

COURT FILE NUMBER 2101-00814
COURT COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY
IN THE MATTER OF THE COMPANIES'
CREDITORS ARRANGEMENT ACT, RSC 1985, c C-
36, AS AMENDED

IN THE MATTER OF CALGARY OIL & GAS
SYNDICATE GROUP LTD., CALGARY OIL AND
GAS INTERCONTINENTAL GROUP LTD. (IN ITS
OWN CAPACITY AND IN ITS CAPACITY AS
GENERAL PARTNER OF T5 SC OIL AND GAS
LIMITED PARTNERSHIP), CALGARY OIL AND
SYNDICATE PARTNERS LTD. and PETROWORLD
ENERGY LTD.

PARTY FILING THIS DOCUMENT WESTBRICK ENERGY LTD.

DOCUMENT SUPPLEMENTAL AFFIDAVIT

PARTY FILING THIS DOCUMENT WESTBRICK ENERGY LTD.

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT
Torys LLP
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File No. 37464-2002

**SUPPLEMENTAL AFFIDAVIT OF
MANINDER (MOE) MANGAT**
Sworn on April 12, 2021

I, Maninder (Moe) Mangat, of Calgary, Alberta, SWEAR AND SAY THAT:

1. I am the Chief Operating Officer of Westbrick Energy Ltd. (the “**Westbrick**”), and, as such, I have personal knowledge of the matters and facts hereinafter sworn to, except where stated to be based on information and belief, and where so stated, I verily believe the same to be true.
2. I previously swore an Affidavit in these proceedings on April 8, 2021 (the “**First Mangat Affidavit**”) in support of Westbrick’s Application, filed April 8, 2021 (“**Westbrick’s Application**”), for, *inter alia*, the convening, holding, and conduct of a creditors’ meeting vote to vote on the Plan.
3. Unless otherwise defined herein, all capitalized meanings have the terms ascribed thereto in the First Mangat Affidavit.
4. I swear this Supplemental Affidavit (the “**Supplemental Affidavit**”) in support of Westbrick’s Application, noted above, and an additional Supplemental Application filed on April 12, 2021, for certain additional relief pursuant to the CCAA, including, *inter alia*, a restricted court access order sealing the Confidential Exhibits (as defined below) attached to this Supplemental Affidavit.

Developments since the filing of the First Mangat Affidavit

5. On Friday, April 9, 2021, at 2:00 pm, Mr. Martin was questioned by Westbrick’s legal counsel, Kyle Kashuba, and I was subsequently questioned by the Companies’ legal counsel, Matti Lemmens (together, the “**Questionings**”), pursuant to which I provided a number of undertakings (some of which were under advisement). Mr. Martin had one undertaking to provide correspondence pursuant to which he requested a non-disclosure agreement (“**NDA**”) from Westbrick related to Westbrick’s interest in the assets (the “**Assets**”) that are the subject matter of the Westbrick Purchase Agreement.
6. At 7:03 pm, shortly after the completion of the Questionings, I contacted Mr. Martin to engage the Companies in discussions with Westbrick regarding Westbrick’s binding Offer that was previously circulated to the Companies on April 8, 2021 (the “**Westbrick’s Binding Offer**” or the “**Offer**”), as, in my view, Westbrick was neglected by the Companies, as will be set forth

herein and pursuant to submissions made by Westbrick's legal counsel. I advised Mr. Martin that we "have the full team ready to go on this transaction and can have the entire due diligence process completed before the court date." I also informed Mr. Martin that we are able to advance the deposit as soon as we receive the executed copy of Westbrick's Binding Offer. I further proposed that a call be arranged for a live discussion in the event that that was more helpful.

7. Mr. Martin responded by stating that they "[w]ill prepare the DD materials ...[Westbrick]... require[s] and look forward to a fulsome discussion regarding ...[Westbrick's]... offer. However we await the responses to the undertakings, which will provide information about Westbrick's financial wherewithal. Once Matti has reviewed and can advise, hope to formally engage earliest possible, first thing Monday." As set forth below and in my view, no further efforts or engagement have been undertaken on behalf of the Companies.
8. We immediately began gathering the requested responses and documentation to attend to my undertakings (which were undertaken a couple of hours prior to Mr. Martin's request for same – specifically during the Questionings that occurred in the afternoon) and on April 10, 2021 at 5:46 pm, I provided a due diligence request list (the "**Due Diligence Request List**") to Mr. Martin. Once I had gathered a complete set of responses to my undertakings, our legal counsel provided the subject informal responses and the relevant documentation to attend to my undertakings on April 11, 2021 to the Companies' legal counsel. While formal transcripts had not been released with confirmation of the undertakings, out of good faith, Westbrick's legal counsel provided its informal responses, with the following note to Ms. Lemmens:

"We believe these were all of the undertakings that Mr. Mangat was to provide; however, as we do not have the questioning transcript outlining the undertakings, if there is anything that may have been missed, please let us know. We will be responding to all undertakings by way of a formal letter enclosing the attachments, which will be provided to the Court as well. In the meantime, we wanted to provide the responses that we are in the process of obtaining the requested information on."
9. Attached hereto as **Exhibit "A"** is a true copy of the email Westbrick's counsel sent to the Companies' counsel attaching the responses and documentation forming a part of my responses to the undertakings. After I received my official transcripts on April 11, 2021 at 4:46 pm, and reviewed the undertakings noted therein, Westbrick's legal counsel prepared official



responses to same and addressed any undertakings that were not addressed in the April 11, 2021 email correspondence and filed a document titled "Responses to Undertakings of Maninder (Moe) Mangat" with the Court and circulated a copy of same to the Companies' and the Monitor's respective counsel on April 12, 2021. Westbrick's legal counsel also submitted the transcripts from the Questioning (for both Mr. Martin and me) at 10:11 am on April 12, 2021.

10. A request for a copy of an agreement between Westbrick and the Sunchild First Nation was made, and I undertook to provide same under advisement. While Westbrick has attached same hereto as **Confidential Exhibit "1"** for the Court's consideration, given that the agreement forms a critical component of Westbrick's Binding Offer, disclosure of same could adversely affect any negotiations between Westbrick and the Companies, and any subsequent restructuring efforts that may be undertaken by the Companies, and may result in prejudice against the stakeholders' ability to recover value therefrom and therefore, Westbrick is requesting that the subject Confidential Exhibit "1" be sealed. Westbrick has also provided a copy of the Confidential Exhibit "1" to the Monitor and requested that the Monitor ensure that it remains confidential and not be disclosed to any other party, including the Companies.
11. Westbrick's legal counsel also sent an email to the Monitor, the Monitor's legal counsel and to the Companies' legal counsel on April 11, 2021, advising / noting, as applicable, *inter alia*:
 - a. that Westbrick contacted the Companies on April 10, 2021 with a due diligence request list and has also provided responses/documentation in connection with Mr. Mangat's undertakings;
 - b. upon receipt of the due diligence materials requested, and a review of same, Westbrick will consider updating its Offer (if appropriate) – if they do choose to enhance their offer, this should, based on the information in Westbrick's possession, result in increased recoveries to the unsecured creditors;
 - c. Westbrick will be providing Torys LLP a deposit on Monday (April 12, 2021) morning (which has been provided); and
 - d. Westbrick will be providing Torys LLP an executed signature page to the Purchase Agreement shortly.

12. On April 11, 2021, Westbrick's legal counsel was provided a copy of Mr. Martin's undertaking response. Attached hereto as **Exhibit "B"** is a true copy of the email the Companies' counsel sent to Westbrick's counsel attaching the response and email forming a part of Mr. Martin's response. Unfortunately, the email that Mr. Martin provided in his undertaking response, does not satisfy his undertaking; rather it is an email that I sent to Mr. Martin on November 13, 2020, wherein I stated that "I will get the team pulling our NDA together for your perusal." For certainty, the subject NDA did not relate to the Assets noted in the First Mangat Affidavit or for the assets which are subject to Westbrick's Purchase Agreement. Rather, my response to the NDA was in regards to a completely separate negotiation with Mr. Martin. Specifically, the November 13, 2020 email correspondence relates to a transaction involving another asset/project. Attached hereto as **Confidential Exhibit "2"** is email correspondence between myself and Mr. Martin, wherein we refer to these other assets/project, as such, it is clear that the reference to the NDA in my November 13, 2020 was in regards to another asset/project and not the Assets that are the subject matter of Westbrick's Application or Purchase Agreement. As such, I verily believe that Mr. Martin has failed to provide documentation evidencing his request for Westbrick to execute an NDA – this is one of the many reasons why Westbrick, in its capacity as a creditor of the Companies, feels that a fair process has not been undertaken by the Companies and Westbrick was not fairly engaged notwithstanding that it expressed a serious interest in the Companies assets on numerous occasions and the fact that it has a successful track record of closing deals of this magnitude. Westbrick's counsel also sent an email to the Companies legal counsel to advise of the foregoing shortly after receiving Mr. Martin's response.
13. Westbrick ensured that the Monitor was apprised of certain of the developments over the weekend, including advising the Monitor that Westbrick had provided the Due Diligence Request List to the Companies. Westbrick's counsel also circulated a letter to the Monitor which outlined a number of concerns that Westbrick had with the court materials that had been filed by the Companies and/or comments noted in the Monitor's Third Report dated April 8, 2021 (which were references to the Companies' position and not specifically the Monitor's position), to ensure that the Monitor understood Westbrick's experience, perspective and concerns, not only as potential purchaser of the assets of the Companies, but

also as a creditor of the Companies. Attached hereto as **Exhibit "C"** is a true copy of the letter Westbrick's legal counsel sent to the Monitor.

14. I also contacted the creditors who had previously confirmed their support for the Westbrick Transaction and informed them that while they may already be aware that T5 has ceased moving ahead with the Third Party LOI (as I assumed that such creditors would have been served with the Companies materials) and have instead brought forward a revised transaction to recapitalize the business. I noted that similar to before, the Companies are making an application to the Court to have this new LOI sealed and as a result of same, that we have limited details regarding the proposed transaction and how it may impact the recovery for unsecured creditors. I noted Westbrick's understanding that there are certain risks associated with this revised LOI, namely the strong opposition from the Sunchild First Nation, and assured these parties that Westbrick is still committed to the transaction and that Westbrick has followed up on its initial offer and has provided a binding offer to the Companies.
15. Westbrick provided a deposit to Torys, together with its execution page for the Purchase Agreement on April 12, 2021.
16. Notably, Westbrick:
 - (a) is ready, willing and able to close sooner than May 31, 2021 and can close within two business days of obtaining the last of such approvals and consent and subject to satisfactory completion of due diligence;
 - (b) had been unable to confirm with certainty a number of items that may help improve its bids, and has used public data to present the Westbrick Binding Offer (due to the Companies refusal to attend to Westbrick's diligence requests) that Mr. Martin confirmed during his questioning could yield a better outcome in comparison to the Third Party LOI that the Companies were previously considering;
 - (c) advised the Monitor that the funds for the Purchase Price Funds will be obtained from its reserves-based loan and such funds remain available and the Westbrick Transaction is not subject to financing; and
 - (d) Westbrick's Binding Offer is capable of being signed and accepted and has the necessary support from one of the most critical stakeholders, Sunchild First Nation

and from various unsecured creditors, details of which are set forth in First Mangat Affidavit.

17. At 7:31 pm on April 11, 2021, Mr. Martin responded to my further request for the information and documentation to attend to the Due Diligence Request List I circulated, and stated, *inter alia*, “these latest due diligence requests of Westbrick are somewhat more expansive than we were led to believe, some of which are already addressed by COGL’s Court filings, and will otherwise require significant time to respond to” and did not provide any further responses or documentation to attend to the Due Diligence Request List (notwithstanding that I followed up with a follow up email reducing our Due Diligence Request List to two items).
18. Notwithstanding that responses to Westbrick’s due diligence requests were not received, given Westbrick is a serious purchaser and capable of fulfilling its obligations under the Purchase Agreement, Westbrick has revised its Offer, and will be providing same to the Monitor and the Companies for consideration. Unfortunately, had Westbrick received the responses and documentation that are the subject matter of the Due Diligence Request List and had the Companies considered Westbrick’s interest in the Assets and engaged same in a fair and reasonable manner, Westbrick certainly would have provided an offer for the purchase of the Assets well in advance of this Hearing. Attached hereto as **Confidential Exhibit “3”** is a true copy of the revised Westbrick Binding Offer.

Companies Failure to Genuinely Engage Interested Parties

19. I verily believe, particularly given Mr. Martin’s comments that were included in his previously filed and sworn Affidavits (dated February 5, 2021 and February 22, 2021) – wherein it was clearly expressed that the Companies do not support a sales process – and due to the lack of engagement Westbrick has experienced with same – that the Companies may have been considering avoiding a fair sales process to allow them to consider an offer that was beneficial to certain stakeholders (as opposed to an offer that may maximize the benefit for a larger group of stakeholders).
20. As a creditor of the Companies and as a result of its experience trying to engage the Companies to consider its offer, Westbrick does have concerns regarding the conduct of the Companies

during the CCAA Proceeding. This is because, notwithstanding Westbrick's unambiguous expression of interest in the Assets, numerous requests for discussions and information, long track record of completing transactions of this magnitude, and, in my view and experience, unreasonable rejection/reasons to provide information, or even request that a NDA be executed (notwithstanding Mr. Martin's statement that an NDA was requested pursuant to email correspondence, which he was requested to provide pursuant to the undertaking he gave on April 9, 2021 during his Questioning by Mr. Kashuba and which undertaking continues to remain outstanding), has Westbrick questioning the intentions of the Companies. For example, Westbrick must query whether the Companies did genuinely solicit an interest in the assets of or restructuring of the Companies for the benefit of all stakeholders (including those that are the most vulnerable, namely the unsecured creditors) or was their intention simply to consider offers that were beneficial for certain stakeholders (such as the officers or directors of the Companies) with minimal interest in ensuring that the most vulnerable stakeholders, the unsecured creditors, received maximum recoveries.

21. This is particularly concerning given that Mr. Martin gave numerous reasons for not conducting a sales process in his Affidavits dated February 5, 2021 and February 22, 2021 and outlined the extensive efforts the Companies have taken for the restructuring. In the Second Supplemental Affidavit of Mr. Martin, dated March 3, 2021, he stated, at paragraph 8, that "[t]hroughout the CCAA process, the Companies and Limited Partnership have been exploring any and all potential restructuring options in order to find the best method to address all stakeholder's interests and maximize value. The Companies and Limited Partnership are continuing to seek the best transaction or combination thereof". As a creditor, Westbrick certainly has concerns regarding the fairness of the process undertaken by the Companies to engage interested parties, particularly as a result of their own experience and I verily believe, as a result of such actions, that any offer that the Companies would accept, would likely need to provide greater benefit for certain stakeholders over other more vulnerable stakeholders (the unsecured creditors).

22. Westbrick's Binding Offer remains open until April 15, 2021. If Westbrick's Binding Offer is not considered in a timely manner, Westbrick will certainly need to consider other options should the Companies fail to engage same; however, as creditor of the Companies, it is critical that the Companies and the Monitor ensure that any bid that is accepted, should certainly

consider the impact on the recoveries to the creditors. The “highest price” bid does not always mean the “highest value” bid. In light of the recent developments, particularly, Sunchild First Nation’s letter expressing their serious concern should the Spartan Transaction be approved, we trust that the Court and the Monitor will assess (to the extent that it has not already) which offer is of the “highest value”.

Restricted Court Access Order

23. Confidential Exhibits “1”, “2” and “3” (the “**Confidential Exhibits**”) provide certain commercially sensitive information relating to Westbrick’s Binding Offer and actual or potential negotiations with the Companies related to same or other transactions.
24. I honestly believe that the dissemination of the information set out on the Confidential Exhibits could adversely affect any negotiations between Westbrick and the Companies, and any subsequent restructuring efforts that may be undertaken by the Companies, and result in prejudice against the stakeholders’ ability to recover value therefrom.

Conclusion

25. It is still unclear why the Companies did not engage Westbrick and address the necessary requests for them to provide a binding offer from the onset and in a reasonable and timely manner.
26. In light of the foregoing, I believe that the orders sought by Westbrick are reasonable, just and convenient.
27. Due to the circumstances of the COVID-19 pandemic, I am unable to be physically present to swear in this Supplemental Affidavit. I, however, was linked by way of video technology to the Notary Public notarizing this Affidavit.
28. Attached hereto and collectively marked as **Exhibit “D”** is a Certificate of Commissioning by Videoconference, completed by the commissioner to this my Supplemental Affidavit, confirming that the commissioner is satisfied that the process of swearing this my Supplemental Affidavit by way of video technology is necessary because it is either impossible



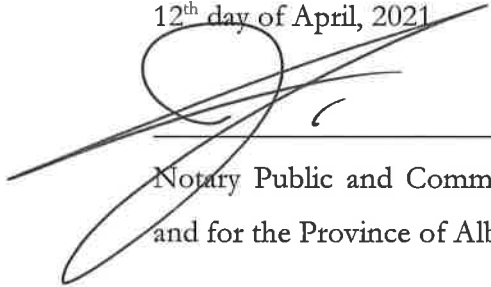
or unsafe, for medical reasons, for myself and the commissioner to be physically present together.

- 29. I swear this affidavit in support of an application for the approval of the Creditors' Meeting Order, which allow the creditors of the T5 to convene, hold and conduct a creditors meeting with respect to the Plan of Arrangement proposed by Westbrick, and for a restricted court access order related to the Confidential Exhibits.

)

SWORN BEFORE ME at Calgary, Alberta, this)

12th day of April, 2021)



)

MANINDER (MOE) MANGAT

Notary Public and Commissioner for Oaths in)

and for the Province of Alberta)


)

)

Jaspreet Mann
 Barrister & Solicitor
 A Commissioner for Oaths
 in and for Alberta

)

Exhibit "A"
M. Mangat's Undertaking Responses
(see attached)



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

Jaspreet Mann
Barrister & Solicitor
A Commissioner for Oaths
in and for Alberta

Mann, Jessie

From: Mann, Jessie
Sent: Sunday, April 11, 2021 1:25 PM
To: Lemmens, Matti; Oliver, Jeffrey; Kelly, Marc
Cc: Kashuba, Kyle
Subject: Mr. Mangat's Undertakings
Attachments: 7. AER closure report.pdf; support letters.zip; [EXT] T5 - CCAA - Service List; T5 - CCAA - Service List; RE: T5 - CCAA - Service List; 1. Moe Mangats notes.pdf

Hello Matti,

Further to your questioning of Mr. Mangat, and the requests for undertakings made at same, we have set forth below the undertakings we had noted, and responses to same, and have attached the relevant documents.

1. Undertaking for Mr. Mangat to produce his notes prepared and referred to for the for cross-examination.
 - a. Please see attached
 2. Undertaking to inquire and advise what conditions there are to be able to meet financing proposed in the Westbrick Offer, to provide the current credit facility availability for Westbrick to close the offer it made yesterday, together with any other details to suggest where funds will come from and timelines
 - a. Westbrick will fund the plan using its bank line from a syndicate of five major banks. The borrowing base under Westbrick's current facility is \$135,000,000 and as at April 9, 2021 Westbrick has drawn down \$63,400,000 against that facility. The bank line can be used at any time for general corporate purposes including the acquisition of oil and gas properties in Western Canada. In addition the company currently is developing its oil and gas properties and has a working capital deficit of \$20,000,000 associated with work completed but invoices have not yet received or are being processed through our accounting system. Westbrick targets paying its invoices within 45 days of receipt.
 3. Undertaking for production of all Debt Purchase Agreements entered into by Westbrick
 - a. See the attached Debt Purchase Agreements, together with email correspondence to the Monitor with same and an email to M. Lemmens confirming these were provided to the Monitor.
 - b. Under advisement.
 4. Undertaking for Copies of Support Letters
 - a. See attached zip folder
 - b. Please see note that was included in the form Westbrick circulated,
 - c. You will see that Isolation Equipment Services Inc.'s Support Letter included same – the note was intended to be deleted but was inadvertently included in their executed copy
- [Note to Unsecured Creditor: While, for the sake of convenience and efficiency, we have prepared the form of the subject support letter, we trust that, prior to executing same, you will consider the accuracy of the content herein and discuss same with the appropriate advisors.]**
5. Undertaking for date of NDA between WB and Crown
 - a. March 25, 2021
 6. Undertaking to produce that agreement between Sunchild First Nation and Westbrick
 - a. Undertaking taken under advisement.
 - b. The agreement says "strictly confidential" and will not be circulated
 - c. Westbrick is considering providing a sealed copy to the Court

7. AER letter

- a. See attached

We believe these were all of the undertakings that Mr. Mangat was to provide; however, as we do not have the questioning transcript outlining the undertakings, if there is anything that may have been missed, please let us know. We will be responding to all undertakings by way of a formal letter enclosing the attachments, which will be provided to the Court as well. In the meantime, we wanted to provide the responses that we are in the process of obtaining the requested information on.

We continue to wait for a response from Mr. Martin for his undertaking to provide email correspondence he referenced during his cross-examination – particularly, in which he requested that Westbrick provide an NDA.

Thanks,

Jessie

Jessie Mann

COURT FILE NUMBER 2101-00814

COURT COURT OF QUEEN'S BENCH
OF ALBERTA

JUDICIAL CENTRE CALGARY

APPLICANT IN THE MATTER OF THE *COMPANIES' CREDITORS
ARRANGEMENT ACT*, RSC 1985, c C-36, AS AMENDED

AND IN THE MATTER OF CALGARY OIL & GAS
SYNDICATE GROUP LTD., CALGARY OIL AND GAS
INTERCONTINENTAL GROUP LTD. (IN ITS OWN
CAPACITY AND IN ITS CAPACITY AS GENERAL
PARTNER OF T5 SC OIL AND GAS LIMITED
PARTNERSHIP), CALGARY OIL AND SYNDICATE
PARTNERS LTD. and PETROWORLD ENERGY LTD.

DOCUMENT **RESPONSES TO UNDERTAKINGS OF MANINDER
(MOE) MANGAT FROM QUESTIONING
CONDUCTED ON APRIL 9, 2021 ON AFFIDAVIT OF
MANINDER (MOE) MANGAT, SWORN ON APRIL 8,
2021**

PARTY FILING THIS DOCUMENT WESTBRICK ENERGY LTD.

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

Torys LLP
4600 Eighth Avenue Place East
525 - Eighth Ave SW
Calgary, AB T2P 1G1

Attention: Kyle Kashuba
Telephone: +1 403.776.3744
Fax: +1 403.776.3800
Email: kkashuba@torys.com
File No. 37464-2002

1. Undertaking No. 1: Provide notes that Mr. Mangat referred to during questioning – TAKEN UNDER ADVISEMENT.

Answer: Please see attached hereto as Tab “1”.

2. Undertaking No. 2: Inquire and advise what conditions there are to be able to meet the financing proposed in the Westbrick offer.

Answer: Westbrick will fund the plan using its bank line from a syndicate of five major banks. The borrowing base under Westbrick's current facility is \$135,000,000 and as at April 9, 2021 Westbrick has drawn down \$63,400,000 against that facility. The bank line can be used at any time for general corporate purposes including the acquisition of oil and gas properties in Western Canada. In addition, the company currently is developing its oil and gas properties and has a working capital deficit of \$20,000,000 associated with work completed but invoices have not yet received or are being processed through our accounting system. Westbrick targets paying its invoices within 45 days of receipt.

3. Undertaking No. 3: Produce all of the documentation related to the spill of chlorinated water.

Answer: Please see attached hereto Tab "2", attaching a letter from the Alberta Energy Regulator. Given that the AER conducted its investigation as set forth in the attached letter, and has confirmed that they are closing the file, it is unclear why this request is necessary at this time; however, should this be critical to the Companies, Westbrick requests that you clarify how this is relevant and would be pleased to provide same.

4. Undertaking No. 4: Produce the records indicating the amount of money that was paid to purchase the debts from the unsecured creditors that are identified at paragraph 4 of Mr. Mangat's affidavit – TAKEN UNDER ADVISEMENT.

Answer: While Westbrick had already provided the Monitor with the debt purchaser agreements and had informed Matti Lemmens of same well in advance of the subject Questioning, the amount of money that was paid to purchase the debts is not relevant and Westbrick does not intend to disclose same.

5. Undertaking No. 5: Produce the debt purchase agreements between Westbrick and the unsecured creditors of the companies that are referred to in paragraph 4 – TAKEN UNDER ADVISEMENT.

Answer: Please see attached hereto Tab "3", enclosing the debt purchase agreements, together with email correspondence to the Monitor with same (confirming that the subject agreements were provided prior to the Questioning and when requested by the Monitor) and an email to Matti Lemmens confirming these agreements were provided to the Monitor (prior to the subject Questioning).

6. Undertaking No. 6: Produce all of the support letters for those various creditors.

Answer: Please see attached hereto Tab "4".

Notably, you will see that Isolation Equipment Services Inc.'s Support Letter included the note that was intended to be deleted but was inadvertently included in their executed copy, which clearly noted that the party signing the support letter will consider the accuracy of the content in the letter and discuss same with the appropriate advisors.

[Note to Unsecured Creditor: While, for the sake of convenience and efficiency, we have prepared the form of the subject support letter, we trust that, prior to executing same, you will consider the accuracy of the content herein and discuss same with the appropriate advisors.]

7. Undertaking No. 7: Advise the date when Crown and Westbrick entered into that NDA.

Answer: March 25, 2021.

8. Undertaking No. 8: Provide the current credit facility availability for Westbrick to close the offer that it made yesterday.

Answer: See answer to Undertaking No. 2.

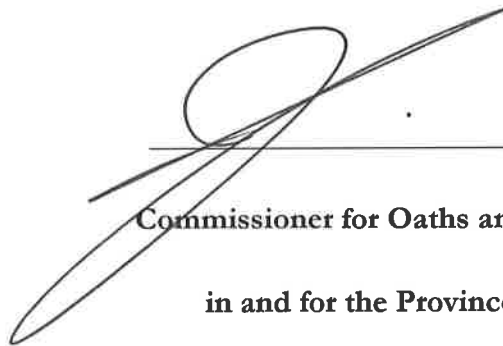
9. Undertaking No. 9: Provide agreement between Sunchild and Westbrick in which Westbrick is committing to pay the community payment and the 3 percent royalty - **TAKEN UNDER ADVISEMENT**

Answer: The agreement is and says "strictly confidential" and will not be disclosed. Westbrick is considering providing a sealed copy to the Court.

Exhibit "B"

Mr. Martin's Undertaking Response

(see attached)



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

Jaspreet Mann
Barrister & Solicitor
A Commissioner for Oaths
in and for Alberta

Mann, Jessie

Subject: FW: Response to Undertaking of Ryan Martin from Cross-Examination of April 9, 2021 [BLG-DOCUMENTS.FID7741977]
Attachments: Response to Undertaking of R. Martin (Cross-Examination of April 9, 2021) (with Attachment Bookmarked)(121051174.1).pdf

From: Bennett, Tiffany <TiBennett@blg.com>

Sent: Sunday, April 11, 2021 2:33 PM

To: Kashuba, Kyle <kkashuba@torys.com>; Oliver, Jeffrey <joliver@cassels.com>; Kelly, Marc <makelly@bdo.ca>

Cc: Lemmens, Matti <MLemmens@blg.com>; Lastockin, Rhonda <RLastockin@blg.com>

Subject: Response to Undertaking of Ryan Martin from Cross-Examination of April 9, 2021 [BLG-DOCUMENTS.FID7741977]

Good afternoon,

Further to the cross-examination of Mr. Martin on April 9, 2021, please find enclosed Mr. Martin's response to the undertaking arising therefrom. Formal correspondence enclosing same will follow.

Thank you,
Tiffany



Tiffany Bennett

Lawyer

T 403.232.9199 | TiBennett@blg.com

Centennial Place, East Tower, 1900, 520 – 3rd Ave. SW, Calgary, AB, Canada T2P 0R3

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Borden Ladner Gervais LLP

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COURT FILE NUMBER **2101-00814**

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

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

AND IN THE MATTER OF CALGARY OIL &
GAS SYNDICATE GROUP LTD., CALGARY
OIL AND GAS INTERCONTINENTAL
GROUP LTD. (IN ITS OWN CAPACITY AND
IN ITS CAPACITY AS GENERAL PARTNER
OF T5 SC OIL AND GAS LIMITED
PARTNERSHIP), CALGARY OIL AND
SYNDICATE PARTNERS LTD., AND
PETROWORLD ENERGY LTD.

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	Matti Lemmens / Tiffany Bennett Borden Ladner Gervais LLP 1900, 520 3 rd Ave. S.W. Calgary, AB T2P 0R3 Telephone: (403) 232-9511 / 232-9199 Facsimile: (403) 266-1395 Email: MLemmens@blg.com / TiBennett@blg.com File No. 441112/000020
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**RESPONSE TO UNDERTAKING OF RYAN MARTIN
FROM CROSS-EXAMINATION CONDUCTED ON APRIL 9, 2021
ON AFFIDAVIT OF RYAN MARTIN SWORN ON APRIL 6, 2021**

Undertaking No. 1: Review records and e-mails; and if you can find an e-mail where an NDA from Westbrick Energy Ltd. was requested, that that be produced – TAKEN UNDER ADVISEMENT

Answer: Please see email correspondence attached hereto as Tab "1".

TAB 1

From: Moe Mangat <mmangat@westbrick.ca>
Sent: Friday, November 13, 2020 11:56 AM
To: Ryan Martin <Ryan.Martin@petroworldenergy.com>
Subject: RE: CANCEL for today - Follow up meet to introduction last week with Ryan T5

External Sender

Thanks Ryan, sounds good. it would be helpful to connect and get your thoughts and create some clarity around the process that will be followed and if there are external advisors engaged etc. With the new C19 measure in place, we can do that over a quick phone call as well. In the meantime, I will get the team pulling our NDA together for your perusal.

Cheers,

Moe Mangat, M.Eng, P.Eng, CFA

Chief Operating Officer
Westbrick Energy Ltd.
Suite 2500 255 5th AVE SW
Calgary, AB
T2P 3G6

Ph: 587-293-4668

From: Ryan Martin <Ryan.Martin@petroworldenergy.com>
Sent: Friday, November 13, 2020 8:27 AM
To: Moe Mangat <mmangat@westbrick.ca>
Subject: CANCEL for today - Follow up meet to introduction last week with Ryan T5

Morning Moe, my apologies but will have to reschedule this morning's coffee meet sometime next week. Will reach out next week to try coordinate another time.

In the meantime, can you send me your normal NDA for our legal to review, in

preparation for a DD exchange.

Regards
Ryan

From: Moe Mangat <mmangat@westbrick.ca>
Sent: Thursday, November 12, 2020 1:21 PM
To: Ryan Martin <Ryan.Martin@petroworldenergy.com>
Subject: Re: Follow up meet to introduction last week with Ryan T5

External Sender

Good afternoon Ryan,

Would 11 AM tomorrow work? Look forward to chatting tomorrow.

On Nov 12, 2020, at 9:29 AM, Ryan Martin <ryan.martin@petroworldenergy.com> wrote:

Morning Moe, are you able to meet for a coffee TM Friday? Suggest same place mid am.

Had wanted to update with you and qualify your interest in DD engagement.

Regards,
Ryan

CAUTION:

**This email originated from outside of Westbrick Energy.
*Do not click links or open attachments unless you recognize
the sender and know the content is safe***

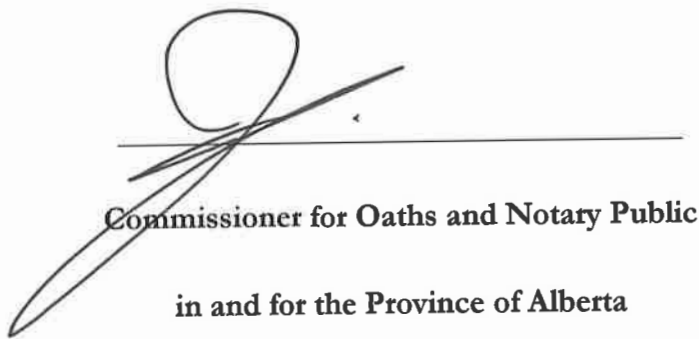
CAUTION:

**This email originated from outside of Westbrick Energy.
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Exhibit "C"

Westbrick's Legal Counsel's Letter to the Monitor

(see attached)



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

Jaspreet Mann
Barrister & Solicitor
A Commissioner for Oaths
in and for Alberta

April 10, 2021

VIA E-MAIL (makelly@bdo.ca and joliver@cassels.com)

BDO CANADA LLP

620, 903 – 8 Ave SW
Calgary, Alberta T2P 0P7

CASSELS BROCK & BLACKWELL LLP

Suite 381, Bankers Hall West
888 3rd Street SW
Calgary, Alberta, T2P 5C5

Attention: Marc Kelly and Jeffrey Oliver

Dear Sirs:

Re: In the Matter of the *Companies' Creditors Arrangement Act*, RSC 1985, c C-36, as amended, proceeding (the "CCAA Proceeding") of Calgary Oil & Gas Syndicate Group Ltd., Calgary Oil and Gas Intercontinental Group Ltd. (in its own capacity and in its capacity as General Partner of T5 SC Oil and Gas Limited Partnership), Calgary Oil and Syndicate Partners Ltd. and Petroworld Energy Ltd. (collectively, the "Companies"); Alberta Court of Queen's Bench Action No. 2101-00814; Inquiries concerning the Third Report of the Monitor, dated April 8, 2021 (the "Third Report")

Upon a review of the Third Report of the Monitor, while Westbrick Energy Ltd. ("**Westbrick**") appreciates that the Monitor has likely relied on information obtained from the Companies noted therein, Westbrick wanted to address some inconsistencies noted therein based on information in their possession and their experience dealing with the Companies, which we have set forth below:

1. Paragraph 16 provides that the Management has:
 - a. continued to pursue potential alternative transactions including addressing expressions of interest from several parties – Westbrick, on multiple occasions, directly/indirectly has requested information from the Companies, which would have allowed them to provide a binding offer and Westbrick does not feel that their expression of interest was addressed in a manner that one would expect, especially from insolvent debtor companies seeking to restructure;
 - b. maintained communications with Sunchild First Nation ("**SFN**") to keep SFN apprised of the status of the CCAA Proceedings – Westbrick received a letter of concern from SFN on April 8, 2021, which clearly indicates that this statement is not true. While SFN's letter

is attached to Mr. Mangat's affidavit, below is a snippet of the subject statement made by SFN for ease of reference:

We reviewed the April 6, 2021 Affidavit of Ryan Martin which we received on April 7, 2021. Despite a longstanding relationship with Mr. Martin and contractual relationships with Companies he works for, he did not advise us in advance of a proposed sale to Spartan. He would have known that such a sale would be problematic for Sunchild for the reasons that follow.

2. With respect to Paragraph 24 and the comment that the Companies' position that the Spartan LOI represents a superior opportunity versus the Proposed Westbrick PSA as, *inter alia*, the structure of the proposed Spartan Transaction would preserve existing tax losses, and similarly in connection with Paragraph 32 of Mr. Martin's Affidavit, a snippet of which is included below for ease of reference:

32. **Third, unlike the Draft Westbrick PSA, the structure of the transaction set out in the Spartan LOI will preserve tax losses and therefore provide increased value for all stakeholders.**

Westbrick has noted that while the comment on the preservation of tax losses is generally correct, since all income and resource pools flow through to the partners, it is the tax position of the partners that is being preserved. It is unclear how this results in "increased value for all stakeholders", as noted in Paragraph 32 of Mr. Martin's Affidavit. Did you have any thoughts on this and/or did the Monitor consider same?

3. With respect to paragraph 24(b), snippet of which we have included below:

- b. the equity transaction contemplated by the Spartan LOI contemplates the preservation of the Companies' existing leases with Indian Oil and Gas Canada and would allow the Companies to continue operations in the ordinary course and facilitate the **uninterrupted continuation of the Companies' existing relationship with SFN;**

We note that SFN again seems to suggest otherwise, particularly given the following statement made by the SFN in their concern letter to Westbrick noted above:

Reserve. This may create conflict between Spartan, O'Chiese and Sunchild. **In addition, we believe Spartan's ownership of the Companies could prejudice Sunchild when it comes to communications and resolving the inevitable differences that arise during gas extraction in the backyards of our homes and the homes of our members.**

Westbrick appreciates that the Monitor was almost certainly not aware of the above prior to filing its report and asks that you consider same, along with other factors that come to light, in your ongoing assessment of the relative merits of the Spartan and Westbrick bids.

Further, we trust that the Monitor is aware of the long-standing jurisprudence that the “highest price” bid does not always mean the “highest value” bid. In light of the recent developments, particularly, Sunchild First Nation’s letter expressing their serious concern should the Spartan Transaction be approved, we trust that the Monitor will re-assess (to the extent that it has not already) which offer is of the “highest value”.

Westbrick hereby confirms that:

1. Westbrick is ready, willing and able to close sooner than May 31, 2021 and can close within two business days of obtaining the last of such approvals and consent and subject to satisfactory completion of due diligence;
2. Due to the Companies refusal to attend to Westbrick’s requests, Westbrick has been unable to confirm with certainty a number of items that may help improve its bids, and has used public data to present an Offer that Mr. Martin confirmed during his questioning could yield a better outcome in comparison to the Third Party LOI that the Companies were considering;
3. Westbrick is prepared to conduct such due diligence immediately (i.e. Saturday, April 10) such that this due diligence condition could be satisfied prior to T5’s application in its CCAA Process next week;
4. the funds for the Purchase Price will be obtained from its reserves based loan and such funds remain available and the Westbrick Transaction is not subject to financing; and
5. Westbrick’s *binding* offer is capable of being signed and accepted and has the necessary support from one of the most critical stakeholders, Sunchild First Nation and from various unsecured creditors, details of which are set forth in Mr. Mangat’s Affidavit, sworn on April 8, 2021.

In addition, Westbrick is hoping that the Monitor can attend to the following requests, which will allow Westbrick to reconsider its Offer (if necessary) and propose a higher Offer:

1. Please confirm the other maintenance capital being completed.
 - a. Please clarify for what the maintenance capital is being used for and whether such maintenance could have been deferred until after closing of any sale of the assets or recapitalization of the Companies and whether the Monitor has considered whether the use of cash flow in respect of same would more properly be preserved to the benefit of creditors rather than retained and applied to improve the assets to the benefit of the Companies and Spartan.
 - i. The fact that such spending would have been deferred forms a part of Westbrick’s proposal, including interim period controls in the proposed Purchase Agreement and, in our view, is another superior aspect of Westbrick’s bid – please advise whether the Monitor has any thoughts on same.
 - b. There was or is capital/maintenance capital spending of (i) \$40,000 for generator overhaul; (ii) \$134,000 for compliance-related work. As noted above, Westbrick would have absorbed this and done this work after the “Effective Time” of its Offer and there are protections for creditors in the Westbrick Purchase Agreement against this. Under the Westbrick Purchase Agreement and binding offer, any spending after the Effective Date is on Westbrick’s account

and does not impact the Purchase Price. There should not be material discretionary spending prior to the Effective Date as this directly impacts the preservation of cash that would be otherwise available to satisfy some portion of the debts of the Companies.

- i. As you may be aware, this is the kind of information that is typically shared by a seller to a buyer in a pre-agreement discussion so that the buyer is providing its best and most informed bid to the seller – this is the kind of information that seller has refused to provide to Westbrick.
2. Please confirm whether the Monitor is aware that the Westbrick Offer contains interim period provisions that are designed to preserve the Assets as is and that T5 is not to conduct operations in excess of \$50,000 that are not accounted for or captured in an existing budget or forecast – this protects the Purchaser but has the added benefit of protecting unsecured creditors from the use of net cash flow to improve the Assets;
3. Please confirm whether the significant swings in operating expenses have been considered and explained adequately by the Companies (\$200,000 in April and \$100,000 in May);
4. Please confirm whether the payables list is current;
5. Please confirm the amount of the collateral under the Keyera Letter of Credit and the Nova/TCPL Letter of Credit.
 - a. Any additional information as to what portion of such collateral is at risk if Westbrick assumes only part of the FT-R Service, would be appreciated. Again, this is information that is typically shared by a willing seller;
6. Please confirm whether there are any cure amounts owing to Keyera or TCPL;
7. Please confirm whether you can provide an estimate of how much is left over to be paid to the creditors after payout of Crown; and
8. Please contact Sunchild and IOGC and confirm what has been paid and what is owed.

Westbrick is hoping that you could provide this information as soon as possible to allow it to consider whether it is appropriate for same to further increase its Purchase Price.

We appreciate that the Monitor is the Court's officer, and wanted to share Westbrick's experience and thoughts regarding certain of the statements that have been made.

Should you have any questions or comments and/or would otherwise prefer to discuss, please do not hesitate to contact us.

Sincerely,



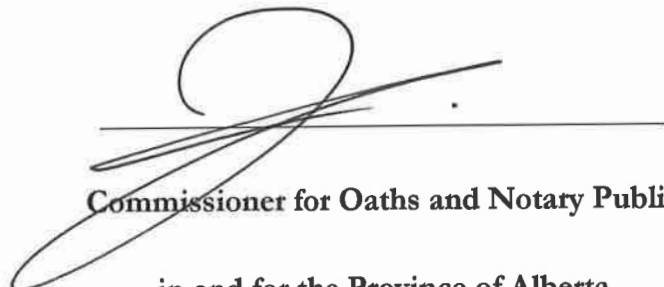
Kyle Kashuba
KDK

cc: Westbrick Energy Ltd., Attention: Ken McCagherty and Moe Mangat (via email)

Exhibit "D"

Certificate of Commissioning by Videoconference

(see attached)



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

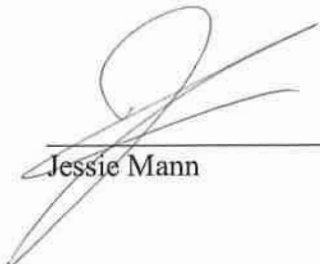
Jaspreet Mann
Barrister & Solicitor
A Commissioner for Oaths
in and for Alberta

**Certificate of Commissioning by Videoconference
to the Affidavit of Maninder (Moe) Mangat
sworn on April 12, 2021**

I, Jessie Mann, Commissioner of Oaths in and for the Province of Alberta, took the Affidavit of Maninder (Moe) Mangat via videoconference on April 12, 2021 (the "Affidavit").

The affiant and I followed the process outlined by the Alberta Court of Queen's Bench in Notice to the Profession and Public #2020-02 dated March 25, 2020. In addition to the steps described in the Affidavit, I compared each page of the copy I received from the affiant with the initialed copy that was before me while I was linked by videoconference with the affiant. Upon being satisfied that the two copies were identical, I affixed my name to the jurat.

On March 17, 2020, the Government of Alberta declared a state of public health emergency pursuant to the Alberta *Public Health Act* in response to the COVID-19 pandemic. The Government of Alberta also strongly recommends that all individuals stay home and avoid contact with others whenever possible. Therefore, I am satisfied that this process was necessary because it was unsafe for the deponent and I to be physically present together.




Jessie Mann

Confidential Exhibit "1"

Westbrick and Sunchild First Nation Agreement

[SEALED]



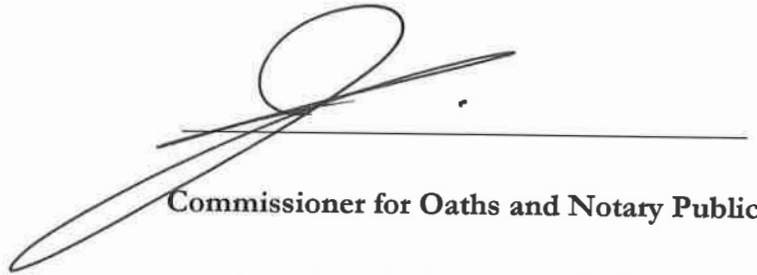
Commissioner for Oaths and Notary Public
in and for the Province of Alberta

Jaspreet Mann
Barrister & Solicitor
A Commissioner for Oaths
in and for Alberta

Confidential Exhibit "2"

Westbrick's and the Companies Correspondence regarding another asset/project

[SEALED]

A handwritten signature in black ink, consisting of a large, stylized loop at the top and a long, sweeping horizontal stroke below it.

Commissioner for Oaths and Notary Public

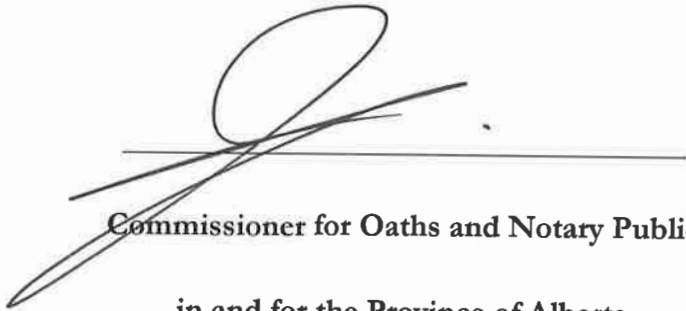
in and for the Province of Alberta

**Jaspreet Mann
Barrister & Solicitor
A Commissioner for Oaths
in and for Alberta**

Confidential Exhibit "3"

Revising Westbrick Binding Offer

[SEALED]



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

Jaspreet Mann
Barrister & Solicitor
A Commissioner for Oaths
in and for Alberta

COURT FILE NUMBER 2101-00814

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

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

IN THE MATTER OF CALGARY OIL & GAS SYNDICATE GROUP LTD., CALGARY OIL AND GAS INTERCONTINENTAL GROUP LTD. (IN ITS OWN CAPACITY AND IN ITS CAPACITY AS GENERAL PARTNER OF T5 SC OIL AND GAS LIMITED PARTNERSHIP), CALGARY OIL AND SYNDICATE PARTNERS LTD. and PETROWORLD ENERGY LTD.

PARTY FILING THIS DOCUMENT WESTBRICK ENERGY LTD.

DOCUMENT **SUPPLEMENTAL AFFIDAVIT**

PARTY FILING THIS DOCUMENT WESTBRICK ENERGY LTD.

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT
Torys LLP
4600 Eighth Avenue Place East
525 - Eighth Ave SW
Calgary, AB T2P 1G1
Attention: Kyle Kashuba
Telephone: + 1 403.776.3744
Fax: +1 403.776.3800
Email: kkashuba@torys.com
File No. 37464-2002

**SUPPLEMENTAL AFFIDAVIT OF
MANINDER (MOE) MANGAT
Sworn on April 12, 2021**

I, Maninder (Moe) Mangat, of Calgary, Alberta, SWEAR AND SAY THAT:

1. I am the Chief Operating Officer of Westbrick Energy Ltd. (the “**Westbrick**”), and, as such, I have personal knowledge of the matters and facts hereinafter sworn to, except where stated to be based on information and belief, and where so stated, I verily believe the same to be true.
2. I previously swore an Affidavit in these proceedings on April 8, 2021 (the “**First Mangat Affidavit**”) in support of Westbrick’s Application, filed April 8, 2021 (“**Westbrick’s Application**”), for, *inter alia*, the convening, holding, and conduct of a creditors’ meeting vote to vote on the Plan.
3. Unless otherwise defined herein, all capitalized meanings have the terms ascribed thereto in the First Mangat Affidavit.
4. I swear this Supplemental Affidavit (the “**Supplemental Affidavit**”) in support of Westbrick’s Application, noted above, and an additional Supplemental Application filed on April 12, 2021, for certain additional relief pursuant to the CCAA, including, *inter alia*, a restricted court access order sealing the Confidential Exhibits (as defined below) attached to this Supplemental Affidavit.

Developments since the filing of the First Mangat Affidavit

5. On Friday, April 9, 2021, at 2:00 pm, Mr. Martin was questioned by Westbrick’s legal counsel, Kyle Kashuba, and I was subsequently questioned by the Companies’ legal counsel, Matti Lemmens (together, the “**Questionings**”), pursuant to which I provided a number of undertakings (some of which were under advisement). Mr. Martin had one undertaking to provide correspondence pursuant to which he requested a non-disclosure agreement (“**NDA**”) from Westbrick related to Westbrick’s interest in the assets (the “**Assets**”) that are the subject matter of the Westbrick Purchase Agreement.
6. At 7:03 pm, shortly after the completion of the Questionings, I contacted Mr. Martin to engage the Companies in discussions with Westbrick regarding Westbrick’s binding Offer that was previously circulated to the Companies on April 8, 2021 (the “**Westbrick’s Binding Offer**” or the “**Offer**”), as, in my view, Westbrick was neglected by the Companies, as will be set forth

herein and pursuant to submissions made by Westbrick's legal counsel. I advised Mr. Martin that we "have the full team ready to go on this transaction and can have the entire due diligence process completed before the court date." I also informed Mr. Martin that we are able to advance the deposit as soon as we receive the executed copy of Westbrick's Binding Offer. I further proposed that a call be arranged for a live discussion in the event that that was more helpful.

7. Mr. Martin responded by stating that they "[w]ill prepare the DD materials ...[Westbrick]... require[s] and look forward to a fulsome discussion regarding ...[Westbrick's]... offer. However we await the responses to the undertakings, which will provide information about Westbrick's financial wherewithal. Once Matti has reviewed and can advise, hope to formally engage earliest possible, first thing Monday." As set forth below and in my view, no further efforts or engagement have been undertaken on behalf of the Companies.
8. We immediately began gathering the requested responses and documentation to attend to my undertakings (which were undertaken a couple of hours prior to Mr. Martin's request for same – specifically during the Questionings that occurred in the afternoon) and on April 10, 2021 at 5:46 pm, I provided a due diligence request list (the "**Due Diligence Request List**") to Mr. Martin. Once I had gathered a complete set of responses to my undertakings, our legal counsel provided the subject informal responses and the relevant documentation to attend to my undertakings on April 11, 2021 to the Companies' legal counsel. While formal transcripts had not been released with confirmation of the undertakings, out of good faith, Westbrick's legal counsel provided its informal responses, with the following note to Ms. Lemmens:

"We believe these were all of the undertakings that Mr. Mangat was to provide; however, as we do not have the questioning transcript outlining the undertakings, if there is anything that may have been missed, please let us know. We will be responding to all undertakings by way of a formal letter enclosing the attachments, which will be provided to the Court as well. In the meantime, we wanted to provide the responses that we are in the process of obtaining the requested information on."
9. Attached hereto as **Exhibit "A"** is a true copy of the email Westbrick's counsel sent to the Companies' counsel attaching the responses and documentation forming a part of my responses to the undertakings. After I received my official transcripts on April 11, 2021 at 4:46 pm, and reviewed the undertakings noted therein, Westbrick's legal counsel prepared official



responses to same and addressed any undertakings that were not addressed in the April 11, 2021 email correspondence and filed a document titled “Responses to Undertakings of Maninder (Moe) Mangat” with the Court and circulated a copy of same to the Companies’ and the Monitor’s respective counsel on April 12, 2021. Westbrick’s legal counsel also submitted the transcripts from the Questioning (for both Mr. Martin and me) at 10:11 am on April 12, 2021.

10. A request for a copy of an agreement between Westbrick and the Sunchild First Nation was made, and I undertook to provide same under advisement. While Westbrick has attached same hereto as **Confidential Exhibit “1”** for the Court’s consideration, given that the agreement forms a critical component of Westbrick’s Binding Offer, disclosure of same could adversely affect any negotiations between Westbrick and the Companies, and any subsequent restructuring efforts that may be undertaken by the Companies, and may result in prejudice against the stakeholders’ ability to recover value therefrom and therefore, Westbrick is requesting that the subject Confidential Exhibit “1” be sealed. Westbrick has also provided a copy of the Confidential Exhibit “1” to the Monitor and requested that the Monitor ensure that it remains confidential and not be disclosed to any other party, including the Companies.
11. Westbrick’s legal counsel also sent an email to the Monitor, the Monitor’s legal counsel and to the Companies’ legal counsel on April 11, 2021, advising / noting, as applicable, *inter alia*:
 - a. that Westbrick contacted the Companies on April 10, 2021 with a due diligence request list and has also provided responses/documentation in connection with Mr. Mangat’s undertakings;
 - b. upon receipt of the due diligence materials requested, and a review of same, Westbrick will consider updating its Offer (if appropriate) – if they do choose to enhance their offer, this should, based on the information in Westbrick’s possession, result in increased recoveries to the unsecured creditors;
 - c. Westbrick will be providing Torys LLP a deposit on Monday (April 12, 2021) morning (which has been provided); and
 - d. Westbrick will be providing Torys LLP an executed signature page to the Purchase Agreement shortly.

12. On April 11, 2021, Westbrick's legal counsel was provided a copy of Mr. Martin's undertaking response. Attached hereto as **Exhibit "B"** is a true copy of the email the Companies' counsel sent to Westbrick's counsel attaching the response and email forming a part of Mr. Martin's response. Unfortunately, the email that Mr. Martin provided in his undertaking response, does not satisfy his undertaking; rather it is an email that I sent to Mr. Martin on November 13, 2020, wherein I stated that "I will get the team pulling our NDA together for your perusal." For certainty, the subject NDA did not relate to the Assets noted in the First Mangat Affidavit or for the assets which are subject to Westbrick's Purchase Agreement. Rather, my response to the NDA was in regards to a completely separate negotiation with Mr. Martin. Specifically, the November 13, 2020 email correspondence relates to a transaction involving another asset/project. Attached hereto as **Confidential Exhibit "2"** is email correspondence between myself and Mr. Martin, wherein we refer to these other assets/project, as such, it is clear that the reference to the NDA in my November 13, 2020 was in regards to another asset/project and not the Assets that are the subject matter of Westbrick's Application or Purchase Agreement. As such, I verily believe that Mr. Martin has failed to provide documentation evidencing his request for Westbrick to execute an NDA – this is one of the many reasons why Westbrick, in its capacity as a creditor of the Companies, feels that a fair process has not been undertaken by the Companies and Westbrick was not fairly engaged notwithstanding that it expressed a serious interest in the Companies assets on numerous occasions and the fact that it has a successful track record of closing deals of this magnitude. Westbrick's counsel also sent an email to the Companies legal counsel to advise of the foregoing shortly after receiving Mr. Martin's response.
13. Westbrick ensured that the Monitor was apprised of certain of the developments over the weekend, including advising the Monitor that Westbrick had provided the Due Diligence Request List to the Companies. Westbrick's counsel also circulated a letter to the Monitor which outlined a number of concerns that Westbrick had with the court materials that had been filed by the Companies and/or comments noted in the Monitor's Third Report dated April 8, 2021 (which were references to the Companies' position and not specifically the Monitor's position), to ensure that the Monitor understood Westbrick's experience, perspective and concerns, not only as potential purchaser of the assets of the Companies, but

also as a creditor of the Companies. Attached hereto as **Exhibit "C"** is a true copy of the letter Westbrick's legal counsel sent to the Monitor.

14. I also contacted the creditors who had previously confirmed their support for the Westbrick Transaction and informed them that while they may already be aware that T5 has ceased moving ahead with the Third Party LOI (as I assumed that such creditors would have been served with the Companies materials) and have instead brought forward a revised transaction to recapitalize the business. I noted that similar to before, the Companies are making an application to the Court to have this new LOI sealed and as a result of same, that we have limited details regarding the proposed transaction and how it may impact the recovery for unsecured creditors. I noted Westbrick's understanding that there are certain risks associated with this revised LOI, namely the strong opposition from the Sunchild First Nation, and assured these parties that Westbrick is still committed to the transaction and that Westbrick has followed up on its initial offer and has provided a binding offer to the Companies.
15. Westbrick provided a deposit to Torys, together with its execution page for the Purchase Agreement on April 12, 2021.
16. Notably, Westbrick:
 - (a) is ready, willing and able to close sooner than May 31, 2021 and can close within two business days of obtaining the last of such approvals and consent and subject to satisfactory completion of due diligence;
 - (b) had been unable to confirm with certainty a number of items that may help improve its bids, and has used public data to present the Westbrick Binding Offer (due to the Companies refusal to attend to Westbrick's diligence requests) that Mr. Martin confirmed during his questioning could yield a better outcome in comparison to the Third Party LOI that the Companies were previously considering;
 - (c) advised the Monitor that the funds for the Purchase Price Funds will be obtained from its reserves-based loan and such funds remain available and the Westbrick Transaction is not subject to financing; and
 - (d) Westbrick's Binding Offer is capable of being signed and accepted and has the necessary support from one of the most critical stakeholders, Sunchild First Nation

and from various unsecured creditors, details of which are set forth in First Mangat Affidavit.

17. At 7:31 pm on April 11, 2021, Mr. Martin responded to my further request for the information and documentation to attend to the Due Diligence Request List I circulated, and stated, *inter alia*, “these latest due diligence requests of Westbrick are somewhat more expansive than we were led to believe, some of which are already addressed by COGL’s Court filings, and will otherwise require significant time to respond to” and did not provide any further responses or documentation to attend to the Due Diligence Request List (notwithstanding that I followed up with a follow up email reducing our Due Diligence Request List to two items).
18. Notwithstanding that responses to Westbrick’s due diligence requests were not received, given Westbrick is a serious purchaser and capable of fulfilling its obligations under the Purchase Agreement, Westbrick has revised its Offer, and will be providing same to the Monitor and the Companies for consideration. Unfortunately, had Westbrick received the responses and documentation that are the subject matter of the Due Diligence Request List and had the Companies considered Westbrick’s interest in the Assets and engaged same in a fair and reasonable manner, Westbrick certainly would have provided an offer for the purchase of the Assets well in advance of this Hearing. Attached hereto as **Confidential Exhibit “3”** is a true copy of the revised Westbrick Binding Offer.

Companies Failure to Genuinely Engage Interested Parties

19. I verily believe, particularly given Mr. Martin’s comments that were included in his previously filed and sworn Affidavits (dated February 5, 2021 and February 22, 2021) – wherein it was clearly expressed that the Companies do not support a sales process – and due to the lack of engagement Westbrick has experienced with same – that the Companies may have been considering avoiding a fair sales process to allow them to consider an offer that was beneficial to certain stakeholders (as opposed to an offer that may maximize the benefit for a larger group of stakeholders).
20. As a creditor of the Companies and as a result of its experience trying to engage the Companies to consider its offer, Westbrick does have concerns regarding the conduct of the Companies

during the CCAA Proceeding. This is because, notwithstanding Westbrick's unambiguous expression of interest in the Assets, numerous requests for discussions and information, long track record of completing transactions of this magnitude, and, in my view and experience, unreasonable rejection/reasons to provide information, or even request that a NDA be executed (notwithstanding Mr. Martin's statement that an NDA was requested pursuant to email correspondence, which he was requested to provide pursuant to the undertaking he gave on April 9, 2021 during his Questioning by Mr. Kashuba and which undertaking continues to remain outstanding), has Westbrick questioning the intentions of the Companies. For example, Westbrick must query whether the Companies did genuinely solicit an interest in the assets of or restructuring of the Companies for the benefit of all stakeholders (including those that are the most vulnerable, namely the unsecured creditors) or was their intention simply to consider offers that were beneficial for certain stakeholders (such as the officers or directors of the Companies) with minimal interest in ensuring that the most vulnerable stakeholders, the unsecured creditors, received maximum recoveries.

21. This is particularly concerning given that Mr. Martin gave numerous reasons for not conducting a sales process in his Affidavits dated February 5, 2021 and February 22, 2021 and outlined the extensive efforts the Companies have taken for the restructuring. In the Second Supplemental Affidavit of Mr. Martin, dated March 3, 2021, he stated, at paragraph 8, that "[t]hroughout the CCAA process, the Companies and Limited Partnership have been exploring any and all potential restructuring options in order to find the best method to address all stakeholder's interests and maximize value. The Companies and Limited Partnership are continuing to seek the best transaction or combination thereof". As a creditor, Westbrick certainly has concerns regarding the fairness of the process undertaken by the Companies to engage interested parties, particularly as a result of their own experience and I verily believe, as a result of such actions, that any offer that the Companies would accept, would likely need to provide greater benefit for certain stakeholders over other more vulnerable stakeholders (the unsecured creditors).
22. Westbrick's Binding Offer remains open until April 15, 2021. If Westbrick's Binding Offer is not considered in a timely manner, Westbrick will certainly need to consider other options should the Companies fail to engage same; however, as creditor of the Companies, it is critical that the Companies and the Monitor ensure that any bid that is accepted, should certainly

consider the impact on the recoveries to the creditors. The “highest price” bid does not always mean the “highest value” bid. In light of the recent developments, particularly, Sunchild First Nation’s letter expressing their serious concern should the Spartan Transaction be approved, we trust that the Court and the Monitor will assess (to the extent that it has not already) which offer is of the “highest value”.

Restricted Court Access Order

23. Confidential Exhibits “1”, “2” and “3” (the “**Confidential Exhibits**”) provide certain commercially sensitive information relating to Westbrick’s Binding Offer and actual or potential negotiations with the Companies related to same or other transactions.
24. I honestly believe that the dissemination of the information set out on the Confidential Exhibits could adversely affect any negotiations between Westbrick and the Companies, and any subsequent restructuring efforts that may be undertaken by the Companies, and result in prejudice against the stakeholders’ ability to recover value therefrom.

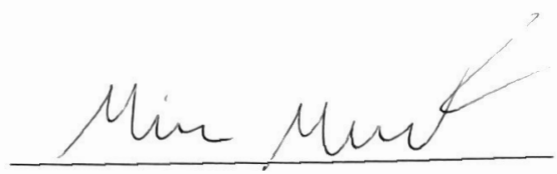
Conclusion

25. It is still unclear why the Companies did not engage Westbrick and address the necessary requests for them to provide a binding offer from the onset and in a reasonable and timely manner.
26. In light of the foregoing, I believe that the orders sought by Westbrick are reasonable, just and convenient.
27. Due to the circumstances of the COVID-19 pandemic, I am unable to be physically present to swear in this Supplemental Affidavit. I, however, was linked by way of video technology to the Notary Public notarizing this Affidavit.
28. Attached hereto and collectively marked as **Exhibit “D”** is a Certificate of Commissioning by Videoconference, completed by the commissioner to this my Supplemental Affidavit, confirming that the commissioner is satisfied that the process of swearing this my Supplemental Affidavit by way of video technology is necessary because it is either impossible

or unsafe, for medical reasons, for myself and the commissioner to be physically present together.

- 29. I swear this affidavit in support of an application for the approval of the Creditors' Meeting Order, which allow the creditors of the T5 to convene, hold and conduct a creditors meeting with respect to the Plan of Arrangement proposed by Westbrick, and for a restricted court access order related to the Confidential Exhibits.

SWORN BEFORE ME at Calgary, Alberta, this)
 12th day of April, 2021.)



A handwritten signature in dark ink, appearing to read 'Maninder Mangat', is written over a horizontal line.

) **MANINDER (MOE) MANGAT**

_____)
 Notary Public and Commissioner for Oaths in)
 and for the Province of Alberta)

)
)
)
)



Handwritten initials 'MM' in the bottom right corner of the page.

Exhibit "A"

M. Mangat's Undertaking Responses

(see attached)

Commissioner for Oaths and Notary Public

in and for the Province of Alberta



Mann, Jessie

From: Mann, Jessie
Sent: Sunday, April 11, 2021 1:25 PM
To: Lemmens, Matti; Oliver, Jeffrey; Kelly, Marc
Cc: Kashuba, Kyle
Subject: Mr. Mangat's Undertakings
Attachments: 7. AER closure report.pdf; support letters.zip; [EXT] T5 - CCAA - Service List; T5 - CCAA - Service List; RE: T5 - CCAA - Service List; 1. Moe Mangats notes.pdf

Hello Matti,

Further to your questioning of Mr. Mangat, and the requests for undertakings made at same, we have set forth below the undertakings we had noted, and responses to same, and have attached the relevant documents.

1. Undertaking for Mr. Mangat to produce his notes prepared and referred to for the for cross-examination.
 - a. Please see attached
 2. Undertaking to inquire and advise what conditions there are to be able to meet financing proposed in the Westbrick Offer, to provide the current credit facility availability for Westbrick to close the offer it made yesterday, together with any other details to suggest where funds will come from and timelines
 - a. Westbrick will fund the plan using its bank line from a syndicate of five major banks. The borrowing base under Westbrick's current facility is \$135,000,000 and as at April 9, 2021 Westbrick has drawn down \$63,400,000 against that facility. The bank line can be used at any time for general corporate purposes including the acquisition of oil and gas properties in Western Canada. In addition the company currently is developing its oil and gas properties and has a working capital deficit of \$20,000,000 associated with work completed but invoices have not yet received or are being processed through our accounting system. Westbrick targets paying its invoices within 45 days of receipt.
 3. Undertaking for production of all Debt Purchase Agreements entered into by Westbrick
 - a. See the attached Debt Purchase Agreements, together with email correspondence to the Monitor with same and an email to M. Lemmens confirming these were provided to the Monitor.
 - b. Under advisement.
 4. Undertaking for Copies of Support Letters
 - a. See attached zip folder
 - b. Please see note that was included in the form Westbrick circulated,
 - c. You will see that Isolation Equipment Services Inc.'s Support Letter included same – the note was intended to be deleted but was inadvertently included in their executed copy
- [Note to Unsecured Creditor: While, for the sake of convenience and efficiency, we have prepared the form of the subject support letter, we trust that, prior to executing same, you will consider the accuracy of the content herein and discuss same with the appropriate advisors.]**
5. Undertaking for date of NDA between WB and Crown
 - a. March 25, 2021
 6. Undertaking to produce that agreement between Sunchild First Nation and Westbrick
 - a. Undertaking taken under advisement.
 - b. The agreement says "strictly confidential" and will not be circulated
 - c. Westbrick is considering providing a sealed copy to the Court

7. AER letter

- a. See attached

We believe these were all of the undertakings that Mr. Mangat was to provide; however, as we do not have the questioning transcript outlining the undertakings, if there is anything that may have been missed, please let us know. We will be responding to all undertakings by way of a formal letter enclosing the attachments, which will be provided to the Court as well. In the meantime, we wanted to provide the responses that we are in the process of obtaining the requested information on.

We continue to wait for a response from Mr. Martin for his undertaking to provide email correspondence he referenced during his cross-examination – particularly, in which he requested that Westbrick provide an NDA.

Thanks,

Jessie

Jessie Mann

COURT FILE NUMBER 2101-00814

COURT COURT OF QUEEN'S BENCH
OF ALBERTA

JUDICIAL CENTRE CALGARY

APPLICANT IN THE MATTER OF THE *COMPANIES' CREDITORS
ARRANGEMENT ACT*, RSC 1985, c C-36, AS AMENDED

AND IN THE MATTER OF CALGARY OIL & GAS
SYNDICATE GROUP LTD., CALGARY OIL AND GAS
INTERCONTINENTAL GROUP LTD. (IN ITS OWN
CAPACITY AND IN ITS CAPACITY AS GENERAL
PARTNER OF T5 SC OIL AND GAS LIMITED
PARTNERSHIP), CALGARY OIL AND SYNDICATE
PARTNERS LTD. and PETROWORLD ENERGY LTD.

DOCUMENT **RESPONSES TO UNDERTAKINGS OF MANINDER
(MOE) MANGAT FROM QUESTIONING
CONDUCTED ON APRIL 9, 2021 ON AFFIDAVIT OF
MANINDER (MOE) MANGAT, SWORN ON APRIL 8,
2021**

PARTY FILING THIS DOCUMENT WESTBRICK ENERGY LTD.

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

Torys LLP
4600 Eighth Avenue Place East
525 - Eighth Ave SW
Calgary, AB T2P 1G1

Attention: Kyle Kashuba
Telephone: +1 403.776.3744
Fax: +1 403.776.3800
Email: kkashuba@torys.com
File No. 37464-2002

1. Undertaking No. 1: Provide notes that Mr. Mangat referred to during questioning – TAKEN UNDER ADVISEMENT.

Answer: Please see attached hereto as Tab "1".

2. Undertaking No. 2: Inquire and advise what conditions there are to be able to meet the financing proposed in the Westbrick offer.

Answer: Westbrick will fund the plan using its bank line from a syndicate of five major banks. The borrowing base under Westbrick's current facility is \$135,000,000 and as at April 9, 2021 Westbrick has drawn down \$63,400,000 against that facility. The bank line can be used at any time for general corporate purposes including the acquisition of oil and gas properties in Western Canada. In addition, the company currently is developing its oil and gas properties and has a working capital deficit of \$20,000,000 associated with work completed but invoices have not yet received or are being processed through our accounting system. Westbrick targets paying its invoices within 45 days of receipt.

3. Undertaking No. 3: Produce all of the documentation related to the spill of chlorinated water.

Answer: Please see attached hereto Tab "2", attaching a letter from the Alberta Energy Regulator. Given that the AER conducted its investigation as set forth in the attached letter, and has confirmed that they are closing the file, it is unclear why this request is necessary at this time; however, should this be critical to the Companies, Westbrick requests that you clarify how this is relevant and would be pleased to provide same.

4. Undertaking No. 4: Produce the records indicating the amount of money that was paid to purchase the debts from the unsecured creditors that are identified at paragraph 4 of Mr. Mangat's affidavit – TAKEN UNDER ADVISEMENT.

Answer: While Westbrick had already provided the Monitor with the debt purchaser agreements and had informed Matti Lemmens of same well in advance of the subject Questioning, the amount of money that was paid to purchase the debts is not relevant and Westbrick does not intend to disclose same.

5. Undertaking No. 5: Produce the debt purchase agreements between Westbrick and the unsecured creditors of the companies that are referred to in paragraph 4 – TAKEN UNDER ADVISEMENT.

Answer: Please see attached hereto Tab "3", enclosing the debt purchase agreements, together with email correspondence to the Monitor with same (confirming that the subject agreements were provided prior to the Questioning and when requested by the Monitor) and an email to Matti Lemmens confirming these agreements were provided to the Monitor (prior to the subject Questioning).

6. Undertaking No. 6: Produce all of the support letters for those various creditors.

Answer: Please see attached hereto Tab "4".

Notably, you will see that Isolation Equipment Services Inc.'s Support Letter included the note that was intended to be deleted but was inadvertently included in their executed copy, which clearly noted that the party signing the support letter will consider the accuracy of the content in the letter and discuss same with the appropriate advisors.

[Note to Unsecured Creditor: While, for the sake of convenience and efficiency, we have prepared the form of the subject support letter, we trust that, prior to executing same, you will consider the accuracy of the content herein and discuss same with the appropriate advisors.]

7. Undertaking No. 7: Advise the date when Crown and Westbrick entered into that NDA.

Answer: March 25, 2021.

8. Undertaking No. 8: Provide the current credit facility availability for Westbrick to close the offer that it made yesterday.

Answer: See answer to Undertaking No. 2.

9. Undertaking No. 9: Provide agreement between Sunchild and Westbrick in which Westbrick is committing to pay the community payment and the 3 percent royalty - **TAKEN UNDER ADVISEMENT**

Answer: The agreement is and says "strictly confidential" and will not be disclosed. Westbrick is considering providing a sealed copy to the Court.

Exhibit "B"

Mr. Martin's Undertaking Response

(see attached)

Commissioner for Oaths and Notary Public

in and for the Province of Alberta

Mann, Jessie

Subject: FW: Response to Undertaking of Ryan Martin from Cross-Examination of April 9, 2021 [BLG-DOCUMENTS.FID7741977]
Attachments: Response to Undertaking of R. Martin (Cross-Examination of April 9, 2021) (with Attachment Bookmarked)(121051174.1).pdf

From: Bennett, Tiffany <TiBennett@blg.com>

Sent: Sunday, April 11, 2021 2:33 PM

To: Kashuba, Kyle <kkashuba@torys.com>; Oliver, Jeffrey <joliver@cassels.com>; Kelly, Marc <makelly@bdo.ca>

Cc: Lemmens, Matti <MLemmens@blg.com>; Lastockin, Rhonda <RLastockin@blg.com>

Subject: Response to Undertaking of Ryan Martin from Cross-Examination of April 9, 2021 [BLG-DOCUMENTS.FID7741977]

Good afternoon,

Further to the cross-examination of Mr. Martin on April 9, 2021, please find enclosed Mr. Martin's response to the undertaking arising therefrom. Formal correspondence enclosing same will follow.

Thank you,
Tiffany



Tiffany Bennett

Lawyer

T 403.232.9199 | TiBennett@blg.com

Centennial Place, East Tower, 1900, 520 – 3rd Ave. SW, Calgary, AB, Canada T2P 0R3

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Borden Ladner Gervais LLP

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COURT FILE NUMBER **2101-00814**

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

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

AND IN THE MATTER OF CALGARY OIL &
GAS SYNDICATE GROUP LTD., CALGARY
OIL AND GAS INTERCONTINENTAL
GROUP LTD. (IN ITS OWN CAPACITY AND
IN ITS CAPACITY AS GENERAL PARTNER
OF T5 SC OIL AND GAS LIMITED
PARTNERSHIP), CALGARY OIL AND
SYNDICATE PARTNERS LTD., AND
PETROWORLD ENERGY LTD.

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	Matti Lemmens / Tiffany Bennett Borden Ladner Gervais LLP 1900, 520 3 rd Ave. S.W. Calgary, AB T2P 0R3 Telephone: (403) 232-9511 / 232-9199 Facsimile: (403) 266-1395 Email: MLemmens@blg.com / TiBennett@blg.com File No. 441112/000020
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**RESPONSE TO UNDERTAKING OF RYAN MARTIN
FROM CROSS-EXAMINATION CONDUCTED ON APRIL 9, 2021
ON AFFIDAVIT OF RYAN MARTIN SWORN ON APRIL 6, 2021**

Undertaking No. 1: Review records and e-mails; and if you can find an e-mail where an NDA from Westbrick Energy Ltd. was requested, that that be produced – TAKEN UNDER ADVISEMENT

Answer: Please see email correspondence attached hereto as Tab "1".

TAB 1

From: Moe Mangat <mmangat@westbrick.ca>
Sent: Friday, November 13, 2020 11:56 AM
To: Ryan Martin <Ryan.Martin@petroworldenergy.com>
Subject: RE: CANCEL for today - Follow up meet to introduction last week with Ryan T5

External Sender

Thanks Ryan, sounds good. it would be helpful to connect and get your thoughts and create some clarity around the process that will be followed and if there are external advisors engaged etc. With the new C19 measure in place, we can do that over a quick phone call as well. In the meantime, I will get the team pulling our NDA together for your perusal.

Cheers,

Moe Mangat, M.Eng, P.Eng, CFA

Chief Operating Officer
Westbrick Energy Ltd.
Suite 2500 255 5th AVE SW
Calgary, AB
T2P 3G6

Ph: 587-293-4668

From: Ryan Martin <Ryan.Martin@petroworldenergy.com>
Sent: Friday, November 13, 2020 8:27 AM
To: Moe Mangat <mmangat@westbrick.ca>
Subject: CANCEL for today - Follow up meet to introduction last week with Ryan T5

Morning Moe, my apologies but will have to reschedule this morning's coffee meet sometime next week. Will reach out next week to try coordinate another time.

In the meantime, can you send me your normal NDA for our legal to review, in

preparation for a DD exchange.

Regards
Ryan

From: Moe Mangat <mmangat@westbrick.ca>
Sent: Thursday, November 12, 2020 1:21 PM
To: Ryan Martin <Ryan.Martin@petroworldenergy.com>
Subject: Re: Follow up meet to introduction last week with Ryan T5

External Sender

Good afternoon Ryan,

Would 11 AM tomorrow work? Look forward to chatting tomorrow.

On Nov 12, 2020, at 9:29 AM, Ryan Martin <ryan.martin@petroworldenergy.com> wrote:

Morning Moe, are you able to meet for a coffee TM Friday? Suggest same place mid am.

Had wanted to update with you and qualify your interest in DD engagement.

Regards,
Ryan

CAUTION:

**This email originated from outside of Westbrick Energy.
*Do not click links or open attachments unless you recognize
the sender and know the content is safe***

CAUTION:

**This email originated from outside of Westbrick Energy.
*Do not click links or open attachments unless you recognize the sender
and know the content is safe***

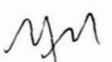
Exhibit "C"

Westbrick's Legal Counsel's Letter to the Monitor

(see attached)

Commissioner for Oaths and Notary Public

in and for the Province of Alberta



April 10, 2021

VIA E-MAIL (makelly@bdo.ca and joliver@cassels.com)

BDO CANADA LLP

620, 903 – 8 Ave SW
Calgary, Alberta T2P 0P7

CASSELS BROCK & BLACKWELL LLP

Suite 381, Bankers Hall West
888 3rd Street SW
Calgary, Alberta, T2P 5C5

Attention: Marc Kelly and Jeffrey Oliver

Dear Sirs:

Re: In the Matter of the *Companies' Creditors Arrangement Act*, RSC 1985, c C-36, as amended, proceeding (the "CCAA Proceeding") of Calgary Oil & Gas Syndicate Group Ltd., Calgary Oil and Gas Intercontinental Group Ltd. (in its own capacity and in its capacity as General Partner of T5 SC Oil and Gas Limited Partnership), Calgary Oil and Syndicate Partners Ltd. and Petroworld Energy Ltd. (collectively, the "Companies"); Alberta Court of Queen's Bench Action No. 2101-00814; Inquiries concerning the Third Report of the Monitor, dated April 8, 2021 (the "Third Report")

Upon a review of the Third Report of the Monitor, while Westbrick Energy Ltd. ("**Westbrick**") appreciates that the Monitor has likely relied on information obtained from the Companies noted therein, Westbrick wanted to address some inconsistencies noted therein based on information in their possession and their experience dealing with the Companies, which we have set forth below:

1. Paragraph 16 provides that the Management has:
 - a. continued to pursue potential alternative transactions including addressing expressions of interest from several parties – Westbrick, on multiple occasions, directly/indirectly has requested information from the Companies, which would have allowed them to provide a binding offer and Westbrick does not feel that their expression of interest was addressed in a manner that one would expect, especially from insolvent debtor companies seeking to restructure;
 - b. maintained communications with Sunchild First Nation ("**SFN**") to keep SFN apprised of the status of the CCAA Proceedings – Westbrick received a letter of concern from SFN on April 8, 2021, which clearly indicates that this statement is not true. While SFN's letter

is attached to Mr. Mangat's affidavit, below is a snippet of the subject statement made by SFN for ease of reference:

We reviewed the April 6, 2021 Affidavit of Ryan Martin which we received on April 7, 2021. Despite a longstanding relationship with Mr. Martin and contractual relationships with Companies he works for, he did not advise us in advance of a proposed sale to Spartan. He would have known that such a sale would be problematic for Sunchild for the reasons that follow.

2. With respect to Paragraph 24 and the comment that the Companies' position that the Spartan LOI represents a superior opportunity versus the Proposed Westbrick PSA as, *inter alia*, the structure of the proposed Spartan Transaction would preserve existing tax losses, and similarly in connection with Paragraph 32 of Mr. Martin's Affidavit, a snippet of which is included below for ease of reference:

32. **Third, unlike the Draft Westbrick PSA, the structure of the transaction set out in the Spartan LOI will preserve tax losses and therefore provide increased value for all stakeholders.**

Westbrick has noted that while the comment on the preservation of tax losses is generally correct, since all income and resource pools flow through to the partners, it is the tax position of the partners that is being preserved. It is unclear how this results in "increased value for all stakeholders", as noted in Paragraph 32 of Mr. Martin's Affidavit. Did you have any thoughts on this and/or did the Monitor consider same?

3. With respect to paragraph 24(b), snippet of which we have included below:

- b. the equity transaction contemplated by the Spartan LOI contemplates the preservation of the Companies' existing leases with Indian Oil and Gas Canada and would allow the Companies to continue operations in the ordinary course and facilitate the **uninterrupted continuation of the Companies' existing relationship with SFN;**

We note that SFN again seems to suggest otherwise, particularly given the following statement made by the SFN in their concern letter to Westbrick noted above:

Reserve. This may create conflict between Spartan, O'Chiese and Sunchild. **In addition, we believe Spartan's ownership of the Companies could prejudice Sunchild when it comes to communications and resolving the inevitable differences that arise during gas extraction in the backyards of our homes and the homes of our members.**

Westbrick appreciates that the Monitor was almost certainly not aware of the above prior to filing its report and asks that you consider same, along with other factors that come to light, in your ongoing assessment of the relative merits of the Spartan and Westbrick bids.

Further, we trust that the Monitor is aware of the long-standing jurisprudence that the “highest price” bid does not always mean the “highest value” bid. In light of the recent developments, particularly, Sunchild First Nation’s letter expressing their serious concern should the Spartan Transaction be approved, we trust that the Monitor will re-assess (to the extent that it has not already) which offer is of the “highest value”.

Westbrick hereby confirms that:

1. Westbrick is ready, willing and able to close sooner than May 31, 2021 and can close within two business days of obtaining the last of such approvals and consent and subject to satisfactory completion of due diligence;
2. Due to the Companies refusal to attend to Westbrick’s requests, Westbrick has been unable to confirm with certainty a number of items that may help improve its bids, and has used public data to present an Offer that Mr. Martin confirmed during his questioning could yield a better outcome in comparison to the Third Party LOI that the Companies were considering;
3. Westbrick is prepared to conduct such due diligence immediately (i.e. Saturday, April 10) such that this due diligence condition could be satisfied prior to T5’s application in its CCAA Process next week;
4. the funds for the Purchase Price will be obtained from its reserves based loan and such funds remain available and the Westbrick Transaction is not subject to financing; and
5. Westbrick’s *binding* offer is capable of being signed and accepted and has the necessary support from one of the most critical stakeholders, Sunchild First Nation and from various unsecured creditors, details of which are set forth in Mr. Mangat’s Affidavit, sworn on April 8, 2021.

In addition, Westbrick is hoping that the Monitor can attend to the following requests, which will allow Westbrick to reconsider its Offer (if necessary) and propose a higher Offer:

1. Please confirm the other maintenance capital being completed.
 - a. Please clarify for what the maintenance capital is being used for and whether such maintenance could have been deferred until after closing of any sale of the assets or recapitalization of the Companies and whether the Monitor has considered whether the use of cash flow in respect of same would more properly be preserved to the benefit of creditors rather than retained and applied to improve the assets to the benefit of the Companies and Spartan.
 - i. The fact that such spending would have been deferred forms a part of Westbrick’s proposal, including interim period controls in the proposed Purchase Agreement and, in our view, is another superior aspect of Westbrick’s bid – please advise whether the Monitor has any thoughts on same.
 - b. There was or is capital/maintenance capital spending of (i) \$40,000 for generator overhaul; (ii) \$134,000 for compliance-related work. As noted above, Westbrick would have absorbed this and done this work after the “Effective Time” of its Offer and there are protections for creditors in the Westbrick Purchase Agreement against this. Under the Westbrick Purchase Agreement and binding offer, any spending after the Effective Date is on Westbrick’s account

and does not impact the Purchase Price. There should not be material discretionary spending prior to the Effective Date as this directly impacts the preservation of cash that would be otherwise available to satisfy some portion of the debts of the Companies.

- i. As you may be aware, this is the kind of information that is typically shared by a seller to a buyer in a pre-agreement discussion so that the buyer is providing its best and most informed bid to the seller – this is the kind of information that seller has refused to provide to Westbrick.
2. Please confirm whether the Monitor is aware that the Westbrick Offer contains interim period provisions that are designed to preserve the Assets as is and that T5 is not to conduct operations in excess of \$50,000 that are not accounted for or captured in an existing budget or forecast – this protects the Purchaser but has the added benefit of protecting unsecured creditors from the use of net cash flow to improve the Assets;
3. Please confirm whether the significant swings in operating expenses have been considered and explained adequately by the Companies (\$200,000 in April and \$100,000 in May);
4. Please confirm whether the payables list is current;
5. Please confirm the amount of the collateral under the Keyera Letter of Credit and the Nova/TCPL Letter of Credit.
 - a. Any additional information as to what portion of such collateral is at risk if Westbrick assumes only part of the FT-R Service, would be appreciated. Again, this is information that is typically shared by a willing seller;
6. Please confirm whether there are any cure amounts owing to Keyera or TCPL;
7. Please confirm whether you can provide an estimate of how much is left over to be paid to the creditors after payout of Crown; and
8. Please contact Sunchild and IOGC and confirm what has been paid and what is owed.

Westbrick is hoping that you could provide this information as soon as possible to allow it to consider whether it is appropriate for same to further increase its Purchase Price.

We appreciate that the Monitor is the Court's officer, and wanted to share Westbrick's experience and thoughts regarding certain of the statements that have been made.

Should you have any questions or comments and/or would otherwise prefer to discuss, please do not hesitate to contact us.

Sincerely,



Kyle Kashuba
KDK

cc: Westbrick Energy Ltd., Attention: Ken McCagherty and Moe Mangat (via email)

Exhibit "D"

Certificate of Commissioning by Videoconference

(see attached)

Commissioner for Oaths and Notary Public

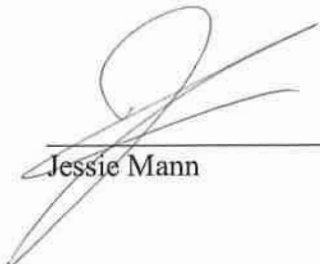
in and for the Province of Alberta

**Certificate of Commissioning by Videoconference
to the Affidavit of Maninder (Moe) Mangat
sworn on April 12, 2021**

I, Jessie Mann, Commissioner of Oaths in and for the Province of Alberta, took the Affidavit of Maninder (Moe) Mangat via videoconference on April 12, 2021 (the "Affidavit").

The affiant and I followed the process outlined by the Alberta Court of Queen's Bench in Notice to the Profession and Public #2020-02 dated March 25, 2020. In addition to the steps described in the Affidavit, I compared each page of the copy I received from the affiant with the initialed copy that was before me while I was linked by videoconference with the affiant. Upon being satisfied that the two copies were identical, I affixed my name to the jurat.

On March 17, 2020, the Government of Alberta declared a state of public health emergency pursuant to the Alberta *Public Health Act* in response to the COVID-19 pandemic. The Government of Alberta also strongly recommends that all individuals stay home and avoid contact with others whenever possible. Therefore, I am satisfied that this process was necessary because it was unsafe for the deponent and I to be physically present together.



Jessie Mann

Confidential Exhibit "1"

Westbrick and Sunchild First Nation Agreement

[SEALED]

Commissioner for Oaths and Notary Public

in and for the Province of Alberta



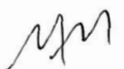
Confidential Exhibit "2"

Westbrick's and the Companies Correspondence regarding another asset/project

[SEALED]

Commissioner for Oaths and Notary Public

in and for the Province of Alberta



Confidential Exhibit "3"

Revising Westbrick Binding Offer

[SEALED]

Commissioner for Oaths and Notary Public

in and for the Province of Alberta

