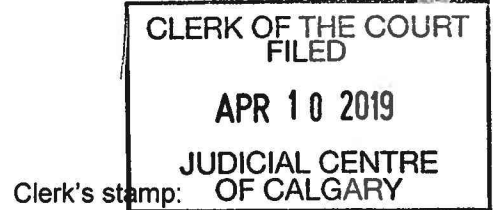


Form 7  
[Rule 3.8]



COURT FILE NUMBER

1901- 05089

COURT

COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE

CALGARY

IN THE MATTER OF THE COMPANIES' CREDITORS  
ARRANGEMENT ACT, R.S.C. 1985, c. C-36, as amended

IN THE MATTER OF THE BUSINESS CORPORATIONS  
ACT, R.S.A. 2000, c. B-9, as amended

AND IN THE MATTER OF THE PLAN OF COMPROMISE  
OR ARRANGEMENT OF STRATEGIC OIL & GAS LTD.  
and STRATEGIC TRANSMISSION LTD.

APPLICANTS

STRATEGIC OIL & GAS LTD. and STRATEGIC  
TRANSMISSION LTD.

DOCUMENT

**ORIGINATING APPLICATION**

ADDRESS FOR SERVICE AND  
CONTACT INFORMATION OF PARTY  
FILING THIS DOCUMENT

Dentons Canada LLP  
Bankers Court  
15th Floor, 850 - 2nd Street S.W.  
Calgary, Alberta T2P 0R8

Attention: David W. Mann and Afshan Naveed  
Ph. (403) 268-7097 / 403-268-7015 Fx. (403) 268-3100  
File No.: 575553-3

**NOTICE TO THE RESPONDENTS:**

This application is made against you. You are a respondent.  
You have the right to state your side of this matter before the Court.

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

Date	April 10, 2019
Time	9:15 a.m.
Where	Calgary Courts Centre 601-5 <sup>th</sup> Street SW, Calgary, AB
Before	The Honourable Madam Justice K.M. Horner

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

**Basis for this claim:**

1. Capitalized terms not otherwise defined herein shall have the meaning given to them in the Affidavit of Remi Anthony (Tony) Berthelet, sworn April 9, 2019 (the "**Berthelet Affidavit**").
2. Strategic Oil & Gas Ltd. ("**Strategic**") and Strategic Transmission Ltd. ("**STL**", together with Strategic, the "**Applicants**") are related companies to which the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**") applies.

General

3. The Applicants meet the statutory requirements to be eligible for relief under the CCAA.
4. Strategic is insolvent with more than \$5,000,000 owing to creditors.
5. Strategic is a publically traded junior oil and gas Alberta company listed on the TSX Venture Exchange in Canada under the symbol "SOG". STL is a wholly-owned subsidiary of Strategic.
6. Strategic has three officers, CEO, CFO and VP of Development and Operations, and seven directors. STL is currently non-operating and has two directors, who are the CEO and CFO of Strategic.
7. Strategic has 15 full time employees (including the senior management team) and 1 full time contractor.
8. Strategic's head office is located in Calgary, Alberta and its primary operations are focused on oil and gas development in northern Alberta and the NTW (currently non-operating).
9. Several key factors have resulted in Strategic's current financial position, including: (a) failure to receive the Second Tranche; (b) low production resulting from a lack of capital investment to fund development and improve drilling; (c) temporary operational challenges; (d) failure of the June Transaction and requisite unwinding; (e) regulatory uncertainty; (f) deteriorating differentials on Canadian oil prices; and (g) political uncertainty, with respect to pipeline approvals at the Federal level and the ability to find new markets to sell Canadian oil.
10. The Applicants are facing a looming liquidity crisis and will soon be unable to meet their obligations as they become due without court protection.
11. The board of directors of Strategic and STL have determined that it is in the best interests of the business and the stakeholders to file for CCAA protection.
12. KPMG has consented to act as the Monitor.
13. GMT Capital, Strategic's primary secured creditor does not oppose the CCAA protection.

14. AER is aware of this application and, while it currently wishes to reserve its view on the priority of charges, it does not oppose this application.

#### Stay

15. Strategic requires a stay of proceedings in order to (a) stabilize operations; and (b) provide time to finalize the arrangements necessary to be able to undertake a restructuring process, including running a SISP through the CCAA proceedings.
16. STL needs a stay of proceedings as a wholly-owned subsidiary to protect it during this reorganization process and ensure it is treated in a manner that is consistent with its parent corporation.
17. It is necessary and in the best interests of the Applicants and their stakeholders that they be afforded the "breathing space" provided by the CCAA as they attempt to restructure the business.

#### KERP

18. Strategic has developed a KERP to facilitate and encourage the continued participation of key employees and senior management in the business and the restructuring.
19. The anticipated participants in the KERP possess specialized expertise with respect to business operations and are critical for a successful restructuring of the business. Specifically, they (a) oversee compliance with regulatory requirements to ensure safety of the operations; (b) manage the internal processes that allow Strategic to pay suppliers, trades and employees; and (c) have operational and legacy knowledge required to operate the business as a going concern.
20. The KERP provides appropriate incentives for the key employees to remain in their current positions and ensures that they are properly compensated for their assistance in the restructuring process.

#### Charges

21. The Applicants require the expertise, knowledge and continuing participation of the proposed beneficiaries of the Administration Charge and the Directors' Charge in order to complete a successful restructuring.
22. Although Strategic has sufficient funds to begin the CCAA proceedings and develop a SISP, it may require Interim Financing to fund operations through to the completion of the SISP.
23. Strategic and its stakeholders have agreed that the availability of Interim Financing should be canvassed and considered from the outset, particularly because of the uncertainty in the industry's regulatory regime. Accordingly, the Applicant's are seeking a placeholder Interim Lender's Charge.

#### Other

24. The provisions of the CCAA and the equitable jurisdiction of this Court.
25. Such further and other grounds as counsel may advise and this Court may permit.

**Remedy sought:**

26. The Applicants, respectfully seek an Order pursuant to section 11 of the CCAA on the terms substantially set out in the draft Initial Order attached hereto as **Schedule "A"** (which is accompanied by a blackline to the Alberta Template, attached as **Schedule "B"**) which shall include, but not be limited to, the following relief:
- (a) abridging the time for service of this notice of application and dispensing with service on any person other than those served;
  - (b) declaring that the Applicants are companies to which the CCAA applies;
  - (c) staying all proceeding and remedies taken or that might be taken in respect of the Applicants or any of their property, except as otherwise set forth in the Initial Order or otherwise permitted by law;
  - (d) authorizing the Applicants to carry on business in a manner consistent with the preservation of their property and business;
  - (e) appointing KPMG Inc., as Monitor (the "Monitor" or "KPMG") of the Applicants in these proceedings;
  - (f) granting the Administration Charge and the Directors' Charge;
  - (g) authorizing the Applicants to pay the reasonable fees and disbursements of the Applicants professional advisors, including Applicants' legal counsel, the Monitor and the Monitor's legal counsel;
  - (h) approving a KERP for the benefit of key executives and employees of Strategic and the KERP Charge;
  - (i) reserving a charge for the benefit of interim financing if and when such financing may be required and this Honourable Court may approve any such financing;
  - (j) sealing on the Court file the Confidential Exhibit (draft form of Order attached as **Schedule "C"**);
  - (k) requesting that aid, recognition and assistance of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to the Initial Order; and
  - (l) such further and other relief as to this Honourable Court may seem just.

**Affidavit or other evidence to be used in support of this application:**

- 27. The Berthelet Affidavit, filed.
- 28. The Consent of KPMG Inc. to act as Monitor of the Applicants.
- 29. Such further and other evidence as counsel may advise and this Honourable Court may permit.

**Applicable Acts and regulations:**

30. The CCAA; and
31. Such further and other Acts and regulations as counsel may advise.

**WARNING**

You are named as a respondent because you have made or are expected to make an adverse claim in respect of this originating application. If you do not come to Court either in person or by your lawyer, the Court may make an order declaring you and all persons claiming under you to be barred from taking any further proceedings against the applicant(s) and against all persons claiming under the applicant(s). You will be bound by any order the Court makes, or another order might be given or other proceedings taken which the applicant(s) is/are entitled to make without any further notice to you. If you want to take part in the application, you or your lawyer must attend in Court on the date and at the time shown at the beginning of this 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.

# **SCHEDULE "A"**

# DRAFT

Clerk's Stamp:

COURT FILE NUMBER

1901-

COURT

COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE

CALGARY

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

IN THE MATTER OF THE *BUSINESS*  
*CORPORATIONS ACT*, R.S.A. 2000, c. B-9, as  
amended

AND IN THE MATTER OF THE PLAN OF  
COMPROMISE OR ARRANGEMENT OF  
STRATEGIC OIL & GAS LTD. and STRATEGIC  
TRANSMISSION LTD.

APPLICANTS

STRATEGIC OIL & GAS LTD. and STRATEGIC  
TRANSMISSION LTD.

DOCUMENT

**CCAA INITIAL ORDER**

ADDRESS FOR SERVICE AND CONTACT  
INFORMATION OF PARTY FILING THIS  
DOCUMENT

Dentons Canada LLP  
15 Flr-850 2 Street SW  
Calgary AB T2P 0R8

Attention: David W. Mann and Afshan Naveed  
Ph. (403) 268-7097 / 403 268-7015  
Fx. (403) 268-3100  
File No. 575553-3

DATE ON WHICH ORDER WAS  
PRONOUNCED:

April \_\_, 2019

LOCATION WHERE ORDER WAS  
PRONOUNCED:

Calgary, Alberta

NAME OF JUDGE WHO MADE THIS ORDER: The Honourable \_\_\_\_\_

**UPON** the application of Strategic Oil & Gas Ltd. and Strategic Transmission Ltd. (collectively the "**Applicants**"); **AND UPON** having read the Originating Application, the Affidavit of Remi Anthony (Tony) Berthelet, sworn April \_\_\_\_\_, 2019 (the "**Berthelet Affidavit**"); and the Affidavit of Service of ● [**if applicable**], filed; **AND UPON** reading the consent of KPMG Inc. to act as Monitor; **AND UPON** being advised that the secured creditors who are likely to be affected by the charges created herein have been provided notice of this application and either do not oppose the within Order or alternatively consent to the within Order [**if applicable**]; **AND UPON** hearing counsel for the Applicants, counsel for GMT Capital (as defined in the Berthelet Affidavit), and counsel for the Alberta Energy Regulator; and counsel for other interested parties;

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

**SERVICE**

1. The time for service of the notice of application for this order (the "**Order**") is hereby abridged and deemed good and sufficient and this application is properly returnable today.

**APPLICATION**

2. The Applicants are companies to which the *Companies' Creditors Arrangement Act* of Canada (the "**CCAA**") applies.

**PLAN OF ARRANGEMENT**

3. The Applicant shall have the authority to file and may, subject to further order of this Court, file with this Court a plan of compromise or arrangement (the "**Plan**").

**POSSESSION OF PROPERTY AND OPERATIONS**

4. The Applicants shall:
  - (a) remain in possession and control of their current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the "**Property**");
  - (b) subject to further order of this Court, continue to carry on business in a manner consistent with the preservation of their business (the "**Business**") and Property; and
  - (c) be authorized and empowered to continue to retain and employ the employees, consultants, agents, experts, accountants, counsel and such other persons (collectively "**Assistants**") currently retained or employed by them, with liberty to retain such further Assistants as they deem reasonably necessary or desirable in the ordinary course of business or for the carrying out of the terms of this Order.
5. To the extent permitted by law, the Applicant shall be entitled but not required to make the following advances or payments of the following expenses, incurred prior to or after this Order:



- (a) all outstanding and future wages, salaries, employee and pension benefits, vacation pay and expenses payable on or after the date of this Order, in each case incurred in the ordinary course of business and consistent with existing compensation policies and arrangements; and
  - (b) the reasonable fees and disbursements of any Assistants retained or employed by the Applicant in respect of these proceedings, at their standard rates and charges, including for periods prior to the date of this Order.
6. Except as otherwise provided to the contrary herein, the Applicants shall be entitled but not required to pay all reasonable expenses incurred by the Applicants in carrying on the Business in the ordinary course after this Order, and in carrying out the provisions of this Order, which expenses shall include, without limitation:
- (a) all expenses and capital expenditures reasonably necessary for the preservation of the Property or the Business including, without limitation, payments on account of insurance (including directors and officers insurance), maintenance and security services; and
  - (b) payment for goods or services actually supplied to the Applicants following the date of this Order.
7. The Applicants shall remit, in accordance with legal requirements, or pay:
- (a) any statutory deemed trust amounts in favour of the Crown in Right of Canada or of any Province thereof or any other taxation authority that are required to be deducted from employees' wages, including, without limitation, amounts in respect of:
    - (i) employment insurance,
    - (ii) Canada Pension Plan,
    - (iii) Quebec Pension Plan, and
    - (iv) income taxes,but only where such statutory deemed trust amounts arise after the date of this Order, or are not required to be remitted until after the date of this Order, unless otherwise ordered by the Court;
  - (b) all goods and services or other applicable sales taxes (collectively, "**Sales Taxes**") required to be remitted by the Applicants in connection with the sale of goods and services by the Applicants, but only where such Sales Taxes are accrued or collected after the date of this Order, or where such Sales Taxes were accrued or collected prior to the date of this Order but not required to be remitted until on or after the date of this Order; and
  - (c) any amount payable to the Crown in Right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal realty, municipal business or other taxes, assessments or levies of any nature or kind which are

entitled at law to be paid in priority to claims of secured creditors and that are attributable to or in respect of the carrying on of the Business by the Applicants.

8. Until such time as a real property lease is disclaimed or resiliated in accordance with the CCAA, the Applicant may pay all amounts constituting rent or payable as rent under real property leases (including, for greater certainty, common area maintenance charges, utilities and realty taxes and any other amounts payable as rent to the landlord under the lease) based on the terms of existing lease arrangements or as otherwise may be negotiated by the Applicants from time to time for the period commencing from and including the date of this Order ("**Rent**"), but shall not pay any rent in arrears.
9. Except as specifically permitted in this Order, the Applicants are hereby directed, until further order of this Court:
  - (a) to make no payments of principal, interest thereon or otherwise on account of amounts owing by the Applicants to any of their creditors as of the date of this Order;
  - (b) to grant no security interests, trust, liens, charges or encumbrances upon or in respect of any of their Property; and
  - (c) not to grant credit or incur liabilities except in the ordinary course of the Business.

#### **RESTRUCTURING**

10. The Applicant shall, subject to such requirements as are imposed by the CCAA have the right to:
  - (a) permanently or temporarily cease, downsize or shut down any portion of its business or operations and to dispose of redundant or non-material assets not exceeding \$50,000 in any one transaction or \$250,000 in the aggregate, provided that any sale that is either (i) in excess of the above thresholds, or (ii) in favour of a person related to the Applicants (within the meaning of section 36(5) of the CCAA), shall require authorization by this Court in accordance with section 36 of the CCAA;
  - (b) terminate the employment of such of its employees or temporarily lay off such of its employees as it deems appropriate on such terms as may be agreed upon between the Applicants and such employee, or failing such agreement, to deal with the consequences thereof in the Plan;
  - (c) disclaim or resiliate, in whole or in part, with the prior consent of the Monitor (as defined below) or further Order of the Court, their arrangements or agreements of any nature whatsoever with whomsoever, whether oral or written, as the Applicants deem appropriate, in accordance with section 32 of the CCAA; and
  - (d) pursue all avenues of refinancing of its Business or Property, in whole or part, subject to prior approval of this Court being obtained before any material refinancing,

all of the foregoing to permit the Applicants to proceed with an orderly restructuring of the Business (the "**Restructuring**").

11. The Applicants shall provide each of the relevant landlords with notice of the Applicants' intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal. If the landlord disputes the Applicants' entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Applicants, or by further order of this Court upon application by the Applicants on at least two (2) days' notice to such landlord and any such secured creditors. If the Applicants disclaim or resiliates the lease governing such leased premises in accordance with section 32 of the CCAA, it shall not be required to pay Rent under such lease pending resolution of any such dispute other than Rent payable for the notice period provided for in section 32(5) of the CCAA, and the disclaimer or resiliation of the lease shall be without prejudice to the Applicants' claim to the fixtures in dispute.
12. If a notice of disclaimer or resiliation is delivered pursuant to section 32 of the CCAA, then:
  - (a) during the notice period prior to the effective time of the disclaimer or resiliation, the landlord may show the affected leased premises to prospective tenants during normal business hours, on giving the Applicants and the Monitor 24 hours' prior written notice; and
  - (b) at the effective time of the disclaimer or resiliation, the relevant landlord shall be entitled to take possession of any such leased premises without waiver of or prejudice to any claims or rights such landlord may have against the Applicants in respect of such lease or leased premises and such landlord shall be entitled to notify the Applicants of the basis on which it is taking possession and to gain possession of and re-lease such leased premises to any third party or parties on such terms as such landlord considers advisable, provided that nothing herein shall relieve such landlord of its obligation to mitigate any damages claimed in connection therewith.

#### **NO PROCEEDINGS AGAINST THE APPLICANT OR THE PROPERTY**

13. Until and including May \_\_, 2019, or such later date as this Court may order (the "**Stay Period**"), no proceeding or enforcement process in any court (each, a "**Proceeding**") shall be commenced or continued against or in respect of the Applicants or the Monitor, or affecting the Business or the Property, except with leave of this Court, and any and all Proceedings currently under way against or in respect of the Applicants or affecting the Business or the Property are hereby stayed and suspended pending further order of this Court.

#### **NO EXERCISE OF RIGHTS OR REMEDIES**

14. During the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being "**Persons**" and each being a "**Person**"), whether judicial or extra-judicial, statutory or non-statutory against or in respect of the Applicants or the Monitor, or affecting the Business or the Property, are hereby stayed and suspended and shall not be commenced, proceeded with or continued except with leave of this Court, provided that nothing in this Order shall:

- (a) empower the Applicants to carry on any business that the Applicants are not lawfully entitled to carry on;
  - (b) affect such investigations, actions, suits or proceedings by a regulatory body as are permitted by section 11.1 of the CCAA;
  - (c) prevent the filing of any registration to preserve or perfect a security interest;
  - (d) prevent the registration of a claim for lien; or
  - (e) exempt the Applicants from compliance with statutory or regulatory provisions relating to health, safety or the environment.
15. Nothing in this Order shall prevent any party from taking an action against the Applicants where such an action must be taken in order to comply with statutory time limitations in order to preserve their rights at law, provided that no further steps shall be taken by such party except in accordance with the other provisions of this Order, and notice in writing of such action be given to the Monitor at the first available opportunity.

#### **NO INTERFERENCE WITH RIGHTS**

16. During the Stay Period, no person shall accelerate, suspend, discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Applicants, except with the written consent of the Applicants and the Monitor, or leave of this Court.

#### **CONTINUATION OF SERVICES**

17. During the Stay Period, all persons having:
- (a) statutory or regulatory mandates for the supply of goods and/or services; or
  - (b) oral or written agreements or arrangements with the Applicants, including without limitation all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation, services, utility or other services to the Business or the Applicants

are hereby restrained until further order of this Court from discontinuing, altering, interfering with, suspending or terminating the supply of such goods or services as may be required by the Applicants or exercising any other remedy provided under such agreements or arrangements. The Applicants shall be entitled to the continued use of its current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the usual prices or charges for all such goods or services received after the date of this Order are paid by the Applicants in accordance with the payment practices of the Applicants, or such other practices as may be agreed upon by the supplier or service provider and each of the Applicants and the Monitor, or as may be ordered by this Court.

## **NON-DEROGATION OF RIGHTS**

18. Nothing in this Order has the effect of prohibiting a person from requiring immediate payment for goods, services, use of leased or licensed property or other valuable consideration provided on or after the date of this Order, nor shall any person, other than the Interim Lender where applicable, be under any obligation on or after the date of this Order to advance or re-advance any monies or otherwise extend any credit to the Applicants.

## **KEY EMPLOYEE RETENTION PLAN**

19. The Key Employee Retention Plan (the "**KERP**"), as described in the Berthelet Affidavit, is hereby approved and the Applicants are hereby authorized to make payments contemplated thereunder in accordance with the terms and conditions of the KERP. All capitalized terms used in this section and not otherwise defined herein shall have the meaning ascribed to them in the Berthelet Affidavit.
20. The Applicants are hereby authorized to provide the Segregated Funds to its legal counsel, Dentons Canada LLP. Dentons Canada LLP and the Monitor, as defined herein, are hereby authorized and directed to assist the Applicants in the administration of the KERP.
21. Key employees referred to in the KERP (the "**Key Employees**") shall be entitled to the benefit of and are hereby granted a charge on:
- (a) the Segregated Funds (for the retention portion of the KERP, which charge shall not exceed an aggregate amount of \$1,260,000); and
  - (b) the net proceeds of any transaction (for the MSF Payment portion of the KERP);
- (the "**KERP Charge**") to secure the amounts payable to the Key Employees under the KERP. The KERP Charge shall have the priority set out in paragraphs 37 and 39 herein.

## **PROCEEDINGS AGAINST DIRECTORS AND OFFICERS**

22. During the Stay Period, and except as permitted by subsection 11.03(2) of the CCAA and paragraph 15 of this Order, no Proceeding may be commenced or continued against any of the former, current or future directors or officers of the Applicants with respect to any claim against the directors or officers that arose before the date of this Order and that relates to any obligations of the Applicants whereby the directors or officers are alleged under any law to be liable in their capacity as directors or officers for the payment or performance of such obligations, until a compromise or arrangement in respect of the Applicant, if one is filed, is sanctioned by this Court or is refused by the creditors of the Applicants or this Court.

## **DIRECTORS' AND OFFICERS' INDEMNIFICATION AND CHARGE**

23. The Applicants shall indemnify its directors and officers against obligations and liabilities that they may incur as directors and or officers of the Applicants after the commencement of the within proceedings except to the extent that, with respect to any officer or director, the obligation was incurred as a result of the director's or officer's gross negligence or wilful misconduct.

24. The directors and officers of the Applicants shall be entitled to the benefit of and are hereby granted a charge (the "**Directors' Charge**") on the Property, which charge shall not exceed an aggregate amount of \$300,000, as security for the indemnity provided in paragraph 23 of this Order. The Directors' Charge shall have the priority set out in paragraphs 37 and 39 herein.
25. Notwithstanding any language in any applicable insurance policy to the contrary:
- (a) no insurer shall be entitled to be subrogated to or claim the benefit of the Directors' Charge; and
  - (b) the Applicants' directors and officers shall only be entitled to the benefit of the Directors' Charge to the extent that they do not have coverage under any directors' and officers' insurance policy, or to the extent that such coverage is insufficient to pay amounts indemnified in accordance with paragraph 23 of this Order.

#### **APPOINTMENT OF MONITOR**

26. KPMG Inc. is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the Property, Business, and financial affairs and the Applicants with the powers and obligations set out in the CCAA or set forth herein and that the Applicants and its shareholders, officers, directors, and Assistants shall advise the Monitor of all material steps taken by the Applicants pursuant to this Order, and shall co-operate fully with the Monitor in the exercise of its powers and discharge of its obligations and provide the Monitor with the assistance that is necessary to enable the Monitor to adequately carry out the Monitor's functions.
27. The Monitor, in addition to its prescribed rights and obligations under the CCAA, is hereby directed and empowered to:
- (a) monitor the Applicants' receipts and disbursements, Business and dealings with the Property;
  - (b) report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business, and such other matters as may be relevant to the proceedings herein and immediately report to the Court if in the opinion of the Monitor there is a material adverse change in the financial circumstances of the Applicants;
  - (c) advise the Applicants in their preparation of the Applicants' cash flow statement(s);
  - (d) advise the Applicants in their development of the Plan and any amendments to the Plan;
  - (e) advise the Applicants with respect to any sales and investment solicitation process it undertakes;
  - (f) assist the Applicants, to the extent required by the Applicants, with the holding and administering of creditors' or shareholders' meetings for voting on the Plan;
  - (g) have full and complete access to the Property, including the premises, books, records, data, including data in electronic form and other financial documents of the Applicants to

the extent that is necessary to adequately assess the Property, Business, and financial affairs of the Applicants or to perform its duties arising under this Order;

- (h) be at liberty to engage independent legal counsel or such other persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order;
  - (i) hold funds in trust or in escrow, to the extent required, to facilitate settlements between the Applicants and any other Person;
  - (j) report to and communicate with GMT Capital with respect to all aspects of the Applicants' activities, the Property, the Business and the restructuring; and
  - (k) perform such other duties as are required by this Order or by this Court from time to time.
28. The Monitor shall not take possession of the Property and shall take no part whatsoever in the management or supervision of the management of the Business and shall not, by fulfilling its obligations hereunder, or by inadvertence in relation to the due exercise of powers or performance of duties under this Order, be deemed to have taken or maintain possession or control of the Business or Property, or any part thereof. Nothing in this Order shall require the Monitor to occupy or to take control, care, charge, possession or management of any of the Property that might be environmentally contaminated, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal or waste or other contamination, provided however that this Order does not exempt the Monitor from any duty to report or make disclosure imposed by applicable environmental legislation or regulation. The Monitor shall not, as a result of this Order or anything done in pursuance of the Monitor's duties and powers under this Order be deemed to be in possession of any of the Property within the meaning of any federal or provincial environmental legislation.
29. The Monitor shall provide any creditor of the Applicants with information provided by the Applicants in response to reasonable requests for information made in writing by such creditor addressed to the Monitor. The Monitor shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Monitor has been advised by the Applicants is confidential, the Monitor shall not provide such information to creditors unless otherwise directed by this Court or on such terms as the Monitor and the Applicants may agree.
30. In addition to the rights and protections afforded the Monitor under the CCAA or as an Officer of this Court, the Monitor shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded the Monitor by the CCAA or any applicable legislation.
31. The Monitor, counsel to the Monitor, and counsel to the Applicants shall be paid their reasonable fees and disbursements (including any pre-filing fees and disbursements related to these CCAA proceedings), in each case at their standard rates and charges, by the Applicants as part of the costs of these proceedings. The Applicants are hereby authorized and directed to pay the

accounts of the Monitor, counsel for the Monitor and counsel for the Applicants on a monthly basis and, in addition, the Applicants are hereby authorized to pay to the Monitor, counsel to the Monitor, and counsel to the Applicants, retainers to be held by them as security for payment of their respective fees and disbursements outstanding from time to time.

32. The Monitor and its legal counsel shall pass their accounts from time to time.
33. The Monitor, counsel to the Monitor, if any, and the Applicants' counsel, as security for the professional fees and disbursements incurred both before and after the granting of this Order, shall be entitled to the benefits of and are hereby granted a charge (the "**Administration Charge**") on the Property, which charge shall not exceed an aggregate amount of \$2,000,000, as security for their professional fees and disbursements incurred at the normal rates and charges of the Monitor and such counsel, both before and after the making of this Order in respect of these proceedings. The Administration Charge shall have the priority set out in paragraphs 37 and 39 hereof.

#### **INTERIM FINANCING**

34. The Applicants are hereby granted leave to apply for interim financing ("**Interim Financing**") in order to finance the Applicants' ongoing working capital requirements and other general corporate purposes and capital expenditures.
35. An interim lender (the "**Interim Lender**") may seek the benefits of a charge (the "**Interim Lender's Charge**") on the Property to secure all obligations under the Interim Financing.
36. The Interim Lender's Charge shall have the priority set out in paragraphs 37 and 39 hereof.

#### **VALIDITY AND PRIORITY OF CHARGES**

37. The priorities of the Directors' Charge, the Administration Charge, Interim Lender's Charge, and the KERP Charge, as among them, shall be as follows:
  - First – KERP Charge (as limited in paragraph 21 hereof);
  - Second – Administration Charge (to the maximum amount of \$2,000,000);
  - Third – Directors' Charge (to the maximum amount of \$250,000); and
  - Fourth – Interim Lender's Charge, if any.
38. The filing, registration or perfection of the Administration Charge, Directors' Charge, KERP Charge, and Interim Lender's Charge (collectively, the "**Charges**") shall not be required, and the Charges shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Charges coming into existence, notwithstanding any such failure to file, register, record or perfect.
39. Each of the Administration Charge, Directors' Charge, KERP Charge, and Interim Lender's Charge (all as constituted and defined herein) shall constitute a charge on the Property (and, in the case of the KERP Charge, only in respect of the Segregated Funds and the net proceeds of any transaction for the MSF Payment) and subject always to section 34(11) of the CCAA such



Charges shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, and claims of secured creditors, statutory or otherwise (collectively, "**Encumbrances**") in favour of any Person.

40. Except as otherwise expressly provided for herein, or as may be approved by this Court, the Applicants shall not grant any Encumbrances over any Property that rank in priority to, or *pari passu* with, any of the Administration Charge, Directors' Charge, KERP Charge and Interim Lender's Charge, unless the Applicants also obtain the prior written consent of the Monitor, the Interim Lender, and the beneficiaries of the Directors' Charge and the Administration Charge, or further order of this Court.
41. The Directors' Charge, the Administration Charge, the KERP Charge, and the Interim Lender's Charge shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the Charges (collectively, the "**Chargees**") and/or the Interim Lender thereunder shall not otherwise be limited or impaired in any way by:
  - (a) the pendency of these proceedings and the declarations of insolvency made in this Order;
  - (b) any application(s) for bankruptcy order(s) issued pursuant to BIA, or any bankruptcy order made pursuant to such applications;
  - (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA;
  - (d) the provisions of any federal or provincial statutes; or
  - (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an "**Agreement**") that binds the Applicants, and notwithstanding any provision to the contrary in any Agreement:
    - (i) neither the creation of the Charges nor the execution, delivery, perfection, registration or performance of any documents in respect thereof shall create or be deemed to constitute a new breach by the Applicants of any Agreement to which it is a party;
    - (ii) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the creation of the Charges; and
    - (iii) the payments made by the Applicants pursuant to this Order, and the granting of the Charges, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct or other challengeable or voidable transactions under any applicable law.

## **GMT CAPITAL UNAFFECTED**

42. Subject only to the KERP Charge, the Administration Charge, and the Directors' Charge, as described herein, notwithstanding anything else in this Order, GMT Capital (as defined in the Affidavit of Remi Anthony Berthelet filed in support of this Order) shall be unaffected by this Order or these proceedings, and the relationship between the Applicants and the rights of GMT Capital shall continue as if this Order had not been granted. For certainty, unless waived in writing, the Applicants shall remain current on interest owing to GMT Capital.
43. GMT Capital and its agents may communicate with regulatory bodies in connection with the Applicants, the Property and the Business.

## **ALLOCATION**

44. Any interested Person may apply to this Court on notice to any other party likely to be affected for an order to allocate the Administration Charge, the Directors' Charge and the Interim Lender's Charge amongst the various assets comprising the Property.

## **SERVICE AND NOTICE**

45. The Monitor shall (a) without delay, publish in the Calgary Herald and the National Post a notice containing the information prescribed under the CCAA; (b) within five (5) days after the date of this Order (i) make this Order publicly available in the manner prescribed under the CCAA, (ii) send, in the prescribed manner, a notice to every known creditor who has a claim against the Applicants of more than \$1,000; and (iii) prepare a list showing the names and addresses of those creditors and the estimated amounts of those claims, and make it publicly available in the prescribed manner, all in accordance with section 23(1)(a) of the CCAA and the regulations made thereunder.
46. The Applicants and the Monitor shall be at liberty to serve this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by ordinary mail, courier, personal delivery, facsimile transmission or e-mail to the Applicants' creditors or other interested Persons at their respective addresses as last shown on the records of the Applicants and that any such service or notice by courier, personal delivery, facsimile transmission or e-mail shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing. The Monitor shall establish and maintain a website in respect of these proceedings at <http://home.kpmg/ca/strategic> and shall post there as soon as practicable:
  - (a) all materials prescribed by statute or regulation to be made publically available; and
  - (b) all applications, reports, affidavits, orders or other materials filed in these proceedings by or on behalf of the Monitor, or served upon it, except such materials as are confidential and the subject of a sealing order or pending application for a sealing order.

**GENERAL**

47. The Applicants or the Monitor may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.
48. Notwithstanding Rule 6.11 of the Alberta Rules of Court, unless otherwise ordered by this Court, the Monitor will report to the Court from time to time, which reporting is not required to be in affidavit form and shall be considered by this Court as evidence. The Monitor's reports shall be filed by the Court Clerk notwithstanding that they do not include an original signature.
49. Nothing in this Order shall prevent the Monitor from acting as an interim receiver, a receiver, a receiver and manager or a trustee in bankruptcy of the Applicants, the Business or the Property.
50. This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in any foreign jurisdiction, to give effect to this Order and to assist the Applicant, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Applicants and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicants and the Monitor and their respective agents in carrying out the terms of this Order.
51. Each of the Applicants and the Monitor be at liberty and are hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order and that the Monitor is authorized and empowered to act as a representative in respect of the within proceeding for the purpose of having these proceedings recognized in a jurisdiction outside Canada.
52. Any interested party (including the Applicants and the Monitor) may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order.
53. This Order and all of its provisions are effective as of 12:01 a.m. Mountain Standard Time on the date of this Order.

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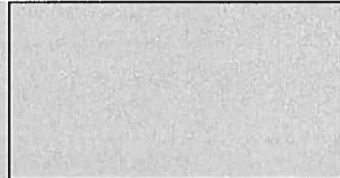
Justice of the Court of Queen's Bench of Alberta

# **SCHEDULE "B"**

# DRAFT

Clerk's Stamp: \_\_\_\_\_

Clerk's Stamp:



COURT FILE NUMBER

COURT

JUDICIAL JUDICIAL CENTRE OF

1901-

COURT OF QUEEN'S BENCH OF ALBERTA

● CALGARY

~~IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, as amended~~

~~AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF [THE DEBTOR(S)]~~

APPLICANT:

IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, as amended

IN THE MATTER OF THE BUSINESS CORPORATIONS ACT, R.S.A. 2000, c. B-9, as amended

AND IN THE MATTER OF THE PLAN OF COMPROMISE OR ARRANGEMENT OF STRATEGIC OIL & GAS LTD. and STRATEGIC TRANSMISSION LTD.

RESPONDENT(S): APPLICANTS

STRATEGIC OIL & GAS LTD. and STRATEGIC TRANSMISSION LTD.

DOCUMENT

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT:

ALBERTA TEMPLATE CCAA INITIAL ORDER

[LAW FIRM NAME]

[Address]-

[Address]

Solicitor: ●-

Telephone: ●-

Facsimile: ●-

Email: ●-

File Number: ●- Dentons Canada LLP

15 Flr-850 2 Street SW

Calgary AB T2P 0R8

Attention: David W. Mann and Afshan Naveed

Ph. (403) 268-7097 / 403 268-7015

Ex. (403) 268-3100

File No. 575553-3

DATE ON WHICH ORDER WAS PRONOUNCED:

NAME OF JUDGE WHO MADE THIS ORDER:

LOCATION OF HEARING:

DATE ON WHICH ORDER WAS PRONOUNCED:

April, 2019

LOCATION WHERE ORDER WAS PRONOUNCED:

Calgary, Alberta

NAME OF JUDGE WHO MADE THIS ORDER:

The Honourable

**{\*NOTE: DO NOT USE THIS ORDER AS A PRECEDENT WITHOUT REVIEWING THE ACCOMPANYING EXPLANATORY NOTES.}**

**UPON** the application of ~~[NAME]~~ (the "~~Applicant~~ Strategic Oil & Gas Ltd. and Strategic Transmission Ltd. (collectively the "**Applicants**")"); **AND UPON** having read the Originating Application, the Affidavit of ~~Remi Anthony (Tony) Berthelet~~, sworn April , 2019 (the "**Berthelet Affidavit**"); and the Affidavit of Service of ~~● [if applicable]~~, filed; **AND UPON** reading the consent of ~~[NAME] KPMG Inc.~~ to act as Monitor; **AND UPON** being advised that the secured creditors who are likely to be affected by the charges created herein have been provided notice of this application and either do not oppose ~~or the within Order of~~ alternatively consent to the within Order ~~[if applicable]~~; **AND UPON** hearing counsel for ~~●~~; ~~AND UPON reading the Pre-Filing Report of [Monitor's Name]; the Applicants, counsel for GMT Capital (as defined in the Berthelet Affidavit), and counsel for the Alberta Energy Regulator; and counsel for other interested parties;~~

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

**SERVICE**

1. The time for service of the notice of application for this order (the "**Order**") is hereby abridged and deemed good and sufficient ~~[if applicable]~~ and this application is properly returnable today.

**APPLICATION**

2. ~~The Applicant is a company~~ Applicants are companies to which the *Companies' Creditors Arrangement Act* of Canada (the "**CCA**") applies.

**PLAN OF ARRANGEMENT**

3. The Applicant shall have the authority to file and may, subject to further order of this Court, file with this Court a plan of compromise or arrangement (the "**Plan**").

**POSSESSION OF PROPERTY AND OPERATIONS**

4. The ~~Applicant~~ Applicants shall:
  - (a) remain in possession and control of ~~its~~ their current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the "**Property**");
  - (b) subject to further order of this Court, continue to carry on business in a manner consistent with the preservation of ~~its~~ their business (the "**Business**") and Property; and
  - (c) be authorized and empowered to continue to retain and employ the employees, consultants, agents, experts, accountants, counsel and such other persons (collectively "**Assistants**") currently retained or employed by ~~it~~ them, with liberty to retain such further Assistants as ~~it deems~~ they deem reasonably necessary or desirable in the ordinary course of business or for the carrying out of the terms of this Order; ~~and,~~
  - ~~(d) be entitled to continue to utilize the central cash management system currently in place as described in the Affidavit of [NAME] sworn [DATE] or replace it with another substantially similar central cash management system (the "**Cash Management**");~~

~~System") and that any present or future bank providing the Cash Management System shall not be under any obligation whatsoever to inquire into the propriety, validity or legality of any transfer, payment, collection or other action taken under the Cash Management System, or as to the use or application by the Applicant of funds transferred, paid, collected or otherwise dealt with in the Cash Management System, shall be entitled to provide the Cash Management System without any liability in respect thereof to any Person (as hereinafter defined) other than the Applicant, pursuant to the terms of the documentation applicable to the Cash Management System, and shall be, in its capacity as provider of the Cash Management System, an unaffected creditor under the Plan with regard to any claims or expenses it may suffer or incur in connection with the provision of the Cash Management System.] [See Explanatory Note]~~

5. To the extent permitted by law, the Applicant shall be entitled but not required to make the following advances or payments of the following expenses, incurred prior to or after this Order:
  - (a) all outstanding and future wages, salaries, employee and pension benefits, vacation pay and expenses payable on or after the date of this Order, in each case incurred in the ordinary course of business and consistent with existing compensation policies and arrangements; and
  - (b) the reasonable fees and disbursements of any Assistants retained or employed by the Applicant in respect of these proceedings, at their standard rates and charges, including for periods prior to the date of this Order.
  
6. Except as otherwise provided to the contrary herein, the Applicant Applicants shall be entitled but not required to pay all reasonable expenses incurred by the Applicant Applicants in carrying on the Business in the ordinary course after this Order, and in carrying out the provisions of this Order, which expenses shall include, without limitation:
  - (a) all expenses and capital expenditures reasonably necessary for the preservation of the Property or the Business including, without limitation, payments on account of insurance (including directors and officers insurance), maintenance and security services; and
  - (b) payment for goods or services actually supplied to the Applicant Applicants following the date of this Order.
  
7. The Applicant Applicants shall remit, in accordance with legal requirements, or pay:
  - (a) any statutory deemed trust amounts in favour of the Crown in Right of Canada or of any Province thereof or any other taxation authority that are required to be deducted from employees' wages, including, without limitation, amounts in respect of:
    - (i) employment insurance,
    - (ii) Canada Pension Plan,



(iii) Quebec Pension Plan, and

~~(iv)~~ (iv) — income taxes,

but only where such statutory deemed trust amounts arise after the date of this Order, or are not required to be remitted until after the date of this Order, unless otherwise ordered by the Court;

- (b) all goods and services or other applicable sales taxes (collectively, "Sales Taxes") required to be remitted by the Applicant ~~Applicants~~ in connection with the sale of goods and services by the Applicant ~~Applicants~~, but only where such Sales Taxes are accrued or collected after the date of this Order, or where such Sales Taxes were accrued or collected prior to the date of this Order but not required to be remitted until on or after the date of this Order; and
- (c) any amount payable to the Crown in Right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal realty, municipal business or other taxes, assessments or levies of any nature or kind which are entitled at law to be paid in priority to claims of secured creditors and that are attributable to or in respect of the carrying on of the Business by the Applicant ~~Applicants~~.

8. Until such time as a real property lease is disclaimed or resiliated in accordance with the CCAA, the Applicant may pay all amounts constituting rent or payable as rent under real property leases (including, for greater certainty, common area maintenance charges, utilities and realty taxes and any other amounts payable as rent to the landlord under the lease) based on the terms of existing lease arrangements or as otherwise may be negotiated by the Applicant ~~Applicants~~ from time to time for the period commencing from and including the date of this Order ("Rent"), but shall not pay any rent in arrears.

9. Except as specifically permitted in this Order, the Applicant ~~is~~ ~~Applicants are~~ hereby directed, until further order of this Court:

- (a) to make no payments of principal, interest thereon or otherwise on account of amounts owing by the Applicant ~~Applicants~~ to any of ~~its~~ ~~their~~ creditors as of the date of this Order;
- (b) to grant no security interests, trust, liens, charges or encumbrances upon or in respect of any of ~~its~~ ~~their~~ Property; and
- (c) not to grant credit or incur liabilities except in the ordinary course of the Business.

## RESTRUCTURING

10. The Applicant shall, subject to such requirements as are imposed by the CCAA ~~and such covenants as may be contained in the Definitive Documents (as hereinafter defined in paragraph [33]),~~ have the right to:

- (a) permanently or temporarily cease, downsize or shut down any portion of its business or operations and to dispose of redundant or non-material assets not exceeding ~~[\$]50,000~~ in any one transaction or ~~[\$]250,000~~ in the aggregate, provided that any sale that is either (i) in excess of the above thresholds, or (ii) in favour of a person related to the

~~Applicant~~Applicants (within the meaning of section 36(5) of the CCAA), shall require authorization by this Court in accordance with section 36 of the CCAA;

- (b) terminate the employment of such of its employees or temporarily lay off such of its employees as it deems appropriate on such terms as may be agreed upon between the ~~Applicant~~Applicants and such employee, or failing such agreement, to deal with the consequences thereof in the Plan;
- (c) disclaim or resiliate, in whole or in part, with the prior consent of the Monitor (as defined below) or further Order of the Court, their arrangements or agreements of any nature whatsoever with whomsoever, whether oral or written, as the ~~Applicant deems~~Applicants deem appropriate, in accordance with section 32 of the CCAA; and
- (d) pursue all avenues of refinancing of its Business or Property, in whole or part, subject to prior approval of this Court being obtained before any material refinancing,

all of the foregoing to permit the ~~Applicant~~Applicants to proceed with an orderly restructuring of the Business (the "Restructuring").

11. The ~~Applicant~~Applicants shall provide each of the relevant landlords with notice of the ~~Applicant's~~Applicants' intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal. If the landlord disputes the ~~Applicant's~~Applicants' entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the ~~Applicant~~Applicants, or by further order of this Court upon application by the ~~Applicant~~Applicants on at least two (2) days' notice to such landlord and any such secured creditors. If the ~~Applicant disclaims~~Applicants disclaim or resiliates the lease governing such leased premises in accordance with section 32 of the CCAA, it shall not be required to pay Rent under such lease pending resolution of any such dispute other than Rent payable for the notice period provided for in section 32(5) of the CCAA, and the disclaimer or resiliation of the lease shall be without prejudice to the ~~Applicant's~~Applicants' claim to the fixtures in dispute.

12. If a notice of disclaimer or resiliation is delivered pursuant to section 32 of the CCAA, then:

- (a) during the notice period prior to the effective time of the disclaimer or resiliation, the landlord may show the affected leased premises to prospective tenants during normal business hours, on giving the ~~Applicant~~Applicants and the Monitor 24 hours' prior written notice; and
- (b) at the effective time of the disclaimer or resiliation, the relevant landlord shall be entitled to take possession of any such leased premises without waiver of or prejudice to any claims or rights such landlord may have against the ~~Applicant~~Applicants in respect of such lease or leased premises and such landlord shall be entitled to notify the ~~Applicant~~Applicants of the basis on which it is taking possession and to gain possession of and re-lease such leased premises to any third party or parties on such terms as such landlord considers advisable, provided that nothing herein shall relieve such landlord of its obligation to mitigate any damages claimed in connection therewith.

**NO PROCEEDINGS AGAINST THE APPLICANT OR THE PROPERTY**

13. Until and including ~~[DATE — MAX. 30 DAYS]~~ May \_\_\_\_\_, 2019, or such later date as this Court may order (the "Stay Period"), no proceeding or enforcement process in any court (each, a "Proceeding") shall be commenced or continued against or in respect of the Applicant Applicants or the Monitor, or affecting the Business or the Property, except with leave of this Court, and any and all Proceedings currently under way against or in respect of the Applicant Applicants or affecting the Business or the Property are hereby stayed and suspended pending further order of this Court.

**NO EXERCISE OF RIGHTS OR REMEDIES**

14. During the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being "Persons" and each being a "Person"), whether judicial or extra-judicial, statutory or non-statutory against or in respect of the Applicant Applicants or the Monitor, or affecting the Business or the Property, are hereby stayed and suspended and shall not be commenced, proceeded with or continued except with leave of this Court, provided that nothing in this Order shall:

- (a) empower the Applicant Applicants to carry on any business that the Applicant ~~is~~ Applicants are not lawfully entitled to carry on;
- (b) affect such investigations, actions, suits or proceedings by a regulatory body as are permitted by section 11.1 of the CCAA;
- (c) prevent the filing of any registration to preserve or perfect a security interest;
- (d) prevent the registration of a claim for lien; or
- (e) exempt the Applicant Applicants from compliance with statutory or regulatory provisions relating to health, safety or the environment.

15. Nothing in this Order shall prevent any party from taking an action against the Applicant Applicants where such an action must be taken in order to comply with statutory time limitations in order to preserve their rights at law, provided that no further steps shall be taken by such party except in accordance with the other provisions of this Order, and notice in writing of such action be given to the Monitor at the first available opportunity.

**NO INTERFERENCE WITH RIGHTS**

16. During the Stay Period, no person shall accelerate, suspend, discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Applicant Applicants, except with the written consent of the Applicant Applicants and the Monitor, or leave of this Court.

**CONTINUATION OF SERVICES**

17. During the Stay Period, all persons having:

- (a) statutory or regulatory mandates for the supply of goods and/or services; or

- (b) oral or written agreements or arrangements with the ApplicantApplicants, including without limitation all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation, services, utility or other services to the Business or the ApplicantApplicants

are hereby restrained until further order of this Court from discontinuing, altering, interfering with, suspending or terminating the supply of such goods or services as may be required by the ApplicantApplicants or exercising any other remedy provided under such agreements or arrangements. The ApplicantApplicants shall be entitled to the continued use of its current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the usual prices or charges for all such goods or services received after the date of this Order are paid by the ApplicantApplicants in accordance with the payment practices of the ApplicantApplicants, or such other practices as may be agreed upon by the supplier or service provider and each of the ApplicantApplicants and the Monitor, or as may be ordered by this Court.

#### **NON-DEROGATION OF RIGHTS**

18. Nothing in this Order has the effect of prohibiting a person from requiring immediate payment for goods, services, use of leased or licensed property or other valuable consideration provided on or after the date of this Order, nor shall any person, other than the Interim Lender where applicable, be under any obligation on or after the date of this Order to advance or re-advance any monies or otherwise extend any credit to the ApplicantApplicants.

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

19. The Key Employee Retention Plan (the "KERP"), as described in the Berthelet Affidavit, is hereby approved and the Applicants are hereby authorized to make payments contemplated thereunder in accordance with the terms and conditions of the KERP. All capitalized terms used in this section and not otherwise defined herein shall have the meaning ascribed to them in the Berthelet Affidavit.
20. The Applicants are hereby authorized to provide the Segregated Funds to its legal counsel, Dentons Canada LLP, Dentons Canada LLP and the Monitor, as defined herein, are hereby authorized and directed to assist the Applicants in the administration of the KERP.
21. Key employees referred to in the KERP (the "Key Employees") shall be entitled to the benefit of and are hereby granted a charge on:
- (a) the Segregated Funds (for the retention portion of the KERP, which charge shall not exceed an aggregate amount of \$1,260,000); and
- (b) the net proceeds of any transaction (for the MSF Payment portion of the KERP);
- (the "KERP Charge") to secure the amounts payable to the Key Employees under the KERP. The KERP Charge shall have the priority set out in paragraphs 37 and 39 herein.

## PROCEEDINGS AGAINST DIRECTORS AND OFFICERS

22. ~~19.~~ During the Stay Period, and except as permitted by subsection 11.03(2) of the CCAA and paragraph ~~{15}~~ of this Order, no Proceeding may be commenced or continued against any of the former, current or future directors or officers of the ~~Applicant~~Applicants with respect to any claim against the directors or officers that arose before the date of this Order and that relates to any obligations of the ~~Applicant~~Applicants whereby the directors or officers are alleged under any law to be liable in their capacity as directors or officers for the payment or performance of such obligations, until a compromise or arrangement in respect of the Applicant, if one is filed, is sanctioned by this Court or is refused by the creditors of the ~~Applicant~~Applicants or this Court.

## DIRECTORS' AND OFFICERS' INDEMNIFICATION AND CHARGE

23. ~~20.~~ The ~~Applicant~~Applicants shall indemnify its directors and officers against obligations and liabilities that they may incur as directors and or officers of the Applicants after the commencement of the within proceedings except to the extent that, with respect to any officer or director, the obligation was incurred as a result of the director's or officer's gross negligence or wilful misconduct.

24. ~~21.~~ The directors and officers of the ~~Applicant~~Applicants shall be entitled to the benefit of and are hereby granted a charge (the "**Directors' Charge**") on the Property, which charge shall not exceed an aggregate amount of ~~{ $\$$ 1,300,000}~~, as security for the indemnity provided in paragraph ~~{20}~~, 23 of this Order. The Directors' Charge shall have the priority set out in paragraphs ~~{37}~~ and ~~{39}~~ herein.

25. ~~22.~~ Notwithstanding any language in any applicable insurance policy to the contrary:

- (a) no insurer shall be entitled to be subrogated to or claim the benefit of the Directors' Charge; and
- (b) the ~~Applicant's~~Applicants' directors and officers shall only be entitled to the benefit of the Directors' Charge to the extent that they do not have coverage under any directors' and officers' insurance policy, or to the extent that such coverage is insufficient to pay amounts indemnified in accordance with paragraph ~~{20}~~23 of this Order.

## APPOINTMENT OF MONITOR

26. ~~23.~~ ~~[MONITOR'S NAME]~~KPMG Inc. is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the Property, Business, and financial affairs and the ~~Applicant~~Applicants with the powers and obligations set out in the CCAA or set forth herein and that the ~~Applicant~~Applicants and its shareholders, officers, directors, and Assistants shall advise the Monitor of all material steps taken by the ~~Applicant~~Applicants pursuant to this Order, and shall co-operate fully with the Monitor in the exercise of its powers and discharge of its obligations and provide the Monitor with the assistance that is necessary to enable the Monitor to adequately carry out the Monitor's functions.

27. ~~24.~~ The Monitor, in addition to its prescribed rights and obligations under the CCAA, is hereby directed and empowered to:

- (a) monitor the ~~Applicant's~~Applicants' receipts and disbursements, Business and dealings with the Property;
- (b) report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business, and such other matters as may be relevant to the proceedings herein and immediately report to the Court if in the opinion of the Monitor there is a material adverse change in the financial circumstances of the Applicant;~~(c) — assist the Applicant, to the extent required by the Applicant, in its dissemination to the Interim Lender and its counsel on a [TIME INTERVAL] basis of financial and other information as agreed to between the Applicant and the Interim Lender which may be used in these proceedings, including reporting on a basis as reasonably required by the Interim Lender~~Applicants;
- ~~(c)~~ (d) advise the ApplicantApplicants in its ~~preparation of the Applicant's cash flow statements and reporting required by the Interim Lender, which information shall be reviewed with the Monitor and delivered to the Interim Lender and its counsel on a periodic basis, but not less than [TIME INTERVAL], or as otherwise agreed to by the Interim Lender~~their preparation of the Applicants' cash flow statement(s);
- ~~(d)~~ (e) advise the ApplicantApplicants in its~~their~~ development of the Plan and any amendments to the Plan;
- ~~(e)~~ advise the Applicants with respect to any sales and investment solicitation process it undertakes;
- (f) assist the Applicant~~Applicants~~, to the extent required by the Applicant~~Applicants~~, with the holding and administering of creditors' or shareholders' meetings for voting on the Plan;
- (g) have full and complete access to the Property, including the premises, books, records, data, including data in electronic form and other financial documents of the Applicant~~Applicants~~ to the extent that is necessary to adequately assess the Property, Business, and financial affairs of the Applicant~~Applicants~~ or to perform its duties arising under this Order;
- (h) be at liberty to engage independent legal counsel or such other persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order;
- (i) hold funds in trust or in escrow, to the extent required, to facilitate settlements between the Applicants and any other Person;
- ~~(j)~~ report to and communicate with GMT Capital with respect to all aspects of the Applicants' activities, the Property, the Business and the restructuring; and
- ~~(k)~~ (j)-perform such other duties as are required by this Order or by this Court from time to time.

~~28.~~ 25.—The Monitor shall not take possession of the Property and shall take no part whatsoever in the management or supervision of the management of the Business and shall not, by fulfilling its obligations hereunder, or by inadvertence in relation to the due exercise of powers or performance

of duties under this Order, be deemed to have taken or maintain possession or control of the Business or Property, or any part thereof. Nothing in this Order shall require the Monitor to occupy or to take control, care, charge, possession or management of any of the Property that might be environmentally contaminated, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal or waste or other contamination, provided however that this Order does not exempt the Monitor from any duty to report or make disclosure imposed by applicable environmental legislation or regulation. The Monitor shall not, as a result of this Order or anything done in pursuance of the Monitor's duties and powers under this Order be deemed to be in possession of any of the Property within the meaning of any federal or provincial environmental legislation.

29. ~~26.~~ The Monitor shall provide any creditor of the ~~Applicant and the Interim Lender~~ Applicants with information provided by the ~~Applicant~~ Applicants in response to reasonable requests for information made in writing by such creditor addressed to the Monitor. The Monitor shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Monitor has been advised by the ~~Applicant~~ Applicants is confidential, the Monitor shall not provide such information to creditors unless otherwise directed by this Court or on such terms as the Monitor and the ~~Applicant~~ Applicants may agree.
30. ~~27.~~ In addition to the rights and protections afforded the Monitor under the CCAA or as an Officer of this Court, the Monitor shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded the Monitor by the CCAA or any applicable legislation.
31. ~~28.~~ The Monitor, counsel to the Monitor, and counsel to the ~~Applicant~~ Applicants shall be paid their reasonable fees and disbursements (including any pre-filing fees and disbursements related to these CCAA proceedings), in each case at their standard rates and charges, by the ~~Applicant~~ Applicants as part of the costs of these proceedings. The ~~Applicant is~~ Applicants are hereby authorized and directed to pay the accounts of the Monitor, counsel for the Monitor and counsel for the ~~Applicant~~ Applicants on a ~~[TIME INTERVAL]~~ monthly basis and, in addition, the ~~Applicant is~~ Applicants are hereby authorized to pay to the Monitor, counsel to the Monitor, and counsel to the ~~Applicant~~ Applicants, retainers ~~in the respective amount[s] of \$●,~~ to be held by them as security for payment of their respective fees and disbursements outstanding from time to time.
32. ~~29.~~ The Monitor and its legal counsel shall pass their accounts from time to time.
33. ~~30.~~ The Monitor, counsel to the Monitor, if any, and the ~~Applicant's~~ Applicants' counsel, as security for the professional fees and disbursements incurred both before and after the granting of this Order, shall be entitled to the benefits of and are hereby granted a charge (the "**Administration Charge**") on the Property, which charge shall not exceed an aggregate amount of ~~[\$],~~ \$2,000,000, as security for their professional fees and disbursements incurred at the normal rates and charges of the Monitor and such counsel, both before and after the making of this Order in respect of these proceedings. The Administration Charge shall have the priority set out in paragraphs ~~[37]~~ and ~~[39]~~ hereof.

## INTERIM FINANCING

- ~~34. The Applicant is hereby authorized and empowered to obtain and borrow under a credit facility from [INTERIM LENDER'S NAME] (the "Interim Lender") Applicants are hereby granted leave to apply for interim financing ("Interim Financing") in order to finance the Applicant's Applicants' ongoing working capital requirements and other general corporate purposes and capital expenditures, provided that borrowings under such credit facility shall not exceed [\$] unless permitted by further order of this Court.~~
- ~~32. Such credit facility shall be on the terms and subject to the conditions set forth in the commitment letter between the Applicant and the Interim Lender dated as of [DATE] (the "Commitment Letter"), filed.~~
- ~~33. The Applicant is hereby authorized and empowered to execute and deliver such credit agreements, mortgages, charges, hypothecs, and security documents, guarantees and other definitive documents (collectively, the "Definitive Documents"), as are contemplated by the Commitment Letter or as may be reasonably required by the Interim Lender pursuant to the terms thereof, and the Applicant is hereby authorized and directed to pay and perform all of its indebtedness, interest, fees, liabilities, and obligations to the Interim Lender under and pursuant to the Commitment Letter and the Definitive Documents as and when the same become due and are to be performed, notwithstanding any other provision of this Order.~~
- ~~35. 34. The Interim Lender shall be entitled to An interim lender (the "Interim Lender") may seek the benefits of and is hereby granted a charge (the "Interim Lender's Charge") on the Property to secure all obligations under the Definitive Documents incurred on or after the date of this Order which charge shall not exceed the aggregate amount advanced on or after the date of this Order under the Definitive Documents. The Interim Lender's Charge shall not secure any obligation existing before this the date this Order is made. [see Explanatory Notes] Interim Financing.~~
- ~~36. The Interim Lender's Charge shall have the priority set out in paragraphs [37] and [39] hereof.~~
- ~~35. Notwithstanding any other provision of this Order:~~
- ~~(a) the Interim Lender may take such steps from time to time as it may deem necessary or appropriate to file, register, record or perfect the Interim Lender's Charge or any of the Definitive Documents;~~
  - ~~(b) upon the occurrence of an event of default under the Definitive Documents or the Interim Lender's Charge, the Interim Lender, upon [●] days notice to the Applicant and the Monitor, may exercise any and all of its rights and remedies against the Applicant or the Property under or pursuant to the Commitment Letter, Definitive Documents, and the Interim Lender's Charge, including without limitation, to cease making advances to the Applicant and set off and/or consolidate any amounts owing by the Interim Lender to the~~



~~Applicant against the obligations of the Applicant to the Interim Lender under the Commitment Letter, the Definitive Documents or the Interim Lender's Charge, to make demand, accelerate payment, and give other notices, or to apply to this Court for the appointment of a receiver, receiver and manager or interim receiver, or for a bankruptcy order against the Applicant and for the appointment of a trustee in bankruptcy of the Applicant; and~~

~~(c) the foregoing rights and remedies of the Interim Lender shall be enforceable against any trustee in bankruptcy, interim receiver, receiver or receiver and manager of the Applicant or the Property.~~

~~36. The Interim Lender shall be treated as unaffected in any plan of arrangement or compromise filed by the Applicant under the CCAA, or any proposal filed by the Applicant under the *Bankruptcy and Insolvency Act* of Canada (the "BIA"), with respect to any advances made under the Definitive Documents.~~

#### VALIDITY AND PRIORITY OF CHARGES

37. The priorities of the Directors' Charge, the Administration Charge ~~and the~~ Interim Lender's ~~Charge, and the~~ KERP Charge, as among them, shall be as follows:

First – KERP Charge (as limited in paragraph 21 hereof);

Second – Administration Charge (to the maximum amount of ~~[\$]2,000,000);~~

~~Second – Interim Lender's Charge; and~~

Third – Directors' Charge (to the maximum amount of ~~[\$]250,000); and~~

Fourth – Interim Lender's Charge, if any.

38. The filing, registration or perfection of the Administration Charge, Directors' Charge, the ~~Administration~~ KERP Charge or the ~~and~~ Interim Lender's Charge (collectively, the "Charges") shall not be required, and the Charges shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Charges coming into existence, notwithstanding any such failure to file, register, record or perfect.

39. Each of the ~~Directors' Charge, the Administration Charge, Directors' Charge, KERP Charge, and the Interim Lender's Charge~~ (all as constituted and defined herein) shall constitute a charge on the Property (and, in the case of the KERP Charge, only in respect of the Segregated Funds and the net proceeds of any transaction for the MSF Payment) and subject always to section 34(11) of the CCAA such Charges shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, and claims of secured creditors, statutory or otherwise (collectively, "Encumbrances") in favour of any Person. ~~[See Explanatory Notes.]~~

40. Except as otherwise expressly provided for herein, or as may be approved by this Court, the ~~Applicant~~Applicants shall not grant any Encumbrances over any Property that rank in priority to, or *pari passu* with, any of the ~~Directors' Charge, the Administration Charge or the Directors' Charge, KERP Charge and~~ Interim Lender's Charge, unless the ~~Applicant~~Applicants also ~~obtains~~obtain the prior written consent of the Monitor, the Interim Lender, and the beneficiaries of the Directors' Charge and the Administration Charge, or further order of this Court.
41. The Directors' Charge, the Administration Charge, ~~[the Commitment Letter, the Definitive Documents,]~~KERP Charge, and the Interim Lender's Charge shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the Charges (collectively, the "Chargees") and/or the Interim Lender thereunder shall not otherwise be limited or impaired in any way by:
- (a) the pendency of these proceedings and the declarations of insolvency made in this Order;
  - (b) any application(s) for bankruptcy order(s) issued pursuant to BIA, or any bankruptcy order made pursuant to such applications;
  - (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA;
  - (d) the provisions of any federal or provincial statutes; or
  - (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an "Agreement") that binds the ~~Applicant~~Applicants, and notwithstanding any provision to the contrary in any Agreement:
    - (i) neither the creation of the Charges nor the execution, delivery, perfection, registration or performance of any documents in respect thereof, ~~[including the Commitment Letter or the Definitive Documents,]~~ shall create or be deemed to constitute a new breach by the ~~Applicant~~Applicants of any Agreement to which it is a party;
    - (ii) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the creation of the Charges, ~~[the Applicant entering into the Commitment Letter,] or the execution, delivery or performance of the Definitive Documents;~~ and
    - (iii) the payments made by the ~~Applicant~~Applicants pursuant to this Order, ~~[including the Commitment Letter or the Definitive Documents,]~~ and the granting of the Charges, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct or other challengeable or voidable transactions under any applicable law.

**GMT CAPITAL UNAFFECTED**

42. Subject only to the KERP Charge, the Administration Charge, and the Directors' Charge, as described herein, notwithstanding anything else in this Order, GMT Capital (as defined in the

Affidavit of Remi Anthony Berthelet filed in support of this Order) shall be unaffected by this Order or these proceedings, and the relationship between the Applicants and the rights of GMT Capital shall continue as if this Order had not been granted. For certainty, unless waived in writing, the Applicants shall remain current on interest owing to GMT Capital.

43. GMT Capital and its agents may communicate with regulatory bodies in connection with the Applicants, the Property and the Business.

#### ALLOCATION

44. 42.-Any interested Person may apply to this Court on notice to any other party likely to be affected for an order to allocate the Administration ChargeCharger, the Directors' Charge and the Interim Lender's Charge, and the Directors' Charge amongst the various assets comprising the Property.

#### SERVICE AND NOTICE

45. 43.-The Monitor shall (ia) without delay, publish in [~~newspapers specified by the Court~~]the Calgary Herald and the National Post a notice containing the information prescribed under the CCAA; (ib) within five (5) days after the date of this Order (Aj) make this Order publicly available in the manner prescribed under the CCAA, (Bij) send, in the prescribed manner, a notice to every known creditor who has a claim against the ApplicantApplicants of more than \$1,000; and (Cjii) prepare a list showing the names and addresses of those creditors and the estimated amounts of those claims, and make it publicly available in the prescribed manner, all in accordance with section 23(1)(a) of the CCAA and the regulations made thereunder.

46. 44.-The E-Service Guide of the Commercial List (the "Guide") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Guide (which can be found on the Commercial List website at: [●]) shall be valid and effective service. Subject to Rules 11.25 and 11.26 this Order shall constitute an order for substituted service pursuant to Rule 11.28 of the Rules of Court. Subject to paragraph 13 of the Guide, service of documents in accordance with the Guide will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Guide with the following URL "[●]". Applicants and the Monitor shall be at liberty to serve this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by ordinary mail, courier, personal delivery, facsimile transmission or e-mail to the Applicants' creditors or other interested Persons at their respective addresses as last shown on the records of the Applicants and that any such service or notice by courier, personal delivery, facsimile transmission or e-mail shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing. The Monitor shall establish and maintain a website in respect of these proceedings at <http://home.kpmg/ca/strategic> and shall post there as soon as practicable:

- (a) all materials prescribed by statute or regulation to be made publically available; and
- (b) all applications, reports, affidavits, orders or other materials filed in these proceedings by or on behalf of the Monitor, or served upon it, except such materials as are confidential and the subject of a sealing order or pending application for a sealing order.

**GENERAL**

47. ~~45.~~ The Applicant Applicants or the Monitor may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.
48. ~~46.~~ Notwithstanding Rule 6.11 of the Alberta Rules of Court, unless otherwise ordered by this Court, the Monitor will report to the Court from time to time, which reporting is not required to be in affidavit form and shall be considered by this Court as evidence. The Monitor's reports shall be filed by the Court Clerk notwithstanding that they do not include an original signature.
49. ~~47.~~ Nothing in this Order shall prevent the Monitor from acting as an interim receiver, a receiver, a receiver and manager or a trustee in bankruptcy of the Applicant Applicants, the Business or the Property.
50. ~~48.~~ This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in any foreign jurisdiction, to give effect to this Order and to assist the Applicant, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Applicant Applicants and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicant Applicants and the Monitor and their respective agents in carrying out the terms of this Order.
51. ~~49.~~ Each of the Applicant Applicants and the Monitor be at liberty and ~~is~~ are hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order and that the Monitor is authorized and empowered to act as a representative in respect of the within proceeding for the purpose of having these proceedings recognized in a jurisdiction outside Canada.
52. ~~50.~~ Any interested party (including the Applicant Applicants and the Monitor) may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order.
53. ~~51.~~ This Order and all of its provisions are effective as of 12:01 a.m. Mountain Standard Time on the date of this Order.

Justice of the Court of Queen's Bench of Alberta

Justice of the Court of Queen's Bench of Alberta



Document comparison by Workshare 9.5 on April 9, 2019 10:51:34 AM

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Total changes	441

# **SCHEDULE "C"**

# DRAFT

COURT FILE NUMBER

1901-

COURT

COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE

CALGARY

IN THE MATTER OF THE COMPANIES' CREDITORS  
ARRANGEMENT ACT, R.S.C. 1985, c. C-36, as amended

IN THE MATTER OF THE BUSINESS CORPORATIONS  
ACT, R.S.A. 2000, c. B-9, as amended

AND IN THE MATTER OF THE PLAN OF COMPROMISE  
OR ARRANGEMENT OF STRATEGIC OIL & GAS LTD.  
and STRATEGIC TRANSMISSION LTD.

APPLICANTS

STRATEGIC OIL & GAS LTD. and STRATEGIC  
TRANSMISSION LTD.

DOCUMENT

**ORDER SEALING CONFIDENTIAL EXHIBIT**

ADDRESS FOR SERVICE AND  
CONTACT INFORMATION OF PARTY  
FILING THIS DOCUMENT

Dentons Canada LLP  
Bankers Court  
15th Floor, 850 - 2nd Street S.W.  
Calgary, Alberta T2P 0R8

Attention: David W. Mann and Afshan Naveed  
Ph. (403) 268-7097 / 403-268-7015 Fx. (403) 268-3100  
File No.: 575553-3

DATE ON WHICH ORDER WAS  
PRONOUNCED:

April \_\_, 2019

LOCATION WHERE ORDER WAS  
PRONOUNCED:

Calgary, Alberta

NAME OF JUDGE WHO MADE THIS ORDER: The Honourable \_\_\_\_\_ Justice \_\_\_\_\_

**UPON** the application of **Strategic Oil & Gas Ltd.** and **Strategic Transmission Ltd.** (collectively the "**Applicants**"); **AND UPON** having read the Originating Application, the Affidavit of Remi Anthony (Tony) Berthelet, sworn April 9, 2019 (the "**Berthelet Affidavit**") including Confidential Exhibit "1" thereto; filed except to the Confidential Exhibit "1"; **AND UPON**; reading the Affidavit of Service of \_\_\_\_\_,



filed (the "Service Affidavit"); **AND UPON** hearing counsel for the Applicants, counsel for GMT Capital (as defined in the Berthelet Affidavit), and counsel for other interested parties present;

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

1. The manner of service of the within application and the materials in support thereof is hereby deemed good and sufficient, the time for notice is hereby abridged to the time provided, and no other person is required to have been served with notice of this application.
2. Division 4 of Part 6 of the *Alberta Rules of Court* does not apply to this application.
3. Confidential Exhibit "1" to the Affidavit of Remi Anthony (Tony) Berthelet, sworn April 9, 2019 shall be sealed on the Court file, kept confidential and not form part of the public record, notwithstanding Division 4 of Part 6 of the *Alberta Rules of Court*, until the conclusion of these proceedings pursuant to the *Companies' Creditors Arrangement Act*, RSC 1985, c C-36, as amended.
4. The Clerk of the Court shall file the Confidential Exhibit in a sealed envelope attached to a notice that sets out the style of cause of these proceedings and states that:

THIS ENVELOPE CONTAINS CONFIDENTIAL MATERIALS FILED IN COURT FILE NO. \_\_\_\_\_. THE CONFIDENTIAL MATERIALS ARE SEALED PURSUANT TO THE SEALING ORDER GRANTED BY THE HONOURABLE \_\_\_\_ JUSTICE \_\_\_\_\_ ON APRIL \_\_, 2019, AND ARE NOT TO BE PLACED ON THE PUBLIC RECORD OR MADE PUBLICALLY ACCESSIBLE, UNTIL THE CONCLUSION OF THESE PROCEEDINGS PURSUANT TO THE COMPANIES CREDITORS ARRANGEMENT ACT, RSC 1985, C- C36, AS AMENDED.

5. Leave is hereby granted to any person or party affected by this Order to apply to this Honourable Court for a further order modifying or varying the terms of paragraphs 3 or 4 of this Order, with such application to be brought on no less than seven (7) days' notice to the Applicants, the Monitor, and any other affected party pursuant to the *Alberta Rules of Court*.
6. The Applicants shall serve, by courier, facsimile transmission, e-mail transmission, or ordinary mail, a copy of this Order on all parties present at this application and on all parties who received notice of this application or who are presently on the service list established in these proceedings, and service on any or all other parties is hereby dispensed with. Service affected as aforesaid shall be good and sufficient service.

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Justice of the Court of Queen's Bench of Alberta