety or otherwise).

**"Insolvency or Liquidation Proceeding"** means:

(a) any dissolution, winding up, total or partial liquidation, adjustment or readjustment of debt, reorganization, recapitalization, judicial reorganization, extrajudicial reorganization or workout, compromise, arrangement with creditors, plan of arrangement, proposal or similar proceedings under any Bankruptcy or Insolvency Laws of or with respect to any Grantor or their respective property or liabilities, in each case under any Bankruptcy or Insolvency Law;

(b) any dissolution, winding up, total or partial liquidation, adjustment or readjustment of debt, reorganization, recapitalization, compromise, arrangement with creditors, plan of arrangement or similar proceedings under the arrangement provisions of any applicable corporate law (in any case which involves the alteration, amendment, conversion, compromise, satisfaction or discharge of debts owing to any or all creditors) of or with respect to any Grantor or their respective property or liabilities;

(c) any voluntary or involuntary bankruptcy, insolvency, receivership, petition or assignment in bankruptcy, assignment for the benefit of creditors or any similar case or proceeding is commenced under any Bankruptcy or Insolvency Laws or otherwise of or with respect to any Grantor;

(d) any marshalling of assets or liabilities of any Grantor under any Bankruptcy or Insolvency Laws;

(e) any bulk sale of assets by any Grantor including any sale of all or substantially all of the assets of any Grantor, in each case, to the extent not permitted by the terms of the First Lien Documents;

(f) any proceeding seeking the appointment of any trustee, monitor, receiver, receiver and manager, liquidator, custodian or other insolvency official with similar powers with respect to all or substantially all of the assets of any Grantor, or with respect to any of their respective assets, to the extent not permitted under the First Lien Document;

(g) any proceedings in relation to any of the foregoing or otherwise involving the compromise of claims of creditors or in which substantially all claims of creditors of a Grantor are determined and any payment or distribution is or may be made on account of such claims, whether any of the foregoing is voluntary or involuntary, partial or complete, and includes any such proceedings initiated or consented to by such Grantor, as applicable; or

(h) any other event which, under the laws of any applicable jurisdiction, has an effect equivalent to any of the events referred to in clauses (a) through (g) above.

**"Hedge Facility Obligations"** means the Hedge Facility Obligations pursuant to any Hedge Facility Documents entered into as of the date of this Agreement.

**"Hedge Facility Claimholders"** means the Hedge Provider Representative and the holders of the Hedge Facility Obligations.

**"Hedge Provider Representative"** has the meaning set forth in the introductory paragraph to this Agreement.

**"Lender Collateral Agent"** has the meaning set forth in the introductory paragraph to this Agreement.

**"Lender Representative"** has the meaning set forth in the introductory paragraph to this Agreement.

**"Lenders"** has the meaning set forth in the second introductory paragraph to this Agreement.

**"Lien"** means any security interest, mortgage, pledge, hypothecation, hypothec, assignment, deposit arrangement, encumbrance, lien (statutory or other), charge, preference, priority or other security interest or preferential arrangement of any kind or nature whatsoever (including any conditional sale or other title retention agreement, any easement, right of way or other encumbrance on title to real property, and any Finance Lease having substantially the same economic effect as any of the foregoing), in each case, in the nature of security; provided that in no event shall an operating lease in and of itself be deemed a Lien.

**"Loan Agreement"** has the meaning set forth in the second introductory paragraph to this Agreement.

**"Loan Claimholders"** means the holders of any Loan Obligations (including the Lenders), the Lender Representative and the Lender Collateral Agent.

**"Loan Documents"** means the Loan Agreement, each Shared Security Document, each Supplemental Security Document and each of the other agreements, documents and instruments providing for or evidencing any other Loan Obligation (including all Loan Documents (as that term is defined in the Loan Agreement)), as each may be amended, restated, amended and restated, supplemented or otherwise modified from time to time.

**"Loan Obligations"** means:

(a) (i) all Outstanding Principal, interest (including any Post-Petition Interest), fees and premium (if any) on all loans made pursuant to the Loan Agreement, and (ii) all other Obligations (as defined in the Loan Agreement) of the Company and the Parent, in each case whether or not allowed or allowable in an Insolvency or Liquidation Proceeding; and

(b) to the extent any payment with respect to any Loan Obligation (whether by or on behalf of the Company or the Parent, as proceeds of security, enforcement of any right of setoff or otherwise) is declared to be a fraudulent conveyance or preference, transfer at undervalue or otherwise voided in any respect, set aside or required to be paid to a debtor in possession, any Hedge Facility Claimholder, receiver or similar Person, then the obligation or part thereof originally intended to be satisfied shall, for the purposes of this Agreement and the rights and obligations of the Loan Claimholders and the Hedge Facility Claimholders, be deemed to be reinstated and outstanding as if such payment had not occurred. To the extent that any interest, fees, expenses or other charges (including Post-Petition Interest) to be paid pursuant to the Loan Documents are disallowed by order of any court, including by order of a court of competent jurisdiction presiding over an Insolvency or Liquidation Proceeding, such interest, fees, expenses and charges (including Post-Petition Interest) shall, as between the Loan Claimholders and the Hedge Facility Claimholders, be deemed to continue to accrue and be added to the amount to be calculated as the "Loan Obligations".

**"Non-Controlling Claimholders"** means the First-Priority Secured Parties which are not Controlling Claimholders.

**“Non-Controlling Representative”** means, at any time, each Representative that is not the Applicable Representative at such time.

**“Non-Controlling Representative Enforcement Date”** means, with respect to any Non-Controlling Representative, the date which is 180 days after the occurrence of both (i) an Event of Default (under the Loan Documents) and (ii) each Representative’s receipt of written notice from the Non-Controlling Representative certifying that (x) that an Event of Default (under the Hedge Facility Documents) has occurred and is continuing and (y) the First Lien Obligations of the Series with respect to which such Non-Controlling Representative is the Representative are currently due and payable in full (whether as a result of acceleration thereof or otherwise) in accordance with the terms of the applicable Hedge Facility Document; provided that (1) at any time the Collateral Agent acting on the instructions of the Applicable Representative has commenced and is diligently pursuing any enforcement action with respect to Shared Collateral, the Non-Controlling Representative Enforcement Date will be deemed (for so long as such enforcement action is being diligently pursued) not to have occurred in respect of such Shared Collateral, (2) at any time the Grantor that has granted a security interest in Shared Collateral is then a debtor under or with respect to (or otherwise subject to) any Insolvency or Liquidation Proceeding, the Non-Controlling Representative Enforcement Date shall be deemed not to have occurred in respect of such Shared Collateral and (3) if such Non-Controlling Representative subsequently rescinds or withdraws the written notice provided for in clause (ii), the Non-Controlling Representative Enforcement Event Date will be deemed not to have occurred.

**“Pari Passu Indebtedness”** means Indebtedness, including any Hedge Facility Obligations, of a Grantor, as applicable, which ranks equally in right of payment to Loan Obligations, if any.

**“Person”** means any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, limited partnership, governmental authority or other entity.

**“Possessory Collateral”** means any Shared Collateral in the possession of the Collateral Agent or either of the Representatives (or the agents or bailees thereof), to the extent that possession thereof perfects a Lien thereon (or provides additional rights to a secured party in respect thereof) under the UCC, PPSA or equivalent laws of any jurisdiction.

**“Post-Petition Interest”** means interest, fees, expenses and other charges that pursuant to the Loan Documents or Hedge Facility Documents, as applicable, continue to accrue after the commencement of any Insolvency or Liquidation Proceeding, whether or not such interest, fees, expenses and other charges are allowed or allowable under applicable Bankruptcy or Insolvency Law or in any such Insolvency or Liquidation Proceeding.

**“PPSA”** means the *Personal Property Security Act* in effect from time to time in the Province of Alberta; provided that, at any time, if perfection or the effect of perfection or non-perfection or the priority of the Collateral Agent’s security interest in any item or portion of the Collateral is governed by the *Personal Property Security Act* as in effect in a Canadian jurisdiction other than the Province of Alberta, including the *Civil Code of Québec*, the term “PPSA” shall mean the *Personal Property Security Act* or the *Civil Code of Québec* (as applicable) as in effect, at such time, in such other jurisdiction for purposes of the provisions hereof relating to such perfection or the effect of perfection or non-perfection or priority and for purposes of definitions relating to such provisions.

**“Proceeds”** means, collectively, any distribution in respect of any Shared Collateral in any Bankruptcy Case of any Grantor, any payment received by any First-Priority Secured Party pursuant to any intercreditor agreement (other than this Agreement, but including the Second Lien Intercreditor Agreement) or otherwise with respect to any proceeds from Shared Collateral, the proceeds of any sale, collection or other liquidation of any Shared Collateral or Equity Release Proceeds received by the Collateral Agent or received by the Applicable Representative or any First-Priority Secured Party pursuant to any such intercreditor agreement (including the Second Lien Intercreditor Agreement) or otherwise with respect to such Shared Collateral and proceeds of any distribution to which any of the First Lien Obligations are entitled under any intercreditor agreement (other than this Agreement, but including the Second Lien Intercreditor



Agreement) or otherwise and any proceeds of any insurance covering the Collateral received by the Collateral Agent or any other First-Priority Secured Party and not returned to any Grantor under any First Lien Document together with any amount referred to in Section 9.4(2) of the Loan Agreement as in effect of the date hereof; provided that Proceeds shall not include any payments, set-off or netting (or amounts used for such payments, set-off or netting) permitted under Section 2.1(d).

**"Refinance"** means, in respect of any Indebtedness, to refinance, extend, renew, defease, amend, modify, supplement, restructure, replace, refund or repay, or to issue other Indebtedness in exchange or replacement for, such Indebtedness in whole or in part and regardless of whether the principal amount of such Refinancing Indebtedness is the same, greater than or less than the principal amount of the Refinanced Indebtedness. **"Refinanced"** and **"Refinancing"** shall have correlative meanings.

**"Representative"** means, at any time, (i) in the case of any Loan Obligations or the Loan Claimholders, the Lender Representative, and (ii) in the case of the Hedge Facility Obligations or the Hedge Facility Claimholders, the Hedge Provider Representative.

**"Responsible Officer"** of any Person means the chief executive officer, the president, any vice president, the chief financial officer, treasurer or assistant treasurer or other similar officer of such Person and any other individual or similar official thereof responsible for the administration of the obligations of such Person in respect of this Agreement. Any document delivered hereunder that is signed by a Responsible Officer of a Grantor shall be conclusively presumed to have been authorized by all necessary corporate, partnership and/or other action on the part of such Grantor and such Responsible Officer shall be conclusively presumed to have acted on behalf of such Grantor.

**"Second Lien Intercreditor Agreement"** means the intercreditor agreement entered into as of the date hereof among the Company, Tamarack (as defined in the Loan Agreement) and the Collateral Agent, as amended, modified, replaced, restated or supplemented from time to time.

**"Senior Loan Cap Amount"** means, as of the date of determination, the amount in respect of principal of the Loan Obligations not to exceed the greater of: (a) the amount of U.S.\$36,000,000.00, and (b) upon the Company's request, any higher amount as is consented to by the Hedge Provider Representative. For clarity, the calculation of the "Senior Loan Cap Amount" refers only to the outstanding principal balance of loans under the Loan Documents, but does not include interest, fees, prepayment premiums or other amounts other than principal due under the Loan Documents, and does not include amounts (if any) payable under the Hedge Agreements.

**"Series"** means (a) with respect to the First-Priority Secured Parties, each of (i) the Loan Claimholders (in their capacities as such), and (ii) the Hedge Facility Claimholders (in their capacities as such) and (b) with respect to any First Lien Obligations, each of (i) the Loan Obligations, and (ii) the Hedge Facility Obligations.

**"Shared Collateral"** means, at any time, subject to Collateral which is subject to the Shared Security Documents.

**"Shared Collateral Proceeds"** means, at any time, any and all Proceeds arising from or attributable to Shared Collateral, including any Equity Release Proceeds arising from or attributable thereto.

**"Shared Security Documents"** has the meaning set forth in the Loan Agreement as in effect on the date hereof.

**"STA"** means the *Securities Transfer Act* in effect from time to time in the Province of Alberta; provided that, at any time, if the rules governing the transfer, holding or control of securities or other financial assets or interests therein which are Collateral is governed by the *Securities Transfer Act* as in effect in a Canadian jurisdiction other than the Province of Alberta, including the *Civil Code of Québec*, the term "STA" shall mean the *Securities Transfer Act* or the *Civil Code of Québec* (as applicable) as in effect,

at such time, in such other jurisdiction for purposes of the transfer, holding and control of such Collateral or interests therein and for purposes of definitions relating to such provisions.

**“subsidiary”** means, with respect to any Person (a) any corporation, association, or other business entity (other than a partnership, limited liability company or similar entity) of which more than 50% of the total voting power of shares of stock or other ownership interests entitled (without regard to the occurrence of any contingency) to vote in the election of the directors, managers or trustees thereof is at the time of determination is owned or controlled by such Person or one or more of the other subsidiaries of that Person or a combination thereof and (b) any partnership, limited liability company or similar entity which (i) more than 50% of the voting interests or general partnership interests, as applicable, are owned or controlled, directly or indirectly, by such Person or one or more of the other subsidiaries of that Person or a combination thereof whether in the form of membership, general, special or limited partnership or otherwise and (ii) such Person or any subsidiary of such Person is a controlling general partner or otherwise controls such entity.

**“Supplemental Collateral”** means all assets and properties subject to, or purported to be subject to, Liens created pursuant to any Supplemental Security Document to secure Loan Obligations and shall include any property or assets subject to replacement Liens or adequate protection Liens in favor of any of the Lenders, Lender Representative or Lender Collateral Agent. .

**“Supplemental Collateral Proceeds”** means, at any time, any and all proceeds, payments and other amounts which are in the nature of Proceeds, *mutatis mutandis*, arising from or attributable to Supplemental Collateral, including any Equity Release Proceeds arising from or attributable thereto.

**“Supplemental Security Documents”** has the meaning set forth in the Loan Agreement as in effect on the date hereof.

**“UCC”** means the Uniform Commercial Code as in effect from time to time in the State of New York or the Uniform Commercial Code (or similar code or statute) of another jurisdiction, to the extent it may be required to apply to any item or items of Collateral.

**“Underlying Assets”** has the meaning set forth in Section 2.4(a).

## SECTION 1.2 Rules of Interpretation.

The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words “include,” “includes” and “including” shall be deemed to be followed by the phrase “without limitation.” The word “will” shall be construed to have the same meaning and effect as the word “shall.” Unless the context requires otherwise, (i) any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as amended, restated, amended and restated, supplemented or otherwise modified from time to time, however evidenced, whether in physical or electronic form and any reference herein to any statute or regulations shall include any amendment, renewal, extension or replacement thereof, (ii) any reference herein to any Person shall be construed to include such Person’s permitted successors and assigns from time to time, (iii) the words “herein,” “hereof” and “hereunder,” and words of similar import, shall be construed to refer to this Agreement in its entirety and not to any particular provision hereof, (iv) all references herein to Articles, Sections and Annexes shall be construed to refer to Articles, Sections and Annexes of this Agreement, (v) unless otherwise expressly qualified herein, the words “asset” and “property” shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights and (vi) the term “or” is not exclusive.



## ARTICLE II.

### PRIORITIES AND AGREEMENTS WITH RESPECT TO SHARED COLLATERAL

#### SECTION 2.1 Priority of Claims.

(a) Notwithstanding anything contained herein or in any of the First Lien Documents to the contrary, if an Event of Default or an event of default or termination under any document governing a Series of First Lien Obligations has occurred and is continuing, and the Collateral Agent or any other First-Priority Secured Party is taking action to enforce rights in respect of any Shared Collateral and any Proceeds are received by the Collateral Agent, any Applicable Representative or any First-Priority Secured Party, any Proceeds shall be applied by the Collateral Agent (or the other First-Priority Secured Party, if applicable) in the following order:

(i) FIRST, to the payment of all reasonable costs and expenses incurred by the Collateral Agent (in its capacity as such) in connection with such collection or sale or otherwise in connection with the Shared Security Documents, including all court costs and the reasonable fees and expenses of its agents and legal counsel, and any other reasonable costs or expenses incurred in connection with the exercise of any right or remedy hereunder with respect to the Shared Collateral or under any Shared Security Document and all fees and indemnities owing to the Collateral Agent solely in respect thereof;

(ii) SECOND, to the payment of all amounts pro rata owing to each Representative (in its capacity as such), including all reasonable costs and expenses incurred by each Representative (in its capacity as such) in connection with such collection or sale or otherwise in connection with any Shared Security Document, including all court costs and the reasonable fees and expenses of its agents and legal counsel, and any other reasonable costs or expenses incurred in connection with the exercise of any right or remedy hereunder with respect to the Shared Collateral or under any Shared Security Document and all fees and indemnities owing to such Representative in respect thereof, ratably to each Representative in accordance with the amounts payable to it pursuant to this clause (ii);

(iii) THIRD, to the extent Proceeds remain after the application pursuant to preceding clauses (i) and (ii), to each Representative for the payment in full of the other First Lien Obligations of each Series (excluding, for this purpose, any Loan Obligation in respect of the MOIC Amount as defined in the Loan Agreement) and, if the amount of such Proceeds are insufficient to pay in full the First Lien Obligations of each Series (subject to such exception in respect of the MOIC Amount as defined in the Loan Agreement) then such Proceeds shall be allocated among the Representatives of each Series of First Lien Obligations, pro rata according to the amounts of such First Lien Obligations owing to each such respective Representative and the other First-Priority Secured Parties represented by it at such time (excluding, for this purpose, any Loan Obligation in respect of the MOIC Amount as defined in the Loan Agreement) for distribution by such Representative in accordance with its respective First Lien Documents; and

(iv) FOURTH to the extent any Proceeds remain after the application pursuant to preceding clauses (i), (ii) and (iii), to the Lender Representative for the payment in full of the MOIC Amount due and payable pursuant to, and as defined in, the Loan Agreement); and

(v) FIFTH, any balance of such Proceeds remaining after the application pursuant to preceding clauses (i), (ii), (iii) and (iv), to the Grantors, their successors or assigns from time to time, or to whomever may be lawfully entitled to receive the same, including pursuant to any intercreditor agreement relating to the Shared Collateral, if applicable (including the Second Lien Intercreditor Agreement).

The Secured Parties irrevocably agree, and instruct the Lender Collateral Agent, that if any event occurs that gives rise to Proceeds, the Lender Collateral Agent (acting in accordance with the instructions of the Lenders under and in accordance with the Loan Agreement) shall concurrently take reasonable and timely steps to enforce the Supplemental Security Documents, and the Supplemental Collateral Proceeds received by the Lender Collateral Agent, the Lender Representative or any Lender shall be applied by the Lender Collateral Agent (or any other Lender or the Lender Representative, if applicable) in the following order:

(vi) FIRST, to the payment of all reasonable costs and expenses incurred by the Lender Collateral Agent (in its capacity as such) in connection with such collection or sale or otherwise in connection with the Supplemental Security Documents, including all court costs and the reasonable fees and expenses of its agents and legal counsel, and any other reasonable costs or expenses incurred in connection with the exercise of any right or remedy hereunder with respect to Supplemental Collateral or under any Supplemental Security Document and all fees and indemnities owing to the Lender Collateral Agent solely in respect thereof;

(vii) SECOND, to the payment of all amounts pro rata owing to the Lender Representative (in its capacity as such), including all reasonable costs and expenses incurred by the Lender Representative (in its capacity as such) in connection with such collection or sale or otherwise in connection with any Supplemental Security Document, including all court costs and the reasonable fees and expenses of its agents and legal counsel, and any other reasonable costs or expenses incurred in connection with the exercise of any right or remedy hereunder with respect to Supplemental Collateral or under any Supplemental Security Document and all fees and indemnities owing to the Lender Representative in respect thereof;

(viii) THIRD, to the extent Supplemental Collateral Proceeds remain after the application pursuant to preceding clauses (vi) and (vii), to the Lender Representative for the payment of the Loan Obligations in accordance with the Loan Agreement; and

(ix) FOURTH, any balance of such Supplemental Collateral Proceeds remaining after the application pursuant to preceding clauses (vi), (vii) and (viii), to the Grantors, their successors or assigns from time to time, or to whomever may be lawfully entitled to receive the same, including pursuant to any intercreditor agreement relating to such Supplemental Collateral, if applicable.

If, despite the provisions of this Section 2.1(a), any First-Priority Secured Party shall ultimately receive any payment or other recovery in excess of its portion of payments on account of the First Lien Obligations to which it is then entitled in accordance with this Section 2.1(a), such First-Priority Secured Party shall hold such payment or recovery in trust for the benefit of all First-Priority Secured Parties and promptly transfer such payment or recovery to the Collateral Agent for distribution in accordance with this Section 2.1(a).

(b) It is acknowledged that the First Lien Obligations of any Series may, subject to the limitations set forth in the then existing First Lien Documents and subject to any limitations set forth in this Agreement, be increased, extended, renewed, replaced, restated, supplemented, restructured, repaid, refunded, Refinanced or otherwise amended or modified from time to time, all without affecting the priorities set forth in Section 2.1(a) or the provisions of this Agreement defining the relative rights of the First-Priority Secured Parties of any Series.

(c) Notwithstanding the date, time, method, manner or order of grant, attachment or perfection of any Liens securing any Series of First Lien Obligations granted on the Shared Collateral and notwithstanding any provision of the UCC, the PPSA or any other applicable law or the First Lien Documents or any defect or deficiencies in the Liens securing the First Lien Obligations of any Series or any other circumstance whatsoever, each First-Priority Secured Party hereby agrees that the Liens securing each Series of First Lien Obligations on any Shared Collateral shall be pari passu and of equal priority.

(d) The Collateral Agent and the Representatives (for themselves and on behalf of the respective Loan Claimholders and Hedge Facility Claimholders) each agree that (i) each of the Loan Claimholders and the Hedge Facility Claimholders shall be entitled to receive and retain for their respective account, and not be required to disgorge to any other First-Priority Secured Party or to acquire direct or indirect participating interests in the First Lien Obligations, any scheduled or voluntary payments, payments of principal, interest, fees, premium and any other payments under the First Lien Documents, all in compliance with the First Lien Documents; and (ii) nothing contained in this Agreement shall be construed to impair the rights of the Hedge Provider to exercise its rights to setoff and net amounts under and among any Hedge Facility Obligations provided that it shall only exercise such rights of setoff and netting among amounts owing by or to the Hedge Provider under the Hedge Agreements to which it is party.

SECTION 2.2      Actions with Respect to Shared Collateral: Prohibition on Contesting Liens.

(a) Notwithstanding Section 2.1, (i) only the Collateral Agent acting on the instructions of the Applicable Representative shall act with respect to the Shared Collateral (including with respect to any other intercreditor agreement with respect to any Shared Collateral, including the Second Lien Intercreditor Agreement), and the Collateral Agent may enter into any such intercreditor agreement (including the Second Lien Intercreditor Agreement) as agent for and on behalf of the First-Priority Secured Parties, (ii) the Collateral Agent shall act only on the instructions of the Applicable Representative and shall not follow any instructions with respect to the Shared Collateral (including with respect to any other intercreditor agreement (including the Second Lien Intercreditor Agreement) with respect to any Shared Collateral) from any Non-Controlling Representative (or any other First-Priority Secured Party other than the Applicable Representative) and (iii) no Hedge Facility Claimholder, Non-Controlling Representative or Non-Controlling Claimholder shall or shall instruct the Collateral Agent to, commence any judicial or nonjudicial foreclosure or power of sale proceedings with respect to, seek to have a trustee, receiver, interim receiver, receiver manager, monitor, liquidator, examiner or similar official appointed for or over, attempt any action to take possession of, exercise any right, remedy or power with respect to, or otherwise take any action to enforce its security interest in or realize upon, or take any other action available to it in respect of, any Shared Collateral or have a right to consent to any such action, or take any other action available to it in respect of, Shared Collateral (including with respect to any other intercreditor agreement with respect to Shared Collateral, including the Second Lien Intercreditor Agreement), whether under any Shared Security Document, applicable law or otherwise, it being agreed that only the Collateral Agent, acting in accordance with the instructions of the Applicable Representative, shall be entitled to take any such actions or exercise any remedies with respect to such Shared Collateral at such time.

(b) Without limiting the provisions of Section 4.2, each Representative that is not the Applicable Representative hereby appoints the Collateral Agent as its agent and authorizes the Collateral Agent to exercise any and all remedies under each Shared Security Document with respect to Shared Collateral and to execute releases in connection therewith.

(c) Notwithstanding the equal priority of the Liens securing each Series of First Lien Obligations granted on the Shared Collateral, the Collateral Agent (acting on the instructions of the Applicable Representative) may deal with the Shared Collateral as if the Collateral Agent had a senior and exclusive Lien on such Shared Collateral. No Hedge Facility Claimholder, Non-Controlling Representative, or Non-Controlling Claimholder that is not the Applicable Representative will contest, protest or object to, or otherwise seek to limit or enjoin, any enforcement action brought by the Collateral Agent, the Applicable Representative or the Controlling Claimholders or any other exercise by the Collateral Agent, the Applicable Representative or the Controlling Claimholders of any rights and remedies relating to the Shared Collateral. The foregoing shall not be construed to limit the rights and priorities of any First-Priority Secured Party, or Representative with respect to any Collateral not constituting Shared Collateral.

(d) Each of the Hedge Providers and the Hedge Provider Representative agrees that it will not accept any Lien on any Collateral for the benefit of any Hedge Facility Obligations other than Shared Collateral pursuant to the Shared Security Documents, and by executing this Agreement, the Hedge

Provider Representative and the Series of First-Priority Secured Parties for which it is acting hereunder agree to be bound by the provisions of this Agreement.

(e) The Lender Representative agrees on its own behalf and on behalf of each of the Lenders that it will not accept any Lien on any property and assets for the benefit of any Loan Obligations other than the Lien on Shared Collateral pursuant to the Shared Security Documents and the Lien on the Supplemental Collateral pursuant to the Supplemental Security Documents. By executing this Agreement, the Lender Representative and the Series of First-Priority Secured Parties for which it is acting hereunder agree to be bound by the provisions of this Agreement.

(f) The Grantors agree that at any time when the Hedge Provider Representative is the Applicable Representative and the Loan Agreement is no longer in effect, the Hedge Provider Representative may exercise any and all of the rights and powers of the Lender Representative and the Majority Lenders under Sections 3.5, 3.6, 8.4 and 8.5 of the Loan Agreement, *mutatis mutandis*.

(g) Each of the First-Priority Secured Parties agrees that it will not (and hereby waives any right to) contest or support any other Person in contesting, in any proceeding (including any Insolvency or Liquidation Proceeding), the perfection, priority, validity, attachment or enforceability of a Lien held by or on behalf of any of the First-Priority Secured Parties in all or any part of the Collateral, the undertaking or refraining from undertaking enforcement actions by the Collateral Agent or the provisions of this Agreement; provided that nothing in this Agreement shall be construed to prevent or impair (i) the rights of any Representative to enforce this Agreement or (ii) the rights of any First-Priority Secured Party to contest or support any other Person in contesting the enforceability of any Lien purporting to secure obligations not constituting First Lien Obligations.

(h) Prior to the Discharge of the Loan Obligations, the Company shall provide the Hedge Provider Representative with prompt written notice of any Event of Default under the Loan Documents.

## SECTION 2.3

### No Interference; Payment Over; Exculpatory Provisions.

(a) Each First-Priority Secured Party agrees that (i) it will not challenge or question or support any other Person in challenging or questioning in any proceeding the validity or enforceability of any First Lien Obligations of any Series or any Shared Security Document or the validity, attachment, perfection or priority of any Lien under any Shared Security Document or the validity or enforceability of the priorities, rights or duties established by or other provisions of this Agreement; provided that nothing in this Agreement shall be construed to prevent or impair the rights of any First-Priority Secured Party from challenging or questioning the validity or enforceability of any First Lien Obligations constituting unmatured interest or the validity of any Lien relating thereto pursuant to any Bankruptcy or Insolvency Laws, (ii) it will not take or cause to be taken any action the purpose or intent of which is, or could be, to interfere, hinder or delay, in any manner, whether by judicial proceedings or otherwise, any sale, transfer or other disposition of the Collateral by the Collateral Agent, (iii) except as provided in Section 2.1 or Section 2.2, it shall have no right to and shall not otherwise (A) direct the Collateral Agent or any other First-Priority Secured Party to exercise any right, remedy or power with respect to any Shared Collateral (including pursuant to any other intercreditor agreement) or (B) consent to, or object to, the exercise by, or any forbearance from exercising by, the Collateral Agent or any other First-Priority Secured Party represented by it of any right, remedy or power with respect to any Shared Collateral, (iv) it will not institute any suit or assert in any suit, bankruptcy, insolvency or other proceeding any claim against the Applicable Representative, the Collateral Agent or any other First-Priority Secured Party represented by it seeking damages from or other relief by way of specific performance, instructions or otherwise with respect to any Shared Collateral and (v) it will not attempt, directly or indirectly, whether by judicial proceedings or otherwise, to challenge the enforceability of any provision of this Agreement; provided that nothing in this Agreement shall be construed to prevent or impair the rights of any of the Collateral Agent or any other First-Priority Secured Party to (i) enforce this Agreement or (ii) contest or support any other Person in contesting the enforceability of any Lien purporting to secure obligations not constituting First Lien Obligations.

(b) Each First-Priority Secured Party hereby agrees that if it shall obtain possession of any Shared Collateral or shall realize any proceeds or payment in respect of any Shared Collateral, pursuant to any Shared Security Document or by the exercise of any rights available to it under applicable law or in any Insolvency or Liquidation Proceeding or through any other exercise of remedies (including pursuant to any intercreditor agreement, including the Second Lien Intercreditor Agreement), at any time prior to the Discharge of each Series of the First Lien Obligations, then it shall hold such Shared Collateral, proceeds or payment in trust for the other First-Priority Secured Parties having a security interest in such Shared Collateral and promptly transfer any such Shared Collateral, proceeds or payment, as the case may be, to the Collateral Agent, to be distributed by the Collateral Agent in accordance with the provisions of Section 2.1(a) hereof, provided, however, that the foregoing shall not apply to any Shared Collateral purchased by any First-Priority Secured Party for cash pursuant to any exercise of remedies permitted hereunder nor the exercise by the Hedge Provider of its rights to setoff and net amounts under and among any Hedge Facility Obligations to the extent that it only exercises such rights of setoff and netting among amounts owing by or to the Hedge Provider under the Hedge Agreements to which it is party.

(c) None of the Collateral Agent, any Applicable Representative or any other First-Priority Secured Party shall be liable for any action taken or omitted to be taken by the Collateral Agent, such Applicable Representative or any other First-Priority Secured Party with respect to any Shared Collateral in accordance with the provisions of this Agreement.

#### SECTION 2.4 Automatic Release of Liens.

(a) If, at any time any Shared Collateral is transferred to a third party or otherwise disposed of, in each case, in connection with any enforcement by the Collateral Agent in accordance with the provisions of this Agreement the Liens in favor of the Collateral Agent for the benefit of each Series of First-Priority Secured Parties (or in favor of such other First-Priority Secured Parties if directly secured by such Liens) upon such Shared Collateral will automatically be released and discharged as and when, but only to the extent, such Liens of the Collateral Agent on such Shared Collateral are released and discharged; provided that any proceeds of any Shared Collateral realized therefrom shall be applied pursuant to Section 2.1 hereof. If in connection with any such receivership, power of sale proceeding, foreclosure or other exercise of remedies by the Collateral Agent, the equity interests of any Person are sold, foreclosed upon or otherwise disposed of and the Collateral Agent releases its Lien on the property or assets of such Person, then the Liens held by the Collateral Agent (or in favor of such other First-Priority Secured Parties if directly secured by such Liens) with respect to any Collateral consisting of the property or assets of such Person will be automatically released to the same extent as the Liens of the Collateral Agent are released; provided that any proceeds of any such equity interests sold or foreclosed upon where the Collateral Agent releases its Lien on the assets of such Person on which another Series of First Lien Obligations holds a Lien on any of the assets of such Person (any such assets, the “**Underlying Assets**”) which Lien is released as provided in this sentence (any such proceeds being referred to herein as “**Equity Release Proceeds**” regardless of whether or not such other Series of First Lien Obligations holds a Lien on such equity interests so disposed of) shall be applied pursuant to Section 2.1 hereof.

(b) Without limiting the rights of the Collateral Agent under Section 4.2, each Representative agrees to execute and deliver (at the sole cost and expense of the Grantors) all such authorizations and other instruments as shall reasonably be requested by the Collateral Agent to evidence and confirm any release of Shared Collateral, Underlying Assets or guarantee provided for in this Section. At any time any Representative or the Collateral Agent is requested to execute and deliver any authorizations or instruments evidencing or confirming such release, they shall each be entitled to receive an officers' certificate of the Company and an opinion of counsel each stating that (i) such release of Shared Collateral is authorized or permitted by this Agreement and the First Lien Documents and (ii) all conditions precedent to such release in this Agreement and the First Lien Documents have been satisfied.

#### SECTION 2.5 Certain Agreements with Respect to Bankruptcy or Insolvency Proceedings.



(a) This Agreement shall continue in full force and effect notwithstanding the commencement of any proceeding under any Bankruptcy or Insolvency Law or any other federal, provincial, state or foreign bankruptcy, insolvency, receivership or similar law by or against any Grantor or any of its subsidiaries. The relative rights as to the Shared Collateral and proceeds thereof shall continue after the commencement of any Insolvency or Liquidation Proceeding on the same basis as prior to the date of the petition or application therefor. All references herein to any Grantor shall include such Grantor as a debtor-in-possession and any receiver or trustee for such Grantor.

(b) If any Grantor shall become subject to a case or proceeding (a "**Bankruptcy Case**") under any Bankruptcy or Insolvency Law and shall, as debtor(s)-in-possession, move for approval of financing ("**DIP Financing**") to be provided by one or more lenders (the "**DIP Lenders**") under Section 364 of the Bankruptcy Code or any similar provision of any other Bankruptcy or Insolvency Law or the use of cash collateral under Section 363 of the Bankruptcy Code or any similar provision of any other Bankruptcy or Insolvency Law, each First-Priority Secured Party agrees that it will not oppose, raise any objection to, or act in a manner inconsistent with, any such financing or to the grant of any liens securing such financing that are proposed to rank senior to, or *pari passu* with, the Liens in favor of the First-Priority Secured Parties on the Shared Collateral ("**DIP Financing Liens**") and/or to any use of cash collateral that constitutes Shared Collateral, unless a Representative of the Controlling Claimholders shall then oppose or object to such DIP Financing or such DIP Financing Liens or use of cash collateral (and (i) to the extent that such DIP Financing Liens are senior to the Liens on any such Shared Collateral for the benefit of the Controlling Claimholders, each Non-Controlling Claimholder will subordinate its Liens with respect to such Shared Collateral on the same terms as the Liens of the Controlling Claimholders (other than any Liens of any First-Priority Secured Parties constituting DIP Financing Liens) are subordinated thereto, and (ii) to the extent that such DIP Financing Liens rank *pari passu* with the Liens on any such Shared Collateral granted to secure the First Lien Obligations of the Controlling Claimholders, each Non-Controlling Claimholder will confirm the priorities with respect to such Shared Collateral as set forth herein), in each case so long as (A) the First-Priority Secured Parties of each Series retain the benefit of their Liens on all such Shared Collateral pledged to the DIP Lenders, including proceeds thereof arising after the commencement of such proceeding, with the same priority vis-à-vis all the other First-Priority Secured Parties (other than any Liens of the First-Priority Secured Parties constituting DIP Financing Liens) as existed prior to the commencement of the Bankruptcy Case, (B) if applicable, the First-Priority Secured Parties of each Series are granted Liens on any additional or replacement collateral pledged to any First-Priority Secured Parties as adequate protection or otherwise in connection with such DIP Financing and/or use of cash collateral, with the same priority vis-à-vis the First-Priority Secured Parties as set forth in this Agreement (other than any Liens of any First-Priority Secured Parties constituting DIP Financing Liens), (C) if any amount of such DIP Financing or cash collateral is applied to repay any of the First Lien Obligations, such amount is applied pursuant to Section 2.1(a) of this Agreement, and (D) if any First-Priority Secured Parties are granted adequate protection with respect to the First Lien Obligations subject hereto, including in the form of periodic payments, in connection with such DIP Financing and/or use of cash collateral, the proceeds of such adequate protection are applied pursuant to Section 2.1(a) of this Agreement; provided, that any First-Priority Secured Parties receiving adequate protection shall not object to any other First-Priority Secured Party receiving adequate protection comparable to any adequate protection granted to such First-Priority Secured Parties in connection with a DIP Financing or use of cash collateral.

(c) If any First-Priority Secured Party is granted adequate protection (A) in the form of Liens on any additional collateral, then each other First-Priority Secured Party shall be entitled to seek, and each First-Priority Secured Party will consent and not object to, adequate protection in the form of Liens on such additional collateral with the same priority vis-à-vis the First-Priority Secured Parties as set forth in this Agreement, (B) in the form of a superpriority or other administrative claim, then each other First-Priority Secured Party shall be entitled to seek, and each First-Priority Secured Party will consent and not object to, adequate protection in the form of a *pari passu* superpriority or administrative claim or (C) in the form of periodic or other cash payments, then the proceeds of such adequate protection must be applied to all First Lien Obligations subject to the terms and conditions of Section 2.1.

## SECTION 2.6

### Reinstatement.

In the event that any of the First Lien Obligations shall be paid in full and such payment or any part thereof shall subsequently, for whatever reason (including an order or judgment for disgorgement of a fraudulent preference or conveyance, transfer at undervalue, or other avoidance action under any Bankruptcy or Insolvency Law, or other similar law, or the settlement of any claim in respect thereof), be required to be returned or repaid, the terms and conditions of this Agreement shall be fully applicable thereto until all such First Lien Obligations shall again have been paid in full in cash. This Section 2.6 shall survive termination of this Agreement.

#### SECTION 2.7                      Insurance and Condemnation Awards.

As among the First-Priority Secured Parties, the Collateral Agent (acting at the direction of the Applicable Representative), shall have the right, but not the obligation, to adjust or settle any insurance policy or claim covering or constituting Shared Collateral in the event of any loss thereunder and to approve any award granted in any condemnation or similar proceeding affecting the Shared Collateral. To the extent any Representative or any other First-Priority Secured Party receives proceeds of such insurance policy and such proceeds are not permitted or required to be returned to any Grantor under the applicable First Lien Documents, such proceeds shall be turned over to the Collateral Agent for application as provided in Section 2.1 hereof.

#### SECTION 2.8                      Gratuitous Bailee/Agent for Perfection.

(a)        The Collateral Agent shall be entitled to hold any Possessory Collateral and/or Control Collateral constituting Shared Collateral.

(b)        Notwithstanding the foregoing, each Representative and First-Priority Secured Party that it represents agrees to hold any Possessory Collateral and/or Control Collateral constituting Shared Collateral and any other Shared Collateral from time to time in its possession or control (or in the possession or control of its agents or bailees) as gratuitous bailee for the benefit of each other First-Priority Secured Party (such bailment being intended, among other things, to satisfy the requirements of Sections 8-106(d)(3), 8-301(a)(2) and 9-313(c) of the UCC, the PPSA or equivalent laws of any jurisdiction), solely for the purpose of perfecting the security interest granted in such Shared Collateral, if any, pursuant to the applicable Shared Security Documents, in each case, subject to the terms and conditions of this Section 2.8. Solely with respect to any deposit accounts constituting Shared Collateral under the control (within the meaning of Section 9-104 of the UCC or equivalent laws of any jurisdiction) of the Collateral Agent, the Collateral Agent agrees to also hold control over such deposit accounts as gratuitous agent for each other First-Priority Secured Party and any assignee solely for the purpose of perfecting the security interest in such deposit accounts, subject to the terms and conditions of this Section 2.8.

(c)        The Collateral Agent shall not have any obligation whatsoever to any First-Priority Secured Party to ensure that the Possessory Collateral and Control Collateral is genuine or owned by any of the Grantors or to preserve rights or benefits of any Person except as expressly set forth in this Section 2.8. The duties or responsibilities of the Collateral Agent under this Section 2.8 shall be limited solely to holding any Possessory Collateral constituting Shared Collateral or any other Shared Collateral in its possession or control as gratuitous bailee (and with respect to deposit accounts, as gratuitous agent) in accordance with this Section 2.8 and delivering the Possessory Collateral and/or Control Collateral constituting Shared Collateral as provided in Section 2.8**Error! Reference source not found.** below.

(d)        Neither the Collateral Agent nor any of the First-Priority Secured Parties shall have by reason of the First Lien Documents, this Agreement or any other document a fiduciary relationship in respect the Collateral Agent or any other First-Priority Secured Party, and the Collateral Agent and each First-Priority Secured Party hereby waives and releases the Collateral Agent and First-Priority Secured Parties from all claims and liabilities arising pursuant to the Collateral Agent's role under this Section 2.8 as gratuitous bailee with respect to the Possessory Collateral and/or Control Collateral constituting Shared Collateral or any other Shared Collateral in its possession or control (and with respect to the deposit accounts, as gratuitous agent).

## SECTION 2.9

### Amendments to or Affecting Shared Security Documents.

Without the prior written consent of each Representative, no Shared Security Document may be amended, restated, amended and restated, supplemented, replaced or Refinanced or otherwise modified from time to time or entered into

The Loan Documents may be amended, restated, supplemented or otherwise modified in accordance with their terms, without the consent of the Hedge Provider Representative; *provided, however*, that without the prior written consent of the Hedge Provider Representative, no such amendment, restatement, supplement or modification shall:

- (a) contravene or change the meaning or effect of any provision of this Agreement; or
- (b) increase the aggregate principal amount of the Loan Obligations (or commitments in respect thereof) if after giving effect to such increase, the aggregate principal amount of the Senior Loan Obligations is or could be in excess of the Senior Loan Cap Amount.

## SECTION 2.10

### Similar Liens and Agreements.

The parties hereto agree that it is their intention that the Collateral in respect of each Grantor be identical for all First-Priority Secured Parties provided, that this provision will not be violated with respect to any particular Series if the First Lien Document for such Series prohibits the Representative for that Series from accepting a Lien on such asset or property or such Representative otherwise expressly declines to accept a Lien on such asset or property (any such prohibited or declined Liens with respect to a particular Series, a "**Declined Lien**") and this provision will not be violated if any First-Priority Secured Party has security over any assets of a Person other than the Grantor. In furtherance of, but subject to, the foregoing, the parties hereto agree, subject to the other provisions of this Agreement:

- (a) upon request by any Representative, to cooperate in good faith (and to direct their counsel to cooperate in good faith) from time to time in order to determine the specific items included in the Shared Collateral and the steps taken to perfect their respective Liens thereon and the identity of the respective parties obligated under the Loan Documents and the Hedge Facility Documents; and
- (b) that the Shared Security Documents shall create or evidence the Liens on Shared Collateral securing the Loan Obligations and the Hedge Facility Obligations.

## ARTICLE III.

### EXISTENCE AND AMOUNTS OF LIENS AND OBLIGATIONS

Whenever the Collateral Agent or any Applicable Representative shall be required, in connection with the exercise of its rights or the performance of its obligations hereunder, to determine the existence or amount of any First Lien Obligations of any Series, or the Shared Collateral subject to any Lien securing the First Lien Obligations of any Series, it may request that such information be furnished to it in writing by each other Representative and shall be entitled to make such determination or not make any determination on the basis of the information so furnished; provided, however, that if a Representative shall fail or refuse reasonably promptly to provide the requested information, the requesting Representative shall be entitled to make any such determination or not make any determination by such method as it may, in the exercise of its good faith judgment, determine, including by reliance upon a certificate of the Company. Each Applicable Representative may rely conclusively, and shall be fully protected in so relying, on any determination made by it in accordance with the provisions of the preceding sentence (or as otherwise directed by a court of competent jurisdiction) and shall have no liability to any Grantor, any First-Priority Secured Party or any other person as a result of such determination.



## ARTICLE IV.

### THE COLLATERAL AGENT AND APPLICABLE REPRESENTATIVE

#### SECTION 4.1 Authority.

(a) Except as otherwise expressly provided herein, nothing in shall be construed to impose any duty on the Collateral Agent or any Applicable Representative to any Non-Controlling Claimholder or give any Non-Controlling Claimholder the right to direct the Collateral Agent in such capacity, except that the Collateral Agent shall be obligated to enforce the Supplemental Security and to distribute proceeds of any Collateral in accordance with Section 2.1 hereof.

(b) In furtherance of the foregoing, each Non-Controlling Claimholder acknowledges and agrees that the Collateral Agent shall be entitled, for the benefit of the First-Priority Secured Parties, to sell, transfer or otherwise dispose of or deal with any Shared Collateral as provided herein and in the Shared Security Documents, as applicable, without regard to any rights to which the Non-Controlling Claimholders would otherwise be entitled as a result of the First Lien Obligations held by such Non-Controlling Claimholders. Notwithstanding any other provision of this Agreement, the Collateral Agent shall not (i) accept any Shared Collateral in full or partial satisfaction of any First Lien Obligations pursuant to Section 9-620 of the UCC, the PPSA or equivalent laws of any jurisdiction, without the consent of each Representative representing holders of First Lien Obligations for whom such Collateral constitutes Shared Collateral or (ii) "credit bid" for or purchase (other than for cash) Shared Collateral in any public, private or judicial foreclosure or sale proceeding upon such Shared Collateral, without the consent of each Representative representing holders of First Lien Obligations for whom such Collateral constitutes Shared Collateral.

#### SECTION 4.2 Power-of-Attorney.

Each Non-Controlling Representative, for itself and on behalf of each other First-Priority Secured Party of the Series for whom it is acting, hereby irrevocably appoints the Collateral Agent and any officer or agent of the Collateral Agent, which appointment is coupled with an interest with full power of substitution, as its true and lawful attorney-in-fact with full irrevocable power and authority in the place and stead of such Non-Controlling Representative or First-Priority Secured Party, to take any and all appropriate action and to execute any and all documents and instruments which may be necessary to accomplish the purposes of this Agreement, including the exercise of any and all remedies under each Shared Security Document with respect to Shared Collateral and the execution of releases in connection therewith.

## ARTICLE V.

### MISCELLANEOUS

#### SECTION 5.1 Integration/Conflicts.

This Agreement, together with the other First Lien Documents and the Shared Security Documents, represents the entire agreement of each of the Grantors and the First-Priority Secured Parties with respect to the subject matter hereof and thereof and supersedes any and all previous agreements and understandings, oral or written, relating to the subject matter hereof and thereof. There are no promises, undertakings, representations or warranties by any Representative or First-Priority Secured Party relative to the subject matter hereof and thereof not expressly set forth or referred to herein or therein. In the event of any conflict between the provisions of this Agreement and the provisions of the First Lien Documents the provisions of this Agreement shall govern and control; provided that, as between this Agreement and any other intercreditor agreement relating to the Shared Collateral (including the Second Lien Intercreditor Agreement), this Agreement shall govern and control with respect to the relative rights and obligations as among the First-Priority Secured Parties.

## SECTION 5.2

### Effectiveness; Continuing Nature of this Agreement; Severability.

This Agreement shall become effective when executed and delivered by the parties hereto. This is a continuing agreement and the First-Priority Secured Parties of any Series may continue, at any time and without notice to any First-Priority Secured Party of any other Series, to extend credit and other financial accommodations and lend monies to or for the benefit of the Company or any Grantor constituting First Lien Obligations in reliance hereon. Each Representative, on behalf of itself and each other First-Priority Secured Party represented by it, hereby waives any right it may have under applicable law to revoke this Agreement or any of the provisions of this Agreement. The terms of this Agreement shall survive, and shall continue in full force and effect, in any Insolvency or Liquidation Proceeding. Any provision of this Agreement that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. The parties hereto shall endeavor in good faith negotiations to replace any invalid, illegal or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to those of the invalid, illegal or unenforceable provisions. All references to the Company or any other Grantor shall include the Company or such Grantor as debtor and debtor in possession and any receiver, trustee or similar person for the Company or any other Grantor (as the case may be) in any Insolvency or Liquidation Proceeding. This Agreement shall terminate and be of no further force and effect with respect to any Representative and the First-Priority Secured Parties represented by such Representative and their First Lien Obligations, on the date on which there has been a Discharge of such Series of First Lien Obligations, subject to the rights of the First-Priority Secured Parties under Section 2.6; provided, however, that such termination shall not relieve any such party of its obligations incurred hereunder prior to the date of such termination.

## SECTION 5.3

### Amendments; Waivers.

(a) No amendment, modification or waiver of any of the provisions of this Agreement shall be deemed to be made unless the same shall be in writing signed on behalf of each party hereto or its authorized agent and each waiver, if any, shall be a waiver only with respect to the specific instance involved and shall in no way impair the rights of the parties making such waiver or the obligations of the other parties to such party in any other respect or at any other time. Notwithstanding the foregoing, the Company and the other Grantors shall not have any right to consent to or approve any amendment, modification or waiver of any provision of this Agreement except to the extent their rights are adversely affected.

## SECTION 5.4

### Information Concerning Financial Condition of the Grantors and their Subsidiaries.

The First-Priority Secured Parties of each Series shall each be responsible for keeping themselves informed of (a) the financial condition of the Grantors and their subsidiaries and all endorsers and/or guarantors of the First Lien Obligations and (b) all other circumstances bearing upon the risk of nonpayment of the First Lien Obligations. The Representative and the other First-Priority Secured Parties of each Series shall have no duty to advise the Representative or First-Priority Secured Parties of any other Series of information known to it or them regarding such condition or any such circumstances or otherwise. In the event the other First-Priority Secured Parties, in its or their sole discretion, undertakes at any time or from time to time to provide any such information to the Representative or First-Priority Secured Parties of any other Series, it or they shall be under no obligation:

(a) to make, and such Representative and such other First-Priority Secured Parties shall not make, any express or implied representation or warranty, including with respect to the accuracy, completeness, truthfulness or validity of any such information so provided;

(b) to provide any additional information or to provide any such information on any subsequent occasion;

- (c) to undertake any investigation; or
- (d) to disclose any information, which pursuant to accepted or reasonable commercial finance practices, such party wishes to maintain confidential or is otherwise required to maintain confidential.

SECTION 5.5                      Submission to Jurisdiction; Certain Waivers.

Each of the Company, each other Grantor, and each Representative, on behalf of itself and each other First-Priority Secured Party represented by it, hereby irrevocably and unconditionally:

- (a) submits and attorns to the non-exclusive jurisdiction of the courts of the Province of Alberta for all matters arising out of or relating to this Agreement or any of the transactions contemplated thereby;
- (b) agrees that all claims in respect of any such action or proceeding shall be heard and determined in such Alberta court;
- (c) agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law and that nothing in this Agreement or any other First Lien Document shall affect any right that the Collateral Agent or any Representative or other First-Priority Secured Party may otherwise have to bring any action or proceeding relating to this Agreement or any other First Lien Document against such Grantor or any of its assets in the courts of any jurisdiction;
- (d) waives, to the fullest extent permitted by applicable law, any objection that it may now or hereafter have to the laying of venue of any action or proceeding arising out of or relating to this Agreement or any other Shared Security Document in any court referred to in Section 5.5(a) (and irrevocably waives to the fullest extent permitted by applicable law the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court); and
- (e) waives, to the maximum extent not prohibited by law, any right it may have to claim or recover any special, exemplary, punitive or consequential damages.

SECTION 5.6                      WAIVER OF JURY TRIAL.

EACH PARTY HERETO AND THE COMPANY AND THE OTHER GRANTORS HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER FIRST LIEN DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT, BREACH OF DUTY, COMMON LAW, STATUTE OR ANY OTHER THEORY). EACH PARTY HERETO AND THE COMPANY AND THE OTHER GRANTORS (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PERSON HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PERSON WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT EACH SUCH PARTY HERETO AND THE COMPANY AND EACH OTHER GRANTOR HAVE BEEN INDUCED TO ENTER INTO OR ACKNOWLEDGE THIS AGREEMENT AND THE OTHER FIRST LIEN DOCUMENTS BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION. EACH PARTY HERETO AND THE COMPANY AND THE OTHER GRANTORS FURTHER REPRESENTS AND WARRANTS THAT IT HAS REVIEWED THIS WAIVER WITH ITS LEGAL COUNSEL AND THAT IT KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL.

SECTION 5.7                      Notices.

Unless otherwise specifically provided herein, any notice hereunder shall be in writing and may be personally served or sent by facsimile, electronic mail or United States or Canadian mail or courier service and shall be deemed to have been given when delivered in person or by courier service and signed for against receipt thereof, upon receipt of facsimile or electronic mail, or three Business Days after depositing it in the United States or Canadian mail with postage prepaid and properly addressed. For the purposes hereof, the addresses of the parties hereto shall be as set forth below each party's name on the signature pages hereto or in the Joinder Agreement pursuant to which it becomes a party hereto, or, as to each party, at such other address as may be designated by such party in a written notice to all of the other parties. Any notice, direction or communication served or sent to the Lender Representative or Collateral Agent shall be deemed given when received by it.

All notices, approvals, consents, requests and any communications hereunder must be in writing (provided that any communications sent to the Lender Representative or the Collateral Agent hereunder must be in the form of a document that is signed manually or electronically (including by way of a digital signature provided by DocuSign or such other digital signature provider as specified in writing to the Lender Representative or the Collateral Agent by the authorized representative), in English. The Company agrees to assume all risks arising out of the use of using digital signatures and electronic methods to submit communications to the Lender Representative or the Collateral Agent, including without limitation the risk of the Lender Representative or the Collateral Agent acting on unauthorized instructions, and the risk of interception and misuse by third parties.

#### SECTION 5.8 Further Assurances.

Each Representative, on behalf of itself and each other First-Priority Secured Party represented by it, and the Company and each other Grantor, agree that each of them shall take such further action and shall execute and deliver such additional documents and instruments (in recordable form, if requested) as any Representative or the Collateral Agent may reasonably request to effectuate the terms of and the Lien priorities contemplated by this Agreement, at the expense of the Company.

#### SECTION 5.9 Agency Capacities.

(a) Except as expressly provided herein, (a) the Lender Representative is not acting in its individual capacity, but solely in the capacity of the Lender Representative hereunder, solely for the Loan Claimholders, (b) the Collateral Agent is not acting in its individual capacity, but solely in the capacity of the Collateral Agent hereunder, solely for the Loan Claimholders and the Hedge Facility Claimholders, and (c) the Hedge Provider Representative is acting in the capacity of Representative solely for the Hedge Facility Claimholders and pursuant to the direction set forth in the Hedge Facility Documents.

(b) Neither the Lender Representative nor the Collateral Agent shall be responsible for the terms or sufficiency of this Agreement for any purpose. Neither Representative nor the Collateral Agent shall have any duties or obligations under or pursuant to this Agreement other than such duties as may be expressly set forth in this as duties on its part to be performed or observed. In entering into this Agreement, or in taking (or forbearing from) any action under or pursuant to this Agreement, each Representative and the Collateral Agent, as applicable, shall have and be protected by all of the rights, immunities, indemnities and other protections granted to the Collateral Agent and the Representative, as applicable, under the First Lien Documents. Neither the Lender Representative nor the Collateral Agent shall have any liability or responsibility for the actions or omissions of any other claimholder, or for any other claimholder's compliance with (or failure to comply with) the terms of this Agreement (as applicable).

(c) None of the provisions in this Agreement shall require the Lender Representative or the Collateral Agent to expend or risk their own funds or otherwise to incur any liability, financial or otherwise, in the performance of any of their duties, or in the exercise of any of its rights or powers.

(d) Neither Representative nor the Collateral Agent shall have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated by the First Lien Documents that the Representative or the Collateral Agent is required to exercise

as directed in writing under the First Lien Documents; provided that, the Lender Representative and the Collateral Agent shall be entitled to refrain from any act or the taking of any action hereunder, under the First Lien Documents or from the exercise of any power or authority vested in it hereunder or thereunder unless and until the Lender Representative or the Collateral Agent shall have received instructions from the required First-Lien Creditors under the applicable First Lien Document, and if the Lender Representative or the Collateral Agent deems necessary, satisfactory indemnity has been provided to it, and neither the Lender Representative nor the Collateral Agent shall be liable for any such delay in acting. Neither the Lender Representative nor the Collateral Agent shall be required to take any action that, in its opinion or the opinion of its counsel, may expose either to liability or that is contrary to the First Lien Documents or applicable law, including for the avoidance of doubt, any action that may be in violation of the automatic stay under any bankruptcy or insolvency law. For purposes of clarity, phrases such as "satisfactory to", "approved by", "acceptable to", "as determined by", "in the discretion of", "selected by", "requested by" the Lender Representative or the Collateral Agent and phrases of similar import authorize and permit the Lender Representative or the Collateral Agent to approve, disapprove, determine, act or decline to act in its discretion. Any exercise of discretion on behalf of the Lender Representative or the Collateral Agent shall be exercised in accordance with the terms of the First Lien Documents. Notwithstanding anything herein to the contrary, neither the Lender Representative nor the Collateral Agent shall have any responsibility for the preparation, filing or recording, re-filing, re-recording of any instrument, document or financing statement or for the perfection or maintenance of any security interest granted pursuant to this Agreement or any First Lien Document.

(e) The Hedge Provider Representative shall not be responsible for the terms or sufficiency of this Agreement for any purpose. The Hedge Provider Representative shall not have any duties or obligations under or pursuant to this Agreement other than such duties as may be expressly set forth in this as duties on its part to be performed or observed. In entering into this Agreement, or in taking (or forbearing from) any action under or pursuant to this Agreement, the Hedge Provider Representative shall have and be protected by all of the rights, immunities, indemnities and other protections granted to it under the Hedge Facility Documents. The Hedge Provider Representative shall not have any liability or responsibility for the actions or omissions of any other claimholder, or for any other claimholder's compliance with (or failure to comply with) the terms of this Agreement.

(f) None of the provisions in this Agreement shall require the Hedge Provider Representative to expend or risk their own funds or otherwise to incur any liability, financial or otherwise, in the performance of any of their duties, or in the exercise of any of its rights or powers if they shall have reasonable grounds for believing that repayment of such funds or indemnity satisfactory to them against such risk or liability is not assured to them.

(g) The Hedge Provider Representative shall not have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated by the Hedge Facility Documents that the Hedge Provider Representative is required to exercise as directed in writing under the Hedge Facility Documents; *provided that*, the Hedge Provider Representative shall be entitled to refrain from any act or the taking of any action hereunder, under the Hedge Facility Documents or from the exercise of any power or authority vested in it hereunder or thereunder unless and until the Hedge Provider Representative shall have received any instructions required under the Hedge Facility Documents, and if the Hedge Provider Representative deems necessary, satisfactory indemnity has been provided to it, and the Hedge Provider Representative shall not be liable for any such delay in acting. The Hedge Provider Representative shall not be required to take any action that, in its opinion or the opinion of its counsel, may expose either to liability or that is contrary to the Hedge Facility Documents or applicable law, including for the avoidance of doubt, any action that may be in violation of the automatic stay under any Bankruptcy or Insolvency Laws. For purposes of clarity, phrases such as "satisfactory to", "approved by", "acceptable to", "as determined by", "in the discretion of", "selected by", "requested by" the Hedge Provider Representative and phrases of similar import authorize and permit the Hedge Provider Representative to approve, disapprove, determine, act or decline to act in its discretion. Any exercise of discretion on behalf of the Hedge Provider Representative shall be exercised in accordance with the terms of the



Hedge Facility Documents. Notwithstanding anything herein to the contrary, the Hedge Provider Representative shall not have any responsibility for the preparation, filing or recording of any instrument, document or financing statement or for the perfection or maintenance of any security interest created hereunder.

#### SECTION 5.10                      Exculpatory Provisions.

Neither the Collateral Agent or Lender Collateral Agent nor any of its officers, partners, directors, employees or agents shall be liable to any of the other First-Priority Secured Parties for any action taken or omitted by the Collateral Agent or Lender Collateral Agent under or in connection with any of the duties or rights under this Agreement except to the extent caused by the their gross negligence or willful misconduct as determined by a court of competent jurisdiction in a final, non-appealable order. The Collateral Agent and Lender Collateral Agent shall be entitled to refrain from any act or the taking of any action (including the failure to take an action) in connection herewith or from the exercise of any power, discretion or authority vested in it hereunder or thereunder unless and until the Collateral Agent or Lender Collateral Agent shall have received written instructions in respect thereof from the applicable First-Priority Secured Parties entitled to so instruct accordance with this Agreement, and, upon receipt of such instructions the Collateral Agent or Lender Collateral Agent shall be entitled to act or (where so instructed), refrain from acting, or to exercise such power, discretion or authority, in accordance with such instructions. Without prejudice to the generality of the foregoing, the Collateral Agent and Lender Collateral Agent shall be entitled to rely, and shall be fully protected in relying, upon any communication, instrument or document believed by it to be genuine and correct and to have been signed or sent by the proper Person or Persons, and shall be entitled to rely and shall be protected and free from liability in relying on opinions and judgments of attorneys (who may be attorneys for any of the parties hereto), accountants, experts and other professional advisors selected by it; and no First-Priority Secured Parties shall have any right of action whatsoever against the Collateral Agent or Lender Collateral Agent as a result of the Collateral Agent or Lender Collateral Agent acting or (where so instructed) refraining from acting hereunder or any of the other First Lien Documents in accordance with the instructions provided in accordance with this Agreement. The Collateral Agent shall be fully justified in failing or refusing to take any action under this Agreement until it shall first receive such instructions or concurrence of the applicable First-Priority Secured Party or Parties entitled to provide such instructions or concurrence at such time pursuant to this Agreement and until such instructions are received, the Collateral Agent or Lender Collateral Agent shall act, or refrain from acting, as it deems advisable. If the Collateral Agent so requests, it shall first be indemnified to its reasonable satisfaction by the First-Priority Secured Parties against any and all liability and expense that may be incurred by it by reason of taking or continuing to take any such action. The Collateral Agent and Lender Collateral Agent shall in all cases be fully protected in acting, or in refraining from acting, under this Agreement in accordance with a request or consent of the First-Priority Secured Parties given hereunder and such request and any action taken or failure to act pursuant thereto shall be binding upon all of First-Priority Secured Parties. No provision of this Agreement or any agreement or instrument contemplated hereby or thereby, the transactions contemplated hereby or thereby shall require the Collateral Agent or Lender Collateral Agent to expend or risk its own funds or provide indemnities in the performance of any of its duties hereunder or the exercise of any of its rights or power or otherwise incur any financial liability in the performance of its duties or the exercise of any of its rights or powers. The Collateral Agent and the Lender Collateral Agent shall not be responsible for perfecting, maintaining, monitoring, preserving or protecting the security interest or lien granted to any First-Priority Secured Parties as described herein, the filing, re-filing, recording, re-recording or continuing of any document, financing statement, mortgage, assignment, notice, instrument of further assurance or other instrument in any public office at any time or times or providing, maintaining, monitoring or preserving insurance on or the payment of taxes with respect to any of the Collateral. The Collateral Agent shall not be required to qualify in any jurisdiction in which it is not presently qualified to perform its obligations as the Collateral Agent. No written direction given to the Collateral Agent or Lender Collateral Agent that in the sole judgment of the Collateral Agent or Lender Collateral Agent imposes, purports to impose or might reasonably be expected to impose any obligation or liability not set forth in or arising under this Agreement will be binding upon them unless they so elect, at its sole option, to accept such direction. Beyond the exercise of reasonable care in the custody of the Collateral in the possession or control of the Collateral Agent or its bailee, the Collateral Agent will not have any duty as to any Collateral or any income thereon or as to preservation of rights against prior parties or any other rights pertaining

thereto. The Collateral Agent will be deemed to have exercised reasonable care in the custody of the Collateral in its possession if the Collateral is accorded treatment substantially equal to that which it accords its own property, and the Collateral Agent will not be liable or responsible for any loss or diminution in the value of any of the Collateral by reason of the act or omission of any carrier, forwarding agency or other agent or bailee selected by the Collateral Agent in good faith. The Collateral Agent will not be responsible for the existence, genuineness or value of any of the Collateral or for the validity, perfection, priority or enforceability of the Liens in any of the Collateral, whether impaired by operation of law or by reason of any action or omission to act on its part hereunder, except to the extent such action or omission constitutes gross negligence or willful misconduct on the part of the Collateral Agent, as determined by a court of competent jurisdiction in a final, non-appealable order, for the validity or sufficiency of the Collateral or any agreement or assignment contained therein, for the validity of the title of any grantor to the Collateral, for insuring the Collateral or for the payment of taxes, charges, assessments or Liens upon the Collateral or otherwise as to the maintenance of the Collateral.

#### SECTION 5.11 Right to Indemnity.

Each First-Priority Secured Party other than the Collateral Agent, in proportion to the amount of the First Lien Obligations owing to it, severally agrees to indemnify the Collateral Agent, and each of Affiliates and its officers, partners, directors, trustees, employees, representatives and agents of the Collateral Agent (each, an **"Indemnatee Agent Party"**), to the extent that such Indemnatee Agent Party shall not have been otherwise reimbursed by any Person, for and against any and all claims, liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses (including counsel fees and disbursements) or disbursements of any kind or nature whatsoever which may be imposed on, incurred by or asserted against such Indemnatee Agent Party in exercising its powers, rights and remedies or performing its duties hereunder or under the other First Lien Documents or otherwise in its capacity as such Indemnatee Agent Party in any way relating to or arising out of this Agreement or the other First Lien Documents, **IN ALL CASES, WHETHER OR NOT CAUSED BY OR ARISING, IN WHOLE OR IN PART, OUT OF THE COMPARATIVE, CONTRIBUTORY, OR SOLE NEGLIGENCE OF THE COLLATERAL AGENT**; *provided*, no First-Priority Secured Party shall be liable for any portion of such claims, liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements resulting from any Indemnatee Agent Party's gross negligence or willful misconduct as determined by a court of competent jurisdiction in a final, non-appealable order.

#### SECTION 5.12 Governing Law.

This Agreement shall be governed by, and construed in accordance with, the laws of the Province of Alberta and the laws of Canada applicable in that Province.

#### SECTION 5.13 Binding on Successors and Assigns.

This Agreement shall be binding upon each Representative, the Collateral Agent, the other First-Priority Secured Parties, the Company and the other Grantors, and their respective successors and assigns from time to time. If any of the Representatives resigns or is replaced pursuant to the applicable First Lien Documents its successor shall be deemed to be a party to this Agreement and shall have all the rights of, and be subject to all the obligations of, this Agreement.

The Collateral Agent may, as hereinafter provided, resign at any time by giving 30 days' notice (the **"Resignation Notice"**) thereof to the Representatives and the Grantors. The First-Priority Secured Parties, with the consent of the Borrower, such consent not to be unreasonably withheld, will forthwith upon receipt of the Resignation Notice unanimously appoint a replacement as successor agent (the **"Successor Agent"**) to assume the duties hereunder of the resigning Collateral Agent. Upon the acceptance of any appointment as agent hereunder by a Successor Agent, such Successor Agent will thereupon succeed to and become vested with all the rights, powers, privileges and duties as agent under this Agreement or any other First Lien Documents of the resigning Collateral Agent. Upon such acceptance, the resigning Collateral Agent will be discharged from its further duties and obligations as agent under this Agreement. After the resignation of the Collateral Agent as agent hereunder, the provisions of any release, waiver or

indemnification for the benefit of the resigning Collateral Agent in this Agreement (including Section 5.9) will continue to enure to its benefit as to any actions taken or omitted to be taken by it while it was the Collateral Agent hereunder. Notwithstanding the foregoing, if the First-Priority Secured Parties fail to appoint a Successor Agent within 30 days of receipt of the Resignation Notice, the resigning Collateral Agent may and with the approval of the Company prior to an Event of Default, such approval not to be unreasonably withheld, appoint a Successor Agent from among the Lenders, provided that consent of such Successor Agent has been obtained.

If the resigning Collateral Agent is no longer the Collateral Agent, it shall deliver the remaining Possessory Collateral and/or Control Collateral constituting Shared Collateral in its possession (if any) together with any necessary endorsements (which endorsement shall be without recourse and without any representation or warranty), first, to the Successor Agent to the extent First Lien Obligations remain outstanding and second, to the applicable Grantor to the extent no First Lien Obligations remain outstanding (in each case, so as to allow such Person to obtain possession or control of such Shared Collateral) or to whomever may be lawfully entitled to receive the same, including pursuant to any intercreditor agreement relating to the Shared Collateral, if applicable (including the Second Lien Intercreditor Agreement). The resigning Collateral Agent further agrees to take all other action reasonably requested by the Successor Agent at the expense of the Company in connection with the Successor Agent obtaining a first-priority security interest in the Shared Collateral.

#### SECTION 5.14            Section Headings.

Section headings and the Table of Contents used in this Agreement are for convenience of reference only and are not to affect the construction hereof or be taken into consideration in the interpretation hereof.

#### SECTION 5.15            Counterparts.

This Agreement may be executed in any number of counterparts (including by facsimile transmission or other electronic transmission) and by different parties in separate counterparts, each of which when so executed will be deemed to be an original and all of which taken together will constitute one and the same instrument. The words "execution", "signed", "signature" and words of like import on any document shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for by any law, including Parts 2 and 3 of the *Personal Information Protection and Electronic Documents Act* (Canada) and other similar federal or provincial laws based on the Uniform Electronic Commerce Act of the Uniform Law Conference of Canada or its Uniform Electronic Evidence Act, as the case may be.

#### SECTION 5.16            Authorization.

By its signature, each Person executing this Agreement, on behalf of such party or Grantor but not in his or her personal capacity as a signatory, represents and warrants to the other parties hereto that it is duly authorized to execute this Agreement.

#### SECTION 5.17            No Third Party Beneficiaries/ Provisions Solely to Define Relative Rights.

The provisions of this Agreement are and are intended solely for the purpose of defining the relative rights of the First-Priority Secured Parties in relation to one another. None of the Company, any other Grantor nor any other creditor thereof shall have any rights or obligations hereunder and no such Person is an intended beneficiary or third party beneficiary hereof, except, in each case, as expressly provided in this Agreement, and none of the Company or any other Grantor may rely on the terms hereof (other than Sections 5.3 and 5.14). Nothing in this Agreement is intended to or shall impair the obligations of any Grantor, which are absolute and unconditional, to pay the First Lien Obligations as and when the same shall become due and payable in accordance with their terms. Without limitation of any other provisions of



this Agreement, the Company and each Grantor hereby (a) acknowledges that it has read this Agreement and consents hereto, (b) agrees that it will not take any action that would be contrary to the express provisions of this Agreement and (c) agrees to abide by the requirements expressly applicable to it under this Agreement.

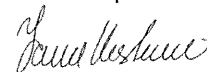
SECTION 5.18            No Indirect Actions.

Unless otherwise expressly stated, if a party may not take an action under this Agreement, then it may not take that action indirectly, or support any other Person in taking that action directly or indirectly. "Taking an action indirectly" means taking an action that is not expressly prohibited for the party but is intended to have substantially the same effects as the prohibited action.

[Remainder of this page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their respective authorized officers as of the day and year first above written.

**GLAS USA LLC, as Lender Representative**

By:   
Name: Yana Kislenko  
Title: Vice President

GLAS USA LLC

Email : tmgus@glas.agency  
Facsimile: 212-202-6246  
Telephone: 201-839-2200

**GLAS AMERICAS LLC, as Collateral Agent**

By:   
Name: Yana Kislenko  
Title: Vice President

GLAS Americas LLC

Email: tmgus@glas.agency  
Facsimile: 212-202-6246  
Telephone: 201-839-2200

Signature Page to Intercreditor Agreement (Swap Counterparty)

**J. ARON & COMPANY LLC,**  
as the Hedge Provider Representative

*Anna Barry*

By: \_\_\_\_\_

Name:

Title: **ANNA BARRY**

**ATTORNEY-IN-FACT**

200 West Street  
New York, New York  
10282-2198 U.S.A.  
Attention: Commodity Operations  
Email : jaron@gs.com  
Facsimile: (212) 493-9846  
Telephone: (212) 357-0326

**J. ARON & COMPANY LLC,**  
as a Hedge Provider

*Anna Barry*

By: \_\_\_\_\_

Name:

Title: **ANNA BARRY**

**ATTORNEY-IN-FACT**

200 West Street  
New York, New York  
10282-2198 U.S.A.  
Attention: Commodity Operations  
Email : jaron@gs.com  
Facsimile: (212) 493-9846  
Telephone: (212) 357-0326

**Acknowledged and Agreed to by:**

**Griffon Partners Operation Corp.**  
as the Company

By:  \_\_\_\_\_  
Name: Daryl Stepanic  
Title: Chief Executive Officer

**Griffon Partners Holding Corp.**  
as a Grantor

By:  \_\_\_\_\_  
Name: Daryl Stepanic  
Title: Chief Executive Officer

This is **Exhibit "I"** referred to in the Affidavit of  
Matthieu Milandri sworn before me via video  
technology this 18 day of March, 2024.

*Archer Bell*

---

Commissioner for Oaths in and for the  
Province of Alberta

**ARCHER BELL**  
Barrister & Solicitor

## SUB-AGENCY AGREEMENT

THIS SUB-AGENCY AGREEMENT (the “**Agreement**”) is made as of March \_\_, 2024 by and between GLAS Americas LLC (“**GLAS**”), in its capacity as collateral agent, and Trafigura Canada Limited, as sub-agent (the “**Sub-Agent**”).

### **WHEREAS:**

- A. On July 21, 2022, a loan agreement (“**Loan Agreement**”) was executed among Griffon Partners Operation Corp. (the “**Company**”), as borrower, Griffon Partners Capital Management Ltd. and Griffon Partners Holding Corp., as guarantors, GLAS USA LLC, as administrative agent, and GLAS, as collateral agent for the “**Lenders**” as defined in that agreement (in such capacity, the “**Collateral Agent**”);
- B. In connection with the transactions contemplated by the Loan Agreement Spicelo Limited (“**Spicelo**”) entered into a Limited Recourse Guarantee and Securities Pledge Agreement dated July 21, 2022 (the “**Share Pledge**”) with the Collateral Agent pursuant to which Spicelo granted a security interest in the Collateral (as defined in the Share Pledge) to the Collateral Agent;
- C. Pursuant to Section 38(16) of the Share Pledge, by accepting the benefits of the Share Pledge the Collateral Agent and the Secured Parties (as defined in the Share Pledge) agreed that the Share Pledge may only be enforced by action of the Collateral Agent for the benefit of the Secured Parties upon the terms of the Loan Agreement and that no other Secured Party has any right individually to seek to enforce the Share Pledge or to otherwise realize upon the security granted thereunder (any such action being an “**Enforcement Action**”);
- D. Pursuant to Section 9.10 of the Loan Agreement, *inter alia*, the Collateral Agent may, *inter alia*, (i) assign its rights and duties as agent to the Lenders without prior written consent of, or prior notice to, the Company, and (ii) at any time and from time to time, perform its duties and exercise all rights under the Loan Agreement or any other Credit Document, including the Share Pledge, through any one or more sub agents appointed by the Collateral Agent and such sub agent shall have all the rights, benefits and privileges of a third party beneficiary, including an independent right of action to enforce such rights, benefits and privileges without the consent or joinder of any other person, against any or all of the Credit Parties, including Spicelo; and
- E. The Collateral Agent wishes to appoint the Sub-Agent to act as sub agent for and on behalf of the Collateral Agent in respect of any Enforcement Action and the Sub-Agent wishes to accept such an appointment.

**NOW IT IS HEREBY AGREED** as follows:

### **1. Definitions**

In this Agreement, unless otherwise defined, capitalized terms used herein shall have the meaning given to them in the Loan Agreement.

### **2. Appointment**

- (a) The Collateral Agent hereby appoints the Sub-Agent as its sub agent to act on its behalf in respect of any Enforcement Action commenced under the Credit Document(s) and authorizes the Sub-Agent to take such actions on its behalf and to exercise such powers as are delegated to the Sub-Agent by the terms hereof or thereof, together with such actions and powers as are reasonably incidental thereto, and the Sub-Agent hereby accepts such appointment.
- (b) The provisions of this Agreement are solely for the benefit of the Sub-Agent and the Secured Parties. It is understood and agreed that the use of the term “agent” herein or in any other Credit Document(s)

with reference to the Sub-Agent is not intended to connote any fiduciary or other implied (or express) obligations arising under agency doctrine of any applicable law.

### 3. Authorization and Indemnification of Sub-Agent

The provisions of Section 9.1 of the Loan Agreement are incorporated herein *mutatis mutandis* and GLAS will enforce its rights thereunder as Collateral Agent for the protection and benefit of the Sub-Agent as the agent of GLAS, each of the applicable subsections thereof extending to and including an agent of GLAS as a party thereto.

### 4. Indemnification of Collateral Agent

- (a) The Sub-Agent covenants and agrees to indemnify the Collateral Agent and its directors, officers, employees and agents (each being hereinafter referred to as an “**Indemnified Party**”) against, and to reimburse the Collateral Agent promptly upon demand, for any legal or other expenses reasonably incurred by the Collateral Agent in connection with investigating or defending all losses (other than Consequential Losses) claims, damages, liabilities, costs or expenses (“**Claims**”) which an Indemnified Party may suffer or incur, caused or incurred in connection with an Enforcement Action undertaken by the Sub-Agent, by reason of or in any way relating to, directly or indirectly, any failure of the Sub-Agent to comply with its obligations hereunder or under the Credit Document(s), except to the extent any such Claims relate to actions or matters which were directed by the Collateral Agent or as a result of the Collateral Agent’s negligence, wilful misconduct or breach of any of its obligations hereunder or under any Credit Document.
- (b) Promptly after receipt by an Indemnified Party under this section of notice of the commencement of any action, such Indemnified Party will, if a claim in respect thereof is to be made against the Sub-Agent under this section, notify the Sub-Agent in writing of the commencement thereof, but the omission or delay to so notify the Sub-Agent will not relieve it from any liability which it may have to any Indemnified Party otherwise than under this section, unless such omission or delay to so notify as herein required results in any material increase in the liability which the Sub-Agent has under this Agreement, and then the Sub-Agent shall only be relieved of such liability to the extent of such increase. In case any such action is brought against any Indemnified Party, and it notifies the Sub-Agent of the commencement thereof, the Sub-Agent will be entitled to participate in and to assume the defense thereof, with counsel satisfactory to such Indemnified Party, under joint control thereof over the defense in conjunction with the Indemnified Party and after notice from the Sub-Agent to such Indemnified Party, of its election so to assume the defense thereof, the Sub-Agent will not be liable to such Indemnified Party under this section for any legal or other expenses subsequently incurred by such Indemnified Party in connection with the defense thereof other than reasonable costs of investigation and the Indemnified Party may, but shall not be obligated to, participate in the defense at its own expense with its own counsel; provided, however, that if (i) the employment of separate counsel has been authorized in writing by the Sub-Agent; (ii) the Sub-Agent fails to assume the defence of the Claim on behalf of the Indemnified Party no later than 14 days after receipt of the Claim; or (iii) the named parties to the Claim (including any added or third parties) include the Indemnified Party and the Sub-Agent and the Indemnified Party has been advised in writing by counsel that there are legal defences available to the Indemnified Party that are different or in addition to those available to the Sub-Agent or that representation of the Indemnified Party by counsel for the Sub-Agent is inappropriate as a result of the potential or actual conflicting interests of those represented, then the Indemnified Party will have the right to employ separate counsel in any such claim and participate in its defence and the reasonable fees and expenses of such counsel to the Indemnified Party will be paid for by the Sub-Agent.
- (c) For the purposes hereof, “**Consequential Loss**” means any and all losses comprising:
  - (i) loss associated with business interruption;
  - (ii) loss of bargain, contract, advantage, benefit, expectation, or opportunity;

(iii) punitive, special, or exemplary damages; or

(iv) loss of revenue or profits,

in each case, whether such losses are direct or indirect, and all indirect, remote, or consequential losses or damages, howsoever arising.

## 5. Term

This Agreement and the sub-agency set forth herein, may be terminated by any party hereto upon 30 days prior written notice to the other party.

In witness whereof, the parties have executed this Agreement as of the date first written above.

GLAS AMERICAS LLC,  
as Collateral Agent

By: \_\_\_\_\_  
Name:  
Title:

TRAFIGURA CANADA LIMITED,  
as Sub-Agent

By:  \_\_\_\_\_  
Name: Iain Singer  
Title: Director



(iii) punitive, special, or exemplary damages; or

(iv) loss of revenue or profits,

in each case, whether such losses are direct or indirect, and all indirect, remote, or consequential losses or damages, howsoever arising.

## 5. Term

This Agreement and the sub-agency set forth herein, may be terminated by any party hereto upon 30 days prior written notice to the other party.

In witness whereof, the parties have executed this Agreement as of the date first written above.

GLAS AMERICAS LLC,  
as Collateral Agent

By: 

Name: Geoffrey Lewis

Title: Vice President

TRAFIGURA CANADA LIMITED,  
as Sub-Agent

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**Schedule A**

This is **Exhibit “J”** referred to in the Affidavit of  
Matthieu Milandri sworn before me via video  
technology this 18 day of March, 2024.

*Archer Bell*

---

Commissioner for Oaths in and for the  
Province of Alberta

**ARCHER BELL**  
Barrister & Solicitor

COURT FILE NUMBERS B201-979735 / 25-2979735

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

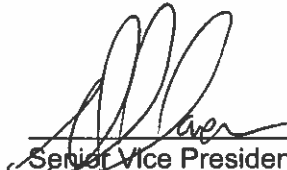
DOCUMENT **CONSENT TO ACT AS RECEIVER**

**TAKE NOTICE THAT** Grant Thornton Limited, if so appointed by the Court of King's Bench, hereby consents to act as Court-appointed receiver pursuant to section 243 of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3 as amended, over the current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof of Spicelo Limited.

**DATED** at Calgary, Alberta and effective this 24<sup>th</sup> day of January 2024.

**GRANT THORNTON LIMITED**

Per:

  
Senior Vice President  
Neil A. Honess



This is **Exhibit “K”** referred to in the Affidavit of  
Matthieu Milandri sworn before me via video  
technology this 18 day of March, 2024.

*Archer Bell*

---

Commissioner for Oaths in and for the  
Province of Alberta

**ARCHER BELL**  
Barrister & Solicitor

**From:** [Honest, Neil](#)  
**To:** [Karen Fellowes](#); [Natasha Doelman](#)  
**Cc:** [Honest, Neil](#)  
**Subject:** Potential Receivership of Spicelo Limited  
**Date:** Monday, March 18, 2024 11:13:49 AM  
**Attachments:** [image001.png](#)  
[image002.png](#)  
[image003.png](#)

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Hello Karen, Natasha

I write with reference to the above matter and specifically in relation to the proposed appointment of Grant Thornton Ltd. ("**GTL**") as Receiver and Manager of Spicelo Ltd. (the "**Receiver**") upon application by Trafigura Canada Limited ("**Trafigura**") and Signal Alpha C4 Limited ("**Signal**").

By way of background, GTL understands the following to be the salient facts:

- Greenfire Resources Ltd. ("**Greenfire**") is an intermediate, growth-oriented oil sands producer based in Alberta;
- Greenfire shares are listed on the New York Stock Exchange ("**NYSE**") and the Toronto Stock Exchange ("**TSX**");
- Spicelo Ltd. ("**Spicelo**") holds approximately 8% (5,506,833 shares out of a total of 68,642,515) of the share capital of Greenfire (the "**Spicelo Greenfire Shares**");;
- The Spicelo Greenfire Shares are understood to be the only substantive asset of Spicelo and that it is not expected to have any other significant assets requiring realization;
- Spicelo has no employees and limited (if any) creditors;
- Trafigura and Signal have security over the Spicelo Greenfire Shares and will require their realization to repay Trafigura and Signal's indebtedness;
- Greenfire shares are thinly traded with less than 4,000 shares traded daily on the TSX since being listed on February 8;
- Trafigura is also a shareholder in Greenfire; and
- Greenfire and Trafigura/Signal's positions are aligned as both parties want to maximize the value of Greenfire shares and increase the liquidity of Greenfire's shares, which a liquidation of the shares held by Spicelo would likely achieve.

Based on the information available currently as summarized above and our understanding of the situation based on Court materials and various conversations, we would estimate a receivership of Spicelo to facilitate the sale of the Spicelo Greenfire Shares would incur professional fees of approximately \$300,000. These fees include those of the Receiver and its counsel, are predicated on a sale of the Spicelo Greenfire Shares approved by the Court, and that such a sale would be concluded in a reasonable timeframe. Unforeseen complications, additional information, an extended timeframe or any significant changes in the underlying situation from that detailed above could of course mean professional fees materially different to this estimate.

For reference, the hourly rates that GTL would charge for this engagement are as below:

Hourly Rates	
Position	\$ Per Hour
Partner	\$650
Senior Manager	\$575
Manager	\$475
Senior Associate	\$300-\$350
Associate/Admin Support	\$150-\$250

In terms of a high-level strategy, we would note the below matters that would be undertaken as part of a receivership strategy. This listing is not exhaustive, and forms only a general overview of the proposed receivership and remains subject to material change:

- The Receiver would take control of Spicelo and undertake all necessary statutory matters pursuant to the Receivership Order and the Bankruptcy and Insolvency Act;
- The Receiver would immediately take steps to safeguard the Spicelo Greenfire Shares and ensure full control over them;
- The Receiver would liaise with the key stakeholders in this matter, namely Trafigura, Signal and Greenfire, and other stakeholders including equity-holders if necessary, to discuss potential realization strategies noting:
  - the alignment of interest as among the stakeholders;
  - the thinly traded nature of Greenfire shares and the risks inherent in transactions involving a large shareholding;
  - the requirement to realize in a timely and cost-efficient manner to satisfy Trafigura and Signal's outstanding debt;
  - The stakeholders' thoughts on (a) potential *en bloc* purchasers (b) likely acceptable and qualified brokers and (c) overall process; and
  - the need to obtain Court approval of the sale in due course.
- The Receiver, following detailed discussions in the areas noted above, would formulate a sales process, analysing the likely economic impact of a more rapid *en bloc* sale versus a slower, market driven, broker-led approach to realizing the Spicelo Greenfire shares and modelling potential outcomes incorporating these factors (and the net present value of money) to develop reasonable comparables; and
- Conclude a sale of the Spicelo Greenfire Shares and obtain Court approval for the same.

I trust the above is of use but please do not hesitate to reach out with further comments or queries or for clarification as required.

Kind regards

Neil

**Neil Honess PhD, CIRP, LIT | Partner\***

Grant Thornton Consulting

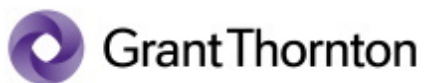
Centrium Place | 332 - 6 Avenue SW | Suite 1100 | Calgary | AB | T2P 0B2

T +1 403 260 2533 | C +1 403 689 1113 | F +1 403 260 2571

E [Neil.Honess@ca.gt.com](mailto:Neil.Honess@ca.gt.com) | W <http://www.grantthornton.ca/>



\*A partner through Neil A. Honess Holding Corp



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This is **Exhibit “L”** referred to in the Affidavit of  
Matthieu Milandri sworn before me via video  
technology this 18 day of March, 2024.

*Archer Bell*

---

Commissioner for Oaths in and for the  
Province of Alberta

**ARCHER BELL**  
Barrister & Solicitor

COURT FILE NUMBER

25-2979721

B201 979721



25-2979725  
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25-2979738  
25-2979739

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 DARYL STEPANIC**

ADDRESS FOR SERVICE  
AND CONTACT  
INFORMATION OF  
PARTY FILING THIS  
DOCUMENT

**OSLER, HOSKIN & HARCOURT LLP**

Suite 2700, Brookfield Place  
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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

#### iv. The Lenders are Over Collateralized

71. In short, the Lenders are over collateralized. The New Greenfire shares alone should be sufficient to satisfy all obligations due and owing both to the Lenders and Tamarack without even considering the significant value of the Griffon Entities' current licensed assets and production or the value of the additional 9,500 boe/d of production should the Share Purchase and Sale Agreement close. The Lenders acknowledged their overly collateralized position and lack of market risk based only on the Greenfire Shares in an email dated August 11, 2023 (just five days prior to the issuance of the Demands and Notices of Intention to Enforce Security): "The lenders already have 1st 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." [Emphasis added] A copy of the email from Mr. Gallagher of Signal to me, Mr. Klesch and others is attached hereto as **Exhibit "V"**.

72. The Applicants agree with the Lenders on this point. Indeed, it is clear that permitting the Lenders to enforce their security now - particularly given that the Greenfire Business Combination is on the eve of closing – would simply destroy value which would otherwise accrue to other creditors and stakeholders, including Tamarack. Lenders' counsel has already confirmed that the Lenders' intention is simply to take the Greenfire Shares in kind so as to retain the imminent upside of the business combination and initial public offering to their sole benefit and to the detriment of all other stakeholders of the Applicants. The Lenders are not entitled to this windfall. Attached as **Exhibit "W"** is an email from Lenders' counsel dated August 31, 2023 advising the Proposal Trustee that, "the obligation to my clients can be fully satisfied by transfer of those shares – there is no need for them to be liquidated in order to respond to my client's demands."

This is **Exhibit “M”** referred to in the Affidavit of  
Matthieu Milandri sworn before me via video  
technology this 18 day of March, 2024.

*Archer Bell*

---

Commissioner for Oaths in and for the  
Province of Alberta

**ARCHER BELL**  
Barrister & Solicitor

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

AND BETWEEN:

Action No. 2401-01422

IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGMENT  
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

---

P R O C E E D I N G S

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Calgary, Alberta  
February 6, 2024

Transcript Management Services

1 Court which we have summarised in our brief is that the lenders are over-collateralized  
2 based on any calculation.

3  
4 THE COURT: And I take your point, I take your point on that.  
5 And I take their point -- and I take their point, there is risk. So, I get your point.  
6

7 MR. VAN DE MOSSELAER: Okay. So, I mean simple math -- simple math  
8 confirms that they're over-collateralized and that's the evidence.  
9

10 THE COURT: Right, right.

11  
12 MR. VAN DE MOSSELAER: And --

13  
14 THE COURT: If we took -- yes.

15  
16 MR. VAN DE MOSSELAER: -- and because the lenders are over-collateralized  
17 they will be paid out unless a meteor hits the earth, the lenders will be paid out. And indeed  
18 the purpose of our application today is to permit the applicants to conclude the SISP,  
19 maximise value for all stakeholders and sell what Greenfire shares need to be sold in order  
20 to repay the lenders in full.

21  
22 And what's really important here because the lenders are over-collateralized, the lenders  
23 are not the only affected stakeholder in this application. The lenders admit at paragraph 67  
24 of their brief that equity is the fulcrum stakeholder in Spicelo, not the lenders. So, the only  
25 real issue, I submit, before the Court today, is whether the Greenfire shares which are held  
26 by Spicelo should be marketed and sold to the extent that that becomes necessary by a  
27 Super Monitor or by a separate Receiver appointed pursuant to the lenders' application.  
28

29 THE COURT: And again, I come back to the notion of, is that  
30 not premature to determine when we do not know, when the SISP is still underway?  
31

32 MR. VAN DE MOSSELAER: Well, perhaps and we could simply adjourn the  
33 applications, grant the CCAA -- I guess one option would be to grant the CCAA orders  
34 cause we need the stays or else the companies are bankrupt.  
35

36 THE COURT: I mean I get -- I guess I sort of keep taking you  
37 back to this point, but it seems to me, you are asking for super powers, and they are saying  
38 we want to sell them, we want a Receiver, but we have a bit of an information vacuum  
39 right now. We do not know what shares, if any, need to be sold. I mean I think we can say  
40 likely some.  
41

This is **Exhibit “N”** referred to in the Affidavit of  
Matthieu Milandri sworn before me via video  
technology this 18 day of March, 2024.

*Archer Bell*

---

Commissioner for Oaths in and for the  
Province of Alberta

**ARCHER BELL**  
Barrister & Solicitor



B201 979721

COURT FILE NUMBERS

25-2979721 / B201-979721  
25-2979725 / B201-979725  
25-2979732 / B201-979732  
25-2979735 / B201-979735  
25-2979736 / B201-979736  
25-2979737 / B201-979737  
25-2979738 / B201-979738  
25-2979739 / B201-979739



C91572

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JUDICIAL CENTRE

CALGARY

AND IN THE MATTER OF THE *BANKRUPTCY AND INSOLVENCY ACT*, RSC 1985, c B-3, AS AMENDED

APPLICANTS

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

DOCUMENT

**FIRST REPORT OF ALVAREZ & MARSAL CANADA INC. IN ITS CAPACITY AS PROPOSAL TRUSTEE UNDER THE NOTICE OF INTENTION TO MAKE A PROPOSAL**

**SEPTEMBER 18, 2023**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

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ALVAREZ & MARSAL CANADA INC.  
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Orest Konowalchuk/Duncan MacRae  
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**COUNSEL TO THE PROPOSAL TRUSTEE**

Torys LLP  
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Calgary, Alberta T2P 1G1  
Kyle Kashuba  
Telephone: (403) 403-776-3800  
Email: [kkashuba@torys.com](mailto:kkashuba@torys.com)  
File: 39108-2010

in the same manner as GST and will not be paid during the NOI Proceedings (subject to the stay of proceedings) unless directed by the Court.

## **GPOC Assets and Spicelo Assets**

### Preliminary Assessment of Value

43. As previously discussed, the only Companies in the NOI Proceedings that have material assets are GPOC and Spicelo. For purposes of discussing the Proposal Trustee's preliminary assessment of value for GPOC and Spicelo, the Proposal Trustee believes that analysis performed by the Proposal Trustee is confidential in nature and should be disclosed in a confidential appendix to this Report. The Proposal Trustee is concerned that if the details of the preliminary assessment of value and certain assumptions therein were disclosed publicly, such disclosure could materially prejudice the anticipated sale and investment solicitation process (the "SISP") the Companies wish for its financial advisor, A&M Corporate Finance, to undertake. Such information would typically be released and available to those interested parties that execute a non-disclosure agreement. As such, the Proposal Trustee is of the respectful view that it is appropriate for this Honourable Court to seal the Confidential Appendix 1 to this Report.

## **Observations and Considerations**

44. Based on the Proposal Trustee's preliminary assessment of value of the GPOC and Spicelo assets and outstanding obligations to the Senior Secured Lenders, it appears that the Senior Secured Lenders are significantly over-collateralized as discussed in greater detail in Confidential Appendix 1. The Senior Secured Lenders are the only creditors that have a guarantee from Spicelo and security over the Greenfire shares and while the value of both the GPOC and Spicelo assets are both correlated to oil and gas commodity prices and may fluctuate based on market conditions, from a preliminary assessment of value perspective, it appears there is significant asset value as compared to outstanding obligations of the Senior Secured Lenders. The Proposal Trustee is concerned that should there be an immediate liquidation of the GPOC and Spicelo assets, this would significantly impair the value and overall

recoveries, including Tamarack and the other creditors and stakeholders in the NOI Proceedings. Specifically, as it pertains to the Greenfire shares, there is no liquid market for these shares and any liquidation of the Greenfire shares would likely result in a significant and unnecessary discount to value which could otherwise benefit other stakeholders in the NOI Proceedings.

45. Further, as discussed in Confidential Appendix 1, there is a lock-up period which restricts Spicelo (or for that matter, the Senior Secured Lenders) from selling or assigning, offering to sell, contracting or agreeing to sell, hypothecating, pledging, granting any option to purchase or otherwise disposing of or agreeing to dispose of, directly or indirectly, or establishing or increasing a put equivalent position or liquidation with respect to or decreasing a call equivalent position for six months.
46. As discussed further below, GPOC currently has sufficient positive cash flow from operations to fund the NOI Proceedings and does not require interim financing at this time (provided that it will continue to receive its production revenue from its marketer on the 25<sup>th</sup> of each month). The Companies have engaged a A&M Corporate Finance to assist in preparing a potential SISP for the Companies, with the oversight of the Proposal Trustee.

#### **FINANCIAL ADVISOR AGREEMENT**

47. As previously mentioned, the Companies are seeking to engage a professional services firm that will assist the Companies to locate, negotiate and finalize a transaction to right size the Companies' current capital structure and/or refinance their debt obligations (including to the Senior Secured Lenders) which will be critical to the Companies' ongoing efforts to finalize a proposal for consideration by their creditors. The Companies selected A&M Corporate Finance as their financial advisor for this purpose.
48. A redacted copy of the Financial Advisor Agreement is attached as Exhibit "X" to the First Stepanic Affidavit and an unredacted copy is attached as Exhibit "Y" to

86. It is the Proposal Trustee's respectful view that, to date, Management has been acting in good faith and with due diligence in this matter. The Companies have been made aware of the good faith and acting with due diligence obligations pursuant to section 50.4(9) of the BIA.
87. The Proposal Trustee is of the view that an extension to November 8, 2023 is appropriate and necessary for the Companies to advance efforts to achieve a successful restructuring, and that no stakeholder or creditor is likely to be materially prejudiced if an extension is granted.
88. As discussed previously in this Report, should the GPOC and Spicelo assets be immediately liquidated, the Proposal Trustee has significant concerns that this will erode value for the benefit of all creditors and stakeholders in the NOI Proceedings and it would appear that the Senior Secured Lenders, at this time, are over-collateralized.
89. Without an extension to the stay of proceedings, the Companies will not be able to develop a proposal and restructure its affairs.

#### PROPOSAL TRUSTEE'S RECOMMENDATION

90. The Proposal Trustee respectfully recommends that this Honourable Court approve the following:
- a) that the NOI Proceedings be administratively consolidated and continued under Estate No. 25-2979735 / Court File No. B201-979735 (GPOC's estate);
  - b) the Companies' request for the Court to authorize GPOC, on a *nunc pro tunc* basis, to pay the pre-Filing indebtedness owing to certain critical suppliers subject to the review of the Proposal Trustee;
  - c) the Companies' request for the Proposed Administration Charge and Proposed D&O Charge (collectively, the "**Proposed NOI Charges**");
  - d) the Companies' request for the Court to approve the appointment of

COURT FILE NUMBERS

25-2979735 / B201-979735

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JUDICIAL CENTRE

CALGARY



IN THE MATTER OF THE *BANKRUPTCY AND INSOLVENCY ACT*, RSC 1985, c B-3, AS AMENDED

NB  
C110202

APPLICANTS

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

DOCUMENT

**THIRD REPORT OF ALVAREZ & MARSAL CANADA INC. IN ITS CAPACITY AS PROPOSAL TRUSTEE UNDER THE NOTICE OF INTENTION TO MAKE A PROPOSAL**

**OCTOBER 31, 2023**

ADDRESS FOR SERVICE AND  
CONTACT INFORMATION OF  
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DOCUMENT

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[dmacrae@alvarezandmarsal.com](mailto:dmacrae@alvarezandmarsal.com)

**COUNSEL TO THE PROPOSAL TRUSTEE**

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Calgary, Alberta T2P 1G1

Kyle Kashuba

Telephone: (403) 403-776-3744

Email: [kkashuba@torys.com](mailto:kkashuba@torys.com)

File: 39108-2010

42. As discussed previously in this Report, should the GPOC and Spicelo assets be immediately liquidated, the Proposal Trustee has significant concerns that this will erode value for the benefit of all creditors and stakeholders in the NOI Proceedings and it would appear that the Senior Secured Lenders, at this time, are over-collateralized and therefore will not be materially prejudiced by such an extension.
43. Without an extension to the stay of proceedings, the Companies will not be able to develop a proposal and restructure their affairs, and the Companies would immediately be deemed to have made an assignment into bankruptcy.

### PROPOSAL TRUSTEE'S RECOMMENDATION

44. The Proposal Trustee respectfully recommends that this Honourable Court approve the following:
- a) the Companies' request for approval of the Proposed KERP and the Proposed KERP Charge;
  - b) the professional fees and costs of the Proposal Trustee during the Proposal Trustee Interim Taxation Period and its counsel during the Torys Interim Taxation Period; and
  - c) extending the period within which the Companies are required to file a proposal to its creditors up to and including December 23, 2023.

All of which is respectfully submitted this 31<sup>st</sup> day of October, 2023

**ALVAREZ & MARSAL CANADA INC.,  
in its capacity as Proposal Trustee of the Companies  
and not in its personal or corporate capacity**



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



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



COURT FILE NUMBERS

25-2979735 / B201-979735

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COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE

CALGARY

IN THE MATTER OF THE *BANKRUPTCY AND  
INSOLVENCY ACT*, RSC 1985, c B-3, AS AMENDED

APPLICANTS

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

DOCUMENT

**FOURTH REPORT OF ALVAREZ & MARSAL  
CANADA INC. IN ITS CAPACITY AS PROPOSAL  
TRUSTEE UNDER THE NOTICE OF INTENTION TO  
MAKE A PROPOSAL**

**DECEMBER 7, 2023**

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**PROPOSAL TRUSTEE**

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Calgary, Alberta T2P 1G1

Kyle Kashuba

Telephone: (403) 403-776-3744

Email: kkashuba@torys.com

File: 39108-2010

54. As discussed in the previously filed Proposal Trustee Reports, should the Spicelo assets be immediately liquidated prior to the conclusion of the SISP, the Proposal Trustee has significant concerns that this will erode value for the benefit of all creditors and stakeholders in the NOI Proceedings and it would appear that the Senior Secured Lenders, at this time, are over-collateralized and therefore will not be materially prejudiced by such an extension.

55. Without an extension to the stay of proceedings, the Companies will not be able to develop a proposal and restructure their affairs, and the Companies would immediately be deemed to have made an assignment into bankruptcy.

#### **PROPOSAL TRUSTEE'S RECOMMENDATION**

56. The Proposal Trustee respectfully recommends that this Honourable Court approve the extension to the period within which the Companies are required to file a proposal to its creditors up to and including February 6, 2024.

All of which is respectfully submitted this 7<sup>th</sup> day of December, 2023

**ALVAREZ & MARSAL CANADA INC.,  
in its capacity as Proposal Trustee of the Companies  
and not in its personal or corporate capacity**



---

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



---

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



COURT FILE NUMBERS 25-2979735 / B201-979735

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COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE

CALGARY



C20323

Feb 6, 2024  
COM

IN THE MATTER OF THE *BANKRUPTCY AND  
INSOLVENCY ACT*, RSC 1985, c B-3, AS AMENDED

APPLICANTS

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

DOCUMENT

**FIFTH REPORT OF ALVAREZ & MARSAL CANADA  
INC. IN ITS CAPACITY AS PROPOSAL TRUSTEE  
UNDER THE NOTICE OF INTENTION TO MAKE A  
PROPOSAL**

**February 1, 2024**

ADDRESS FOR SERVICE AND  
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ALVAREZ & MARSAL CANADA INC.  
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Suite 1110, 250 – 6<sup>th</sup> Avenue SW  
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Torys LLP  
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Calgary, Alberta T2P 1G1  
Kyle Kashuba  
Telephone: (403) 403-776-3744  
Email: kkashuba@torys.com  
File: 39108-2010

48. Respecting the GFR shares, the Proposal Trustee believes that an effective realization strategy that will create stability in the marketplace, while achieving the greatest realizations and have the Senior Secured Lenders paid out in full and as soon as possible, will be important. Equally as important, it will be critical to achieve the highest values from these illiquid and unique shares, that would exceed full payout of the Senior Secured Lenders and have realizations that may be available for other stakeholders and shareholders. Based on the non-binding offers received on the GPOC assets to date (as disclosed in the Confidential Appendix 1) and the estimated value of the GFR shares, it appears that the Senior Secured Lenders are over-collateralized, which has been the case since the start of the NOI Proceedings (and by the Senior Secured Lenders own admission).
49. The Proposal Trustee is of the further view that the SISP has not been completed and remains ongoing, and will be ongoing until an offer is accepted for the GPOC assets and the transaction closes. Depending on the price that can be realized from a sale of the GFR shares, there are possible scenarios whereby the proceeds of the sale of the GPOC assets, and a combination of a portion of the Greenfire dividend and only a portion of the GFR shares would need to be sold in order to fully satisfy the Companies obligations to the Senior Secured Lenders. As such, until an offer is selected and executed and the transaction closes, retaining the GFR shares and Spicelo as part of the proposed CCAA Proceedings will be important as it acts as additional security to the overall estate. Should the GFR shares and Spicelo's inclusion be carved out from the proposed CCAA Proceedings by the appointment of a Receiver, the Proposal Trustee is concerned that this may create instability and uncertainty to the overall restructuring process and the ongoing SISP. The Proposal Trustee believes there will be benefits of coordination if all assets remain within the CCAA Proceedings and increased difficulty of coordination efforts may arise with the appointment of a Receiver.
50. Should this Honourable Court grant the Companies' sought relief to convert the NOI Proceeding to a CCAA Proceeding and the enhanced powers of the Monitor, this would not prevent the proposed Monitor from immediately commencing the

This is **Exhibit “O”** referred to in the Affidavit of  
Matthieu Milandri sworn before me via video  
technology this 18 day of March, 2024.

*Archer Bell*

---

Commissioner for Oaths in and for the  
Province of Alberta

**ARCHER BELL**  
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**

ADDRESS FOR SERVICE AND CONTACT  
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Fax: (403) 266-9034

Email: kfellowes@stikeman.com / ndoelman@stikeman.com

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:

DS  
DGDS  
AB  
AB

MM

- (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

This is **Exhibit “P”** referred to in the Affidavit of  
Matthieu Milandri sworn before me via video  
technology this 18 day of March, 2024.

*Archer Bell*

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Commissioner for Oaths in and for the  
Province of Alberta

**ARCHER BELL**  
Barrister & Solicitor

**ENTERED**Form 49  
Rule 13.19

Clerk's stamp

COURT FILE NUMBERS 25-2979735 / B201-979735

COURT COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

IN THE MATTER OF THE *BANKRUPTCY AND  
INSOLVENCY ACT*, RSC 1985, c B-3, AS AMENDED

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.

NB  
C101358

APPLICANTS 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.

DOCUMENT **AFFIDAVIT**

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Lawyers for Trafigura Canada Limited  
and Signal Alpha C4 Limited

File No.: 137093.1011

**AFFIDAVIT OF DAVE GALLAGHER****Sworn on October 17, 2023**

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

- 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.

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DG ND  
AB MM

for repayment from the Debtor and the Guarantors. In response and without notice to the Lenders, the Debtor and Guarantors filed Notices of Intention to File a Proposal (“**NOI**”) on August 25, 2023.

21. Considering the many months GPOC has had to put forward a viable proposal to no avail, the Lenders do not support the NOI proceedings and have no faith in management’s ability to put forward a proposal that is viable or will be acceptable to the Lenders. Nor do the Lenders have any faith that management can maintain the GPOC Assets over the term of the NOI proceedings, as management of GPOC has consistently demonstrated a string of failures in operating the assets, completing the drilling program, closing new asset acquisitions, and raising additional capital.
22. Based on the valuation assessment put forward by the Debtor and the Trustee (which is not supported by credible financial modelling analysis), the value of the GPOC Assets is between \$25,000,000-30,000,000 CAD, which the Lenders consider a maximum. The Lenders are owed over \$51,000,000 CAD. As six of the seven Guarantors are simply holding companies holding shares in GPOC, the Lenders’ only possibility for a repayment on the Loan rests in the Share Pledge from Spicelo.
23. The Pledged Securities have recently participated in a transaction (the “**Transaction**”) whereby, among other things, the common shares were exchanged for shares of a related entity pursuant to a statutory plan of arrangement, and as of September 20, 2023, such shares (including the Pledged Securities) were listed and posted for trading on the New York Stock Exchange (the “**New Greenfire Shares**”). On the day of the public listing, the estimated valuation (according to the proxy statement filed by one of the entities participating in the Transaction) was \$10.10 USD/share. Following, and as a result of the Transaction, Spicelo has the right to 5,506,833 Pledged Securities and is entitled to a special dividend in the amount of \$6,600,000 USD upon the tender of its share certificate representing the pre-Transaction Pledged Securities. As of September 20, 2023, and based on the estimated valuation of the New Greenfire Shares at such date, the combined value of the Pledged Securities and the special dividend was \$62,200,000 USD, or approximately \$84,900,000 CAD. When the Lenders issued their demands in August 2023, a sale of the Pledged Securities alone would have been sufficient to see the indebtedness to the Lenders paid off.
24. The Lenders opposed the continuation of the NOI stay only with respect to Spicelo at a hearing before Justice Johnston on September 22, 2023. However, the Court granted a 45-day extension of the NOI proceedings with respect to all applicants, including Spicelo.
25. Since the Court hearing on September 22, 2023, the Lenders have become increasingly alarmed at events, the excessive timeframe to find a solution and evidence showing a deterioration in the value of its collateral.

26. The New Greenfire Share price has varied over the last 3 weeks but is significantly below its high of \$7.80 USD on September 25, 2023, trading in a relatively narrow band since then between approximately \$4.92 USD and a high of \$5.98 USD. Attached and marked as **Exhibit "B"** is a true copy of a historical trading history for the Pledged Securities as of October 16, 2023.
27. Based on an average price of the New Greenfire Shares of \$5.06 USD per share, the Pledged Securities are currently worth only approximately \$28,000,000 USD.
28. The Lenders have conducted their own analysis of GPOC. Using GPOC's own corporate financial model and a 12% discount rate at current commodity forward curve pricing for crude oil and natural gas, the GPOC Assets are worth approximately \$13,000,000 USD. Based on an average New Greenfire Share price of \$5.06 USD per share, the Pledged Securities are worth approximately \$28,000,000 USD. The combined value of these two pools of collateral is barely sufficient to repay the Lenders' total claims. If the forward commodity price curves are shifted down even 10%, the Lenders' position will be less than fully secured. Attached and marked as **Exhibit "C"** is an Asset Net Present Value (NPV) Sensitivity Table showing different discount rates and the implications on the value of the GPOC Assets
29. Based on the Lenders' analysis of GPOC's financials and forecasts, close to 30% of the next four year's cashflow available for debt servicing will be generated over the next six months. It is critical to have proper controls in place over GPOC's cash to ensure no leakage or misuse of cash in the short term. The Lenders are very concerned about the professional fees forecast at \$1,200,000 CAD over 13 weeks, administrative charges, payments to pre-filing unsecured creditors, and all other cash leakages which are to the detriment of their first position secured charge over the collateral. Attached and marked as **Exhibit "D"** is a 4-year Cash Flow analysis.
30. The Lenders have also completed a Peer Benchmarking exercise, using Athabasca Oil Corporation as a comparator. Attached and marked as **Exhibit "E"** is a Peer Benchmarking analysis.
31. The Lenders have also consulted with market experts, including Saad Rahim, the Chief Economist for Trafigura, one of the world's leading energy traders. The following is noted by Mr. Rahim with respect to the fragility of current energy market conditions as of October 9, 2023:
- *While oil prices have rallied significantly off the recent lows (Brent prices reached \$71.84/barrel USD in June 2023, rallied to a year-to-date high of \$96.55/barrel USD on 27 Sept 2023, and are now trading around \$88/bbl USD as of writing), material and persistent downside risks remain.*
  - *The market tightness is generally accepted to be a direct result of OPEC+ (Saudi Arabia, Russia and other production nations) cuts of between 1.5-2.0 million barrels per day. Without these cuts, or if OPEC+ decided to roll back the cuts (i.e., bring the*

This is **Exhibit “Q”** referred to in the Affidavit of  
Matthieu Milandri sworn before me via video  
technology this 18 day of March, 2024.

*Archer Bell*

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Commissioner for Oaths in and for the  
Province of Alberta

**ARCHER BELL**  
Barrister & Solicitor

COM Nov 28, 2023

Form 49  
Rule 13.19

Clerk's stamp



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C110427

COURT FILE NUMBERS B201-979735 / 25-2979735

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 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 NO. 3 OF DAVE GALLAGHER**

**Sworn on November 6, 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.

DS DS  
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AB MM



22. Finally, Mr. Stepanic is the beneficial owner of 2437815 – one of the Debtors in these NOI Proceedings. 2437815 has guaranteed GPOC's indebtedness owing to the Lenders. Mr. Stepanic should already be incentivized to support the SISF process given his material interest in the success of these NOI Proceedings. Attached and marked as **Exhibit "B"** is a copy of a corporate search of 2437815 and attached as **Exhibit "C"** is an excerpt from the Affidavit of Daryl Stepanic sworn October 10, 2023, containing the corporate organization structure of the Debtors.

### **Excessive Professional Fees**

23. The Lenders have reviewed the Actual R&D and are shocked and concerned about the excessive professional fees accruing in these NOI Proceedings and the impact of those fees on the Lenders' potential for overall recovery. Based on the values set forth in the Actual R&D, professional fees have consumed nearly all free cash flow generated by GPOC in the last 8-weeks. The professional fees are summarized as follows:

Cash Disbursements	Actuals (Rounded)
Pre-filing professional fees	\$199,000
Debtors counsel fees	\$193,000
Proposal Trustee's fees*	\$235,000
Proposal Trustee's counsel fees and retainer**	\$101,000
Restructuring Advisor fees and retainer***	\$172,000
<b>TOTALS:</b>	<b>\$900,000.00</b>

\* The Proposal Trustee's fees are for the period of August 26, 2023 to October 15, 2023.

\*\*The Proposal Trustee's counsel's fees and retainer are for the period of August 26, 2023 to October 6, 2023.

\*\*\*The Restructuring Advisors' fees are for services and retainer incurred up to October 7, 2023.

24. The Forecast R&D estimates another \$845,000 in professional fees and \$450,000 in Restructuring Advisor fees (\$1,295,000 total) between October 21, 2023 and January 19, 2024.
25. At the first stay extension application, the Proposal Trustee, its counsel, and the Restructuring Advisor were collectively granted a first-priority charge on all assets, property and undertakings of the Debtors up to \$500,000 (the **"Administration Charge"**).
26. Although the Debtors' application appears to only seek approval of the Proposal Trustee and its counsel's fees and disbursements (\$336,000 total), the Actual R&D demonstrates that the fees (inclusive of retainers) incurred to October 20, 2023, total \$508,000. This includes the \$172,000 (inclusive of retainer) incurred by the Restructuring Advisor. These fees and disbursements collectively exceed the Administration Charge.

27. The Lenders also note that GPOC reports \$199,000 in “Pre-filing professional fees”. The Lenders are unsure of what these services relate to as they had not been previously itemized in the Proposal Trustee’s Second Report dated October 11, 2023, nor are they described within the Third Report.
28. There is no fee affidavit filed in support of the Proposal Trustee’s application, and no opportunity for the Lenders to cross-examine with respect to the Proposal Trustee’s fees. The Lenders believe this relief is premature and wish to have the benefit of full information and understanding of what value the Trustee is bringing to this process prior to approval.

### **Recent Events**

29. On October 18, 2023, the Court granted the SISP based on available evidence before the Court at that time. Although the Lenders did not oppose the SISP Application, the Lenders did raise concerns to the Court about the extended timelines contained within the SISP and the potential for those extended timelines to impede the process.
30. Since October 18, 2023, the Lenders have continued to voice their concerns to the Proposal Trustee and Restructuring Advisor about the SISP process. Generally described, the Lenders concerns are two-fold: (i) GPOC has not entered commodity hedging contracts to adequately manage price risk; and (ii) the marketing efforts and extended timelines in the SISP may jeopardize successful transactions with qualified bidders.

#### **(a) Commodity Hedging Contracts**

31. Since at least October 4, 2023, the Lenders have attempted to work collaboratively with the Debtors, Proposal Trustee and Refinancing Advisor to encourage GPOC to enter commodity hedging contracts to protect against catastrophic commodity price declines and any resulting impact to the GPOC Assets. It is a requirement under the Loan Agreement that commodity hedging contracts be put in place by GPOC to mitigate cash flow degradation due to falling energy prices. Although the Debtors have responded by asking questions about potential hedging options, the Proposal Trustee has simply deferred to the Debtor on this issue, and in the Lender’s opinion, there have been no good faith attempts to move this simple and cost-effective short term hedging strategy forward. Attached and marked as **Exhibit “D”** are copies of the emails associated with these exchanges.

#### **(b) Concerns with Marketing Efforts**

32. In recent weeks, the Lenders have been in communication with potential bidders who have expressed their desire to close a potential sale for the GPOC Assets before the end of the calendar year, to alleviate weather concerns, and to add to their reserve calculations for end of year

- valuations. A potential bidder advised the Lenders that their reaction to the SISP process was that there was a lack of clarity in the next step of the SISP and that the timeline for bids thereunder was excessive given the small size and low complexity of the GPOC Assets.
33. Following the SISP Application, the Lenders requested that the Refinancing Advisor be receptive to accepting earlier bid requests in consideration of the foregoing concerns. While the Refinancing Advisor acknowledged this request, there was no commitment made to truncating the SISP process. While a shorter SISP process may result in lower than forecasted professional fees, the Lenders believe it would be to the benefit of the other stakeholders in this process. Attached and marked as **Exhibit "E"** are copies of correspondence between the Lenders and Financing Advisor.
34. As noted in the Second Gallagher Affidavit, the Lenders and potential bidders do not believe that the GPOC Assets are complex assets. The GPOC Assets are small, contained, and well-understood among industry participants in the Western Canada oil and gas market. In the opinion of the Lenders, there are approximately 20 potential buyers that would be suitable purchasers of the GPOC Assets. For this reason, the Lenders were surprised to read in the Third Report that the Refinancing Advisor approached 218 potential buyers and financiers for the GPOC Assets.
35. The Lenders have consulted with several energy investment bankers and large institutions and boutique firms to obtain an understanding of the M&A and refinancing process for assets with similar characteristics to the GPOC Assets. Below is a summary of the feedback received by the Lenders from 5-6 different energy bankers regarding the general marketing process of oil and gas assets:
- (a) large transactions in excess of \$2B (150kboe/d) would usually be marketed to a maximum of 100 potential buyers;
  - (b) mid-sized transactions would likely be marketed to approximately 20-30 potential buyers; and
  - (c) smaller transactions in well-known basins such as the Viking formation, such as a transaction for the GPOC Assets, would typically involve a tailored sales process marketed to a limited and targeted suite of fewer than 10-15 bidders known to be active or interested in the basin where the assets are located.
36. The Lenders believe that the wide net cast for potential buyers of the GPOC Assets gives an unrealistic impression that such efforts will be productive and/or will be successful simply by virtue of the size of the marketing effort. The Lenders also believe that such a process will accomplish nothing other than creating unnecessary delays and escalating professional fees. Instead, and

given the relatively small number of potential buyers for the GPOC Assets, the Lenders believe that a tailored and small process would yield the best results. Similarly, the Lenders are active players in the business of lending money to oil & gas companies and do not believe that more than a handful of firms might be interested in a potential refinancing. This is very far from the 80 institutions that were approached for debt refinancing. Therefore, the Lenders continue to have concerns about the manner in which these assets are being marketed, and the Proposal Trustee's fees should not be approved on an interim basis in light of these concerns.

### **Operational Concerns**

37. The Lenders were recently advised that Campus Energy Partners ("**Campus**") is retaining GPOC's revenue to offset payables. GPOC is paying for firm transport in the approximate amount of \$1,400 per month, but not utilizing this transportation. The revenue generated in current month is now being used to pay prior period payables to Campus.
38. GPOC has not entered into a firm service agreements for firm service on Transgas for the period beginning November 1, 2023. The Lenders are concerned there will be interruption to service with respect to access to natural gas market between November 1, 2023 and October 31, 2024. The Lenders are also concerned with the increased cost of shipping natural gas on interruptible verses firm service.
39. The Proposal Trustee is aware of both concerns above but has not taken steps to rectify these basic operational and logistical issues. Attached and marked as **Exhibit "F"** is a copy of an email exchange regarding the foregoing issues.
40. The Lenders have consistently raised their concerns about management's performance in these NOI proceedings. The Lenders have no faith that management can maintain the assets over the term of the NOI Proceedings, as management of GPOC has presided over a string of failures in operating the GPOC Assets.

### **Spicelo Assets and DeSPAC**

41. The Lenders have reviewed paragraphs 16-18 of the Stepanic Affidavit, regarding the value of the collateral package of the Lenders. These paragraphs include commentary from Mr. Morris of Imperial Capital. Mr Morris was previously engaged in unsuccessful efforts to market or refinance the GPOC Assets, and the Lenders are therefore skeptical of his expertise in these matters.
42. The Lenders simply state that forecasting valuations into the future is inherently speculative, and investments in publicly traded shares based on oil and gas assets is a risky enterprise. Stating that the value of the Greenfire shares may increase is cold comfort, and there is absolutely no guarantee

This is **Exhibit “R”** referred to in the Affidavit of  
Matthieu Milandri sworn before me via video  
technology this 18 day of March, 2024.

*Archer Bell*

---

Commissioner for Oaths in and for the  
Province of Alberta

**ARCHER BELL**  
Barrister & Solicitor

Form 49  
Rule 13.19

Clerk's stamp

COURT FILE NUMBERS B201-979735 / 25-2979735

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.



LL

C112231

Nov 28, 2023 ADJ Dec 15, 2023  
COM

APPLICANTS TRAFIGURA CANADA LIMITED and SIGNAL ALPHA  
C4 LIMITED

DOCUMENT **AFFIDAVIT**

ADDRESS FOR SERVICE  
AND CONTACT  
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**STIKEMAN ELLIOTT LLP**  
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Lawyers for the Applicants,  
Trafigura Canada Limited and Signal Alpha C4 Limited

File No.: 137093.1011

**AFFIDAVIT NO. 4 OF DAVE GALLAGHER****Sworn on November 20, 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 the primary secured lenders, Signal and Trafigura Canada Limited ("**Trafigura**" and with Signal, the "**Lenders**").

**Sale Restrictions on Pledged Shares**

19. The Greenfire Transaction was contemplated at least as early as December 2022 and, pursuant to a shareholder support agreement dated December 14, 2022 (the “SSA”), Spicelo agreed to support the Greenfire Transaction, by, amongst other things, entering into a Lock Up Agreement (“LUA”) on the effective date of the Greenfire Transaction (September 20, 2023). Attached and marked as **Exhibit “I”** is a copy of the SSA. The LUA and SSA are each governed by Delaware law.
20. At the closing of the Greenfire Transaction, the LUA became effective. The LUA was entered into between certain Company Holders (as defined therein and including Spicelo) and Greenfire. Attached and marked as **Exhibit “J”** is a copy of the LUA.
21. The LUA restricts the Company Holders’, including Spicelo, ability to transfer the New Greenfire Shares for, among other things, a period of 180 days following September 20, 2023 (expiring March 18, 2024).
22. However, both the LUA and the SSA provide certain exceptions to the lock-up period imposed thereby. Such applicable exemptions include, but are not limited to, the exceptions provided in Section 1.2 of the SSA relating to “Existing Liens” and Sections 2(b)(vii) and 2(b)(xii) of the LUA.
23. The Proposal Trustee and Debtors have previously contended before this Court, without evidence or basis in law, that those exceptions do not apply to the Lenders and that the Pledged Shares therefore are illiquid until March 18, 2024. In doing so, the Proposal Trustee and Debtors were able to reassure this Court as to the appropriateness of including the Pledged Shares in the NOI Proceedings insofar as the Lenders would not be able to realize on their security in any event. Attached and marked as **Exhibit “K”** are excerpts from various affidavits of the Debtors and Reports of the Proposal Trustee evidencing the positions previously advanced to this court in that regard.
24. The Lenders strenuously objected to the submissions of the Proposal Trustee and the Debtors in this regard, but the Court nonetheless accepted their submissions in rejecting the Lenders’ contention to exclude the Pledged Shares from the NOI Proceedings.
25. As a result, in advance of this hearing, the Lenders obtained a legal memorandum from the law firm of Troutman Pepper Hamilton Sanders LLP, a leading Delaware law firm, confirming that, pursuant to Delaware Law, the transfer of the Pledged Shares by the Lenders is not constrained by the terms of the LUA or the SSA (directly or indirectly through incorporation of its terms and conditions in the LUA). Attached and marked as **Exhibit “L”** is a copy of this legal memorandum.

26. The Lenders believe that a declaration from this Court with respect to the interpretation and application of the LUA is an efficient use of resources, as this issue must be settled in advance of any future application the Lenders will bring with respect to the process for realization of the Pledged Shares, including for the appointment of a receiver pursuant to the Share Pledge, termination of these NOI Proceedings if the Lenders experience further material prejudice or should the Debtors fail to present a viable proposal capable of acceptance by the Lenders.
27. The Lenders are empowered by virtue of the terms of the Share Pledge to dispose of the Pledged Shares and should be entitled to exercise their discretion in so doing and not be improperly impeded by the application of contractual restraints on such transfers in the LUA and SSA. As such, it is necessary that this dispute be resolved forthwith and without delay.
28. It would be adverse to the Lenders' own interests to monetize the Pledged Shares in a depressed market or to such an extent that their own conduct facilitated a decline in the share price of the New Greenfire Shares, but the Lenders should be able to assess at their discretion the appropriate juncture or junctures at which to do so. Notably, Trafigura is already a holder of 3.9% of the New Greenfire Shares by virtue of earlier and unrelated acquisitions of Greenfire securities, reflecting a material interest in Greenfire apart from these NOI Proceedings. Attached and marked as **Exhibit "M"** is a copy of an excerpt of the Securities and Exchange Commission F-1 Filing dated October 20, 2023, which contains a list of current holders of New Greenfire Shares.

## Conclusion

29. The affidavit is sworn in support of an application seeking a declaration that the sale restrictions in the LUA have no application to the Lenders or the Lenders' ability to enforce the Share Pledge (the **"Declaration Application"**).
30. In the event the Lenders are successful in the Declaration Application, it is the Lenders intention to bring a further application to lift and/or terminate the stay of proceedings with respect to Spicelo and appoint a receiver. Thereafter, the Lenders and receiver will jointly seek a Court-ordered sales process for the Pledged Shares that considers appropriate timing, market fluctuations and relevant stakeholder interests.

*[Remainder of Page Left Intentionally Blank]*



This is **Exhibit “S”** referred to in the Affidavit of  
Matthieu Milandri sworn before me via video  
technology this 18 day of March, 2024.

*Archer Bell*

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Commissioner for Oaths in and for the  
Province of Alberta

**ARCHER BELL**  
Barrister & Solicitor

Form 49  
Rule 13.19

Clerk's stamp

COURT FILE NUMBERS B201-979735 / 25-2979735

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.

NB  
C120719  
COM Feb 6, 2024

APPLICANTS 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.

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

File No.: 137093.1011

**AFFIDAVIT NO. 5 OF DAVE GALLAGHER****Sworn on December 11, 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.

DS  
DG

DS  
AB  
AB

MM

2. I am duly authorized to swear this Affidavit on behalf of Signal and Trafigura Canada Limited (“**Trafigura**” and with Signal, the “**Lenders**”).
3. I previously swore four affidavits in these proceedings (the “**NOI Proceedings**”) on September 19, 2023 (the “**First Gallagher Affidavit**”), October 17, 2023 (the “**Second Gallagher Affidavit**”), November 6, 2023 (the “**Third Gallagher Affidavit**”) and November 20, 2023 (“**Fourth Gallagher Affidavit**”) (collectively, the “**Gallagher Affidavits**”).
4. Unless otherwise defined herein, capitalized terms have the meanings ascribed to them in the Gallagher Affidavits.
5. All references to monetary amounts in this Affidavit are in Canadian dollars unless otherwise noted.
6. The Applicants, Griffon Partners Operation Corp. (“**GPOC**”), Griffon Partners Capital Management Ltd. (“**GPCM**”), Griffon Partners Holding Corp. (“**GPHC**”), Spicelo Limited (“**Spicelo**”), Stellion Limited (“**Stellion**”), 2437801 Alberta Ltd. (“**2437801**”), 2437799 Alberta Ltd. (“**2437799**”), and 2437815 Alberta Ltd. (“**2437815**”), are collectively referred to as the “**Debtors**”.

### ***The Pledged Shares***

7. During the closing of the Tamarack Acquisition, certain ancillary documents were executed by Spicelo in relation to the Pledged Shares. These ancillary documents include a blank stock transfer power of attorney, officers’ certificate, and directors’ resolution. Attached and marked as **Exhibit “A”** are copies of these ancillary documents related to the Pledged Shares.

### ***Declining Oil Prices***

8. The Lenders have become increasingly alarmed at rapidly declining commodity prices and the resulting impact on the value of the GPOC Assets. Since October 3, 2023, there has been a 20.2% reduction in WTI crude oil prices and a 29.07% decline in AECO natural gas prices. Based on GPOC’s own financial models, crude oil comprises approximately 29% and natural gas comprises approximately 57% of the company’s aggregate hydrocarbons production, with the remaining 14% being natural gas liquids (NGLs). With respect to crude oil, the Lenders have observed WTI prices decrease from \$89.23/barrel (October 3, 2023) to \$71.23/barrel (December 8, 2023). AECO natural gas prices have declined from C\$2.343/gigajoule (October 3, 2023) to C\$1.662/gigajoule (December 8, 2023). Attached and marked as **Exhibit “B”** are price charts from the Bloomberg market data service showing these declines.
9. Since at least early October 2023, the Lenders have repeatedly requested that commodity hedging contracts be put in place by GPOC to protect asset value against falling energy prices. However,

GPOC did not enter commodity hedging contracts until December 5, 2023, after an approximate 20% drop in crude oil prices and an approximate 29% decline in natural gas prices.

10. In addition to the hedging being implemented too late and only after a significant price drop, the Lenders believe that the hedging contracts put in place by GPOC are insufficient to protect the value of the GPOC’s assets. Based on GPOC’s financial model, crude oil production over the period from November 2023 to February 2024 is expected to average 419 barrels/day, which is approximately 12,560 barrels/month. GPOC has hedged 7,500 barrels/month, which is approximately 60% of crude oil only (ignoring natural gas and natural gas liquids). With crude oil production only representing 29% of GPOC’s total hydrocarbon production, the hedging contracts equate to 60% of 29% of total boe production, for an extremely low hedge ratio of 17.40% of total production.
11. Natural gas price exposure is a more material risk to GPOC, representing 57% of total hydrocarbon production, and this has been left unhedged through a price decline of approximately 30% since October and notwithstanding the Lenders’ repeated requests. Further natural gas price declines will only further diminish the GPOC Asset value, potentially materially, to the prejudice of the Lenders and all other GPOC creditors.
12. The Lenders remain exceedingly concerned about GPOC’s risk management of the GPOC Assets and its failure to proactively protect those assets against declining commodity prices.

Remote Commissioning

13. 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 11th day  
of December, 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

DS  
*DG*

DS  
*AB*  
*AB*

*MM*

This is **Exhibit "T"** referred to in the Affidavit of  
Matthieu Milandri sworn before me via video  
technology this 18 day of March, 2024.

*Archer Bell*

---

Commissioner for Oaths in and for the  
Province of Alberta

**ARCHER BELL**  
Barrister & Solicitor

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NB  
C12187

COM Feb 6, 2024

APPLICANTS TRAFIGURA CANADA LIMITED and SIGNAL ALPHA C4 LIMITED

RESPONDENT SPICELO LIMITED

DOCUMENT **AFFIDAVIT**

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

File No.: 137093.1011

### **AFFIDAVIT NO. 6 OF DAVE GALLAGHER**

**Sworn on January 29, 2024**

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.

DS DS  
DG ND  
AB MM

25. As of September 21, 2023, the estimated combined value of the Pledged Shares and Special Dividend was \$62,145,000 USD, or approximately \$84,828,010 CAD. When the Lenders issued their Demand in August 2023, a sale of the Pledged Shares alone would have been sufficient to see the Indebtedness paid off. However, since the commencement of these NOI Proceedings, the value of the Pledged Shares has fluctuated from a high of \$10.10 USD/share (upon listing September 21, 2023) to \$4.72 USD/share (December 20, 2023). On January 26, 2024, the closing price of the Pledged Shares was \$5.51 USD/share. These fluctuations highlight the volatility of share prices, and that the Lenders' exposure to risk. Attached and marked as **Exhibit "J"** is a copy of the historical trading information for the New Greenfire Shares.

***A Receiver should be Appointed over Spicelo***

26. In the event of a default on the Loan 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, the guarantee and share pledge entitles the Lenders to, *inter alia*, appoint a receiver over the Pledged Shares and Special Dividend.
27. Considering the facts and circumstances described above, the Lenders believe that it is necessary to appoint Grant Thornton Limited ("**GT**") as Receiver over Spicelo. The Lenders have met with GT to discuss the engagement and have been assured that GT will be able to quickly come up to speed and commence a cost-effective sales process under the Court's supervision. Attached hereto as **Exhibit "K"** is a copy of GT's Consent to Act as Receiver.
28. The Lenders have no belief that GT would commence a fire sale of the Pledged Shares – this would be adverse to the Lenders' own interests. Rather, the Lenders believe that GT will act in a manner that preserves value for all stakeholders.
29. Notably, Trafigura is already a holder of 3.9% of the New Greenfire Shares by virtue of earlier and unrelated acquisitions of Greenfire securities, reflecting a material interest in Greenfire apart from these NOI Proceedings. Through Trafigura's previous experience with Greenfire and the Lenders' relationships in the market, the Lenders have considerable familiarity with potential buyers who are likely to express interest in the Pledged Shares. The Lenders believe that they are well suited to provide GT with relevant market information that would assist in a court-ordered sales process of the Pledged Shares.
30. 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. The Lenders have faced over five months of delay tactics and have seen approximately \$2,200,000 CAD in professional fees (pre-

filing payments to legal and financial advisors, Proposal Trustee and counsel, Debtors' counsel, and Transaction Agent) charged against their collateral in an 20-week period, over their objections.

31. The Lenders have been dismayed by the Proposal Trustee’s lack of communication and responsiveness to the Lenders during this process and have lost faith in the ability of the Proposal Trustee to realize on the assets in an efficient and cost-effective manner.
32. The Lenders have no confidence in the ability of Spicelo to manage its assets in any other way than to obstruct the Lenders and wish to have control of the Pledged Shares taken out of the hands of Spicelo immediately. The Lenders believe that Spicelo and Jonathan Klesch (Spicelo's sole beneficial owner) should no longer be in control of the assets, and that a debtor-in-possession scenario (which has already run five months and proven to be inordinately expensive) is not in the Lenders' best interests.
33. Further evidence of the Lenders' position will be contained in the Confidential Affidavit, which will be submitted to the Court upon receipt of the SISP Report. The Lenders seek, *inter alia*, a restricted court access order for the Confidential Affidavit to maintain the confidentiality of the SISP process.

Remote Commissioning

34. 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 29 day  
of January, 2024.

DocuSigned by:  
*Natasha Doelman*  
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BARRISTER AND SOLICITOR  
A Notary Public in and for Alberta

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*Dave Gallagher*  
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DAVE GALLAGHER

DS  
*DG*

DS  
*ND*  
*AB*

*MM*