

COURT FILE NUMBER

25-2332583
25-2332610
25-2335351

Clerk's stamp

COURT

COURT OF QUEEN'S BENCH OF ALBERTA
IN BANKRUPTCY AND INSOLVENCY

JUDICIAL CENTRE

CALGARY

PROCEEDINGS

IN THE MATTER OF THE BANKRUPTCY
AND INSOLVENCY OF MANITOK ENERGY
INC.

IN THE MATTER OF THE NOTICE OF
INTENTION TO MAKE A PROPOSAL OF
MANITOK ENERGY INC.

IN THE MATTER OF THE NOTICE OF
INTENTION TO MAKE A PROPOSAL OF
RAIMOUNT ENERGY CORP.

IN THE MATTER OF THE NOTICE OF
INTENTION TO MAKE A PROPOSAL OF
CORINTHIAN OIL CORP.

APPLICANT

ALVAREZ & MARSAL CANADA INC, IN ITS
CAPACITY AS THE RECEIVER AND
MANAGER OF MANITOK ENERGY CORP.

DOCUMENT

APPLICATION

ADDRESS FOR SERVICE
AND CONTACT
INFORMATION OF
PARTY FILING THIS
DOCUMENT

Norton Rose Fulbright Canada LLP
400 - 3 Avenue SW, Suite 3700
Calgary, Alberta T2P 4H2 CANADA

Attention: Howard A. Gorman, QC and D. Aaron Stephenson

Telephone: +1 403.267.8144

Facsimile: +1 403.264.5973

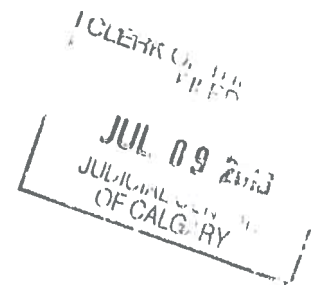
howard.gorman@nortonrosefulbright.com

aaron.stephenson@nortonrosefulbright.com

File No. 1001023920

Box No. 39

Solicitors for the Applicant



NOTICE TO RESPONDENT:

STREAM ASSET FINANCIAL MANITOK LP

NATIONAL BANK OF CANADA

This application is made against you. You are a respondent.

You have the right to state your side of this matter before the judge.

To do so, you must be in Court when the application is heard as shown below:

Date: **August 23, 2018**

Time: **10:00 a.m.**

Where: **Calgary Court Centre 601 - 5th Street SW, Calgary, Alberta**

Before Whom: **The Honourable Mr. Justice A.D. Macleod on the Commercial List**

Go to the end of this document to see what else you can do and when you must do it.

Remedy claimed or sought:

1. The Applicant, Alvarez & Marsal Canada Inc. solely in its capacity as the Receiver and Manager of Manitok Energy Inc. (**Receiver**), seeks:

- (a) an order for this Honourable Court's advice and direction regarding whether:
 - (i) the following agreements between Manitok Energy Inc. (**Manitok**) and Stream Asset Financial Manitok LP (**SFA**) are financing agreements:
 - Stolberg and Entice Areas Rental Agreement, made effective December 30, 2014 and amended June 12, 2015 and June 29, 2015 (**Stolberg Rental Agreement**),
 - Stolberg Area Joint Venture Agreement, made effective December 30, 2014 and amended June 12, 2015 and June 29, 2015 (**Stolberg JVA**),
 - Wayne Area Rental Agreement, made effective June 12, 2015 and amended June 29, 2015 (**Wayne Rental Agreement**), and

- Wayne Area Joint Venture Agreement, made effective June 12, 2015 and amended June 29, 2015 (**Wayne JVA**);
- (ii) the facilities under the Stolberg Rental Agreement, Stolberg JVA, Wayne Rental Agreement and Wayne JVA (**Disputed SFA Facilities**) are owned by ManitoK;
- (iii) the Disputed SAF Facilities are “Property” within the contemplation of the Receivership Order; and
- (iv) the Receiver may include the Disputed SAF Facilities in a sales and investment solicitation process (**SISP**);
- (b) an order deeming service of this Application and all supporting materials good and sufficient; and
- (c) such further and other relief, advice and directions as counsel may request and this Honourable Court may deem just and appropriate.

Grounds for Making this Application:

2. ManitoK is a public oil and gas exploration and development company.
3. On January 10, 2018, ManitoK and its subsidiary, Raimount Energy Corp. (**Raimount**), each filed a Notice of Intention to File a Proposal under Part III, Division I of the BIA. An additional subsidiary of ManitoK, Corinthian Oil Corp. (**Corinthian**), filed a Notice of Intention to File a Proposal on January 19, 2018.
4. All of the proposal proceedings were terminated by court order on February 20, 2018, resulting in the bankruptcies of ManitoK, Raimount and Corinthian. A Receivership Order was also granted on February 20, 2018 pursuant to which a receiver and manager was appointed under s. 243(1) of the BIA and s. 13(2) of the *Judicature Act*, RSA 2000, c J-2 over all of ManitoK and Raimount’s current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, including proceeds thereof. The Receiver was appointed as the receiver and manager of ManitoK and Raimount, and as the trustee in bankruptcy of ManitoK, Raimount and Corinthian.

5. SFA entered four agreements pursuant to which it provided financing to Manitoak, being the Stolberg Rental Agreement, Stolberg JVA, Wayne Rental Agreement and Wayne JVA (together, the **SAF Agreements**).
6. In general terms, each of the SAF Agreements contemplates the acquisition by SAF of 100% of Manitoak's beneficial ownership interest in certain of the Disputed SAF Facilities, the payment of an initial "Commitment Amount" or "Purchase Amount" by SAF to Manitoak, the retention by Manitoak of legal title to the Disputed SAF Facilities, Manitoak's holding of the beneficial interest in the Disputed SAF Facilities as bare trustee for SAF, the management and operation of the Disputed SAF Facilities by Manitoak at Manitoak's sole expense to process Manitoak's production, the payment of a monthly "Facilities Tariff" or "Facilities Rental" by Manitoak to SAF, and an option for Manitoak to re-acquire SAF's beneficial interest in the Disputed SAF Facilities.
7. SAF submitted a proof of claim in these proceedings in which it asserted a secured claim against Manitoak based on the SAF Agreements.
8. The Receiver has concluded, on balance, that all of the SAF Agreements are financing agreements, the Disputed SAF Facilities are owned by Manitoak (subject to SAF security interests) and are "Property" within the contemplation of the Receivership Order, and the Receiver may include the Disputed SAF Facilities in a SISF.
9. Alternatively, even if the Disputed SAF Facilities are owned by SAF, the Receiver believes that it is in the best interests of all stakeholders for the Receiver to market and sell Manitoak's property and the Disputed SAF Facilities together.

Material or Evidence to be Relied On:

10. The Receiver intends to rely on the following materials:
 - (a) the Second Report of the Receiver, to be filed concurrently with this Application;
 - (b) the Receivership Order, dated February 20, 2018; and
 - (c) such further and other materials as counsel may advise and this Honourable Court may permit.

Applicable Rules:

11. The Receiver intends to rely upon Rules 1.3, 1.4, 6.3 and 11.27 of the *Alberta Rules of Court*, Alta Reg 124/2010 and such further and other rules as counsel may advise and this Honourable Court may permit.

Applicable Acts and Regulations:

12. The Receiver intends to rely on the BIA and *Judicature Act*.

Any irregularity complained of or objection relied on:

13. None.

How the application is proposed to be heard or considered:

14. Before the Honourable Mr. Justice A.D. Macleod on the Commercial List.

AFFIDAVIT EVIDENCE IS REQUIRED IF YOU WISH TO OBJECT.

WARNING

If you do not come to Court either in person or by your lawyer, the Court may give the applicant(s) what they want in your absence. You will be bound by any order that the Court makes. If you want to take part in this application, you or your lawyer must attend in Court on the date and time shown at the beginning of the form. If you intend to give evidence in response to the application, you must reply by filing an affidavit or other evidence with the Court and serving a copy of that affidavit or other evidence on the applicant(s) a reasonable time before the application is to be heard or considered.