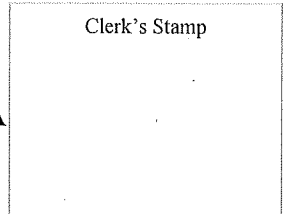


COURT FILE NUMBER **2101-00814**
COURT **COURT OF QUEEN'S BENCH OF ALBERTA**
JUDICIAL CENTRE **CALGARY**



**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.**

DOCUMENT **AFFIDAVIT**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT Matti Lemmens / Tiffany Bennett
Borden Ladner Gervais LLP
1900, 520 3rd Ave. S.W.
Calgary, AB T2P 0R3
Telephone: (403) 232-9511 / (403) 232-9199
Facsimile: (403) 266-1395
Email: MLemmens@blg.com / TiBennett@blg.com

SUPPLEMENTAL AFFIDAVIT OF RYAN MARTIN
Sworn on April 12, 2021

I, Ryan Martin, of the City of Alberta, in the Province of Alberta, SWEAR AND SAY THAT:

1. I am the President, Secretary and sole director of the Applicants, Calgary Oil and Gas Intercontinental Group Ltd., formerly Triple Five Intercontinental Group Ltd. ("**Intercontinental**") and Petroworld Energy Ltd. ("**Petroworld**"). I have been the President of Intercontinental and Petroworld since September 4 and 10, 2020, respectively, and have been involved with the companies since their incorporation. Through my involvement with Intercontinental and Petroworld, I have also gained personal knowledge relating to their parent companies and related entities, Calgary Oil & Gas Syndicate Group

Ltd., formerly Triple Five Energy Ltd., and Calgary Oil and Syndicate Partners Ltd., formerly T5 Energy Partners Ltd. (all Applicants are collectively referred to herein as the “**Companies**”). As such, I have personal knowledge of the matters to which I depose in this Affidavit, except where such matters are stated to be based on information and belief, in which case I have stated the source of my information and, in all cases, I believe such information to be true.

2. I previously swore an Affidavit on April 6, 2021 (the “**Fourth Martin Affidavit**”), which was filed in these proceedings in support of the Companies’ Application (the “**Application**”) to be heard on April 13, 2021 for relief pursuant to the *Companies’ Creditors Arrangement Act*, RSC 1985, c C-36, as amended (the “**CCAA**”).
3. Following the filing and service of the Companies’ Application and supporting materials, on April 8, 2021, Westbrick Energy Ltd. (“**Westbrick**”) served a cross-application (the “**Cross-Application**”) for the convening and conducting of a creditors’ meeting, and the filing of a plan of compromise or arrangement. Among other things, Westbrick served an Affidavit sworn by its Chief Operating Officer, Maninder (Moe) Mangat on April 8, 2021 in support of its Cross-Application (the “**Mangat Affidavit**”).
4. On April 9, 2021, the day after the service of Westbrick’s Cross-Application, counsel for the Companies and counsel for Westbrick conducted cross-examination in respect of the Mangat Affidavit and the Fourth Martin Affidavit, respectively.
5. I make this Supplemental Affidavit to supplement the Fourth Martin Affidavit to provide updates of events occurring after I swore same on April 6, 2021, and to respond to the statements set out in the Mangat Affidavit.
6. Unless otherwise defined herein, all capitalized meanings have the terms ascribed thereto in the Fourth Martin Affidavit.

EVENTS THAT OCCURRED AFTER THE SWEARING OF THE FOURTH MARTIN AFFIDAVIT

7. Further to paragraphs 20 and 21 of the Fourth Martin Affidavit, on April 7, 2021, Spartan delivered by wire transfer to counsel for the Companies, Borden Ladner Gervais LLP, the deposit contemplated under the Spartan LOI and the Escrow Agreement.

8. On April 8, 2021 at 4:29 p.m., Westbrick provided to the Companies and the Partnership an offer for the acquisition of the Ferrier assets (the “**Westbrick Offer**”), which included an updated draft Purchase Agreement (the “**Updated Draft Westbrick PSA**”). A copy of the Westbrick Offer, including the Updated Draft Westbrick PSA, is attached at **Exhibit “A”** of the Mangat Affidavit.
9. On April 8, 2021 at 6:18 p.m., Westbrick served, among other things, the Cross-Application and the Mangat Affidavit, upon the Companies and others. The Companies became aware for the first time that Westbrick intended to file a proposed plan and to convene a creditors’ meeting upon a review of the Cross-Application materials. The Companies had no prior notice of the relief Westbrick intended to seek and was not consulted in the preparation of the proposed plan.
10. In light of the fact that the Companies have not yet completed a transaction that could finance a plan of arrangement, the Companies have not proposed a plan to their creditors and intend to do so once a transaction has been consummated, subject to any necessary Court approval(s) and plan of arrangement being sanctioned.

THE COMPANIES’ PRIOR DEALINGS WITH WESTBRICK AND VIEW OF THE WESTBRICK OFFER

11. The Companies’ first dealings with Westbrick occurred in or around 2013, when the Companies were engaged in negotiations with the Sunchild First Nation in respect of acquiring the Ferrier assets.
12. On or about November 3, 2020, Mr. Mangat contacted my colleague, Lon Kasha, to discuss a potential transaction between the Companies and/or the Partnership and Westbrick. Mr. Kasha introduced me to Mr. Mangat via email correspondence. Attached hereto and marked as **Exhibit “A”** is a true copy of the email exchange between Messrs. Mangat and Kasha and myself dated November 3, 2020.
13. Westbrick was one of several other parties that were also interested in a potential transaction with the Companies at that time, and Mr. Mangat and I had several discussions. However, these discussions did not result in any material negotiations or an offer as, despite

my request, Westbrick did not execute a confidentiality agreement for a review of any necessary due diligence materials.

14. On March 31, 2021, Westbrick's counsel inquired about limited due diligence in respect of a potential offer. The Monitor responded that some of that requested information would be available in upcoming Court application materials. Attached hereto and marked as **Exhibit "B"** is a true copy of the email exchange between the Monitor and Westbrick's counsel in respect of Westbrick's inquiry.
15. I attended the cross-examination of Mr. Mangat on April 9, 2021. He was asked what due diligence Westbrick needed to do to be able to proceed with the Updated Draft Westbrick PSA, to which he advised Westbrick still needed to conduct operational, title, and financial due diligence, including, among other things, field visits, review of existing agreements, and title review.
16. Following the cross-examinations which occurred on April 9, 2021, Mr. Mangat contacted me to further discuss the Westbrick Offer and request information for due diligence purposes. I advised Mr. Mangat that the Companies were awaiting responses to undertakings given by Mr. Mangat during his cross-examination, particularly in respect of Westbrick's financial capability, and would advise of the Companies' position after review of the undertaking responses. Attached hereto and marked as **Exhibit "C"** is a copy of the email exchange between Mr. Mangat and myself on April 9 and April 10, 2021.
17. Despite having delivered Mr. Mangat's responses to undertakings, Westbrick has not provided the Companies clarity on its financial ability, nor provided any information about any conditions on Westbrick's ability to fund its proposed transaction. The Companies have no assurance of Westbrick's ability to close its proposed transaction. As set out in Mr. Mangat's email correspondence of April 10, 2021, which is attached at **Exhibit "C"** hereto, Mr. Mangat simply indicated Westbrick is "confident in the funds required to close this transaction...". On the other hand, the Companies have received a deposit in respect of the Spartan LOI and view the delivery of this deposit as indicative of Spartan's commitment and financial ability to close the transaction contemplated in the Spartan LOI.
18. Nevertheless, as late as 6:44 p.m. on April 10, 2021, Mr. Mangat sent a lengthy list of due diligence requests to me that significantly expanded the due diligence that Westbrick has

requested previously. Mr. Mangat's list of due diligence requests is set out in one of the email correspondence attached at **Exhibit "C"** hereto.

19. Westbrick has not signed a non-disclosure agreement with the Companies and the Companies would not disclose the requested materials without one. We previously requested a non-disclosure agreement from Westbrick in November 2020, but never received one. Attached hereto and marked as **Exhibit "D"** is a copy of the email exchange between Mr. Mangat and myself on November 13, 2020, during which I requested a non-disclosure agreement.
20. The Companies, through BLG, received Mr. Mangat's response to undertakings on April 11, 2021. After having reviewed these responses to undertakings, the Companies continue to be of the view that the Westbrick Offer is not as beneficial to the various stakeholders as the transaction set out in the Spartan LOI. In particular, the purchase price set out in the Westbrick Offer is lower than the consideration payable under the contemplated Spartan transaction. Furthermore, the Westbrick Offer contemplates the liquidation of the Companies, not a restructuring transaction. For these reasons, the Companies believe that the Westbrick Offer would not provide as much recovery to the stakeholders as the Spartan transaction.
21. As such, on April 11, 2021, I advised Mr. Mangat that the Westbrick Offer remained inferior to the Spartan LOI and that the Companies would continue to move toward finalizing a definitive agreement with Spartan. Attached hereto and marked as **Exhibit "E"** is a copy of the email exchange between Mr. Mangat and myself on April 11, 2021, in which Mr. Mangat forwarded his undertaking responses (not included in the exhibit) and I advised Mr. Mangat of the Companies' position on the Westbrick Offer.

RESPONSE TO SUNCHILD LETTER

22. Based on the contents of the support letter provided by the Sunchild First Nation and appended at Exhibit "D" of the Mangat Affidavit (the "**Sunchild Letter**"), the Companies are concerned about the representations that have been made by Westbrick to the Sunchild First Nation in respect of the Companies and Spartan.


23. Among other things, the Companies are concerned with the characterization of Spartan's financial wherewithal as described in the Sunchild Letter and representations that may have been made by Westbrick to Spartan.
24. Spartan and Westbrick were competing bidders for assets located on the O'Chiese First Nation, which is located near the Sunchild First Nation, in the CCAA proceedings of Bellatrix Exploration Ltd. (the "**Bellatrix CCAA**"). During the course of the Bellatrix CCAA, Spartan's President and Chief Executive Officer, Fotis Kalantzis, swore an Affidavit in respect of Spartan's offer and ability to close the transaction in respect of the assets in that proceeding (the "**Kalantzis Affidavit**"). Attached hereto and marked hereto and marked as **Exhibit "F"** is a copy of the Kalantzis Affidavit.
25. Westbrick, as a competing offeror in the Bellatrix CCAA, was well aware or should reasonably have been aware of Spartan's general financial ability based on the information set out in the Kalantzis Affidavit, yet the Sunchild Letter indicates that, in respect of the Westbrick Offer and the Spartan LOI, the Sunchild First Nation was of the belief that Spartan was not financially capable of closing a transaction without debt financing. Likewise, during the cross-examination of Mr. Mangat on April 9, 2021, Mr. Mangat indicated he understood a number of Spartan's recent transactions were "cash/debt with limited amount of cash exchanging hands into those transactions". Based on the foregoing, I believe that Westbrick's discussions with the Sunchild First Nation left the Sunchild First Nation with the impression that Spartan did not have sufficient financial means to complete its proposed transaction.
26. The contents of the Sunchild Letter came as a surprise to the Companies, as the Companies had understood that the Sunchild First Nation remained supportive of the Companies' continued restructuring efforts until at least April 7, 2021 when the Companies filed their latest Application materials.
27. On April 12, 2021, through counsel, the Companies delivered to the Sunchild First Nation a formal correspondence requesting engagement and further discussions between the Companies, the Sunchild First Nation, and Spartan in respect of the Spartan LOI. Attached hereto and marked as **Exhibit "G"** is a true copy of the Companies' correspondence of April 12, 2021.

SPARTAN EXCLUSIVITY

28. In response to the Cross-Application, Spartan has requested that the Companies negotiate with it exclusively for a period of 10 days to finalize definitive agreement(s) in respect of the Spartan LOI. Mr. Kalantzis of Spartan advised me that Spartan would not commit financing and instructing its legal counsel to negotiating the definitive agreement(s) contemplated by the Spartan LOI unless it was doing so without threat of having the Companies accept an alternative offer or be distracted with ongoing due diligence requests from other parties.
29. In that regard, Spartan and the Companies entered into an exclusivity agreement on April 11, 2021 (the “**Exclusivity Agreement**”). Attached hereto and marked as **Confidential Exhibit “1”** is a true copy of the Exclusivity Agreement.
30. The Companies intend to seek a sealing order in respect of **Confidential Exhibit “1”** (the “**Confidential Exhibit**”), which provides certain commercially sensitive information relating to the Companies’ and the Partnership’s actual or potential negotiations with Spartan. The Exclusivity Agreement includes a confidentiality clause which does not permit the disclosure of its terms, with the sole exception of the duration of the exclusivity period. I honestly believe that the dissemination of the information set out in the Confidential Exhibit could adversely affect any negotiations between the Companies, the Partnership, Spartan, and result in prejudice against the parties to the Exclusivity Agreement to advance their discussions and stakeholders’ ability to recover value from the transaction contemplated in the Spartan LOI.
31. Further, Spartan has delivered to the Monitor, with a copy to the Companies, a correspondence dated April 12, 2021 in respect of the Exclusivity Agreement, Spartan’s financial capability, and its response to statements made in the Mangat Affidavit. Attached hereto and marked as **Exhibit “H”** is a true copy of Spartan’s correspondence of April 12, 2021.

32. I swear this Affidavit in support of the Companies' Application filed April 7, 2021 and in response to Westbrick's Cross-Application for a creditors' meeting order.

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



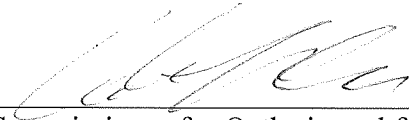
A Commissioner for Oaths in and for Alberta)



RYAN MARTIN

COLIN LAROCHE
A Commissioner for Oaths
In and for Alberta
Student-At-Law, Notary Public

This is **Exhibit "A"**
Referred to in the Affidavit of Ryan Martin
Sworn before me this 12th day of April, 2021



A Commissioner for Oaths in and for Alberta

COLIN LAROCHE
A Commissioner for Oaths
in and for Alberta
Student-At-Law, Notary Public

From: Ryan Martin
Sent: Tuesday, November 03, 2020 12:01 PM
To: 'Lon Kasha' <lonkasha@shaw.ca>; Moe Mangat <mmangat@westbrick.ca>
Cc: Lon Kasha <lon.kasha@petroworldenergy.com>
Subject: RE: Follow up

Thanks for the intro Lon.

Moe, am open to grab a coffee this week if you are able to connect. Let me know what may work?
Regards,
Ryan Martin, T5
403-921-4883

From: Lon Kasha <lonkasha@shaw.ca>
Sent: Tuesday, November 03, 2020 11:18 AM
To: Moe Mangat <mmangat@westbrick.ca>
Cc: Lon Kasha <lon.kasha@petroworldenergy.com>; Lon Kasha (lonkasha@shaw.ca) <lonkasha@shaw.ca>; Ryan Martin <Ryan.Martin@petroworldenergy.com>
Subject: Re: Follow up

External Sender

Hi Moe. Thank you and a pleasure talking with you as well. Ryan will give you a call to set up a meeting for a discussion.

Sent from my iPhone

On Nov 3, 2020, at 10:20 AM, Moe Mangat <mmangat@westbrick.ca> wrote:

Hi Lon,

Pleasure to meet you today and thanks for the coffee. As discussed, please find attached a copy of our corporate presentation and hopefully that will provide some additional context on our business for you and Ryan. Very much enjoyed our conversation today Lon, sounds like there might be some interesting things for us to discuss. Happy to set something up with Ryan at his convivence.

Appreciate the time today Lon and please say hello to Cam.

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

<Westbrick-October_2020.pdf>

This is **Exhibit "B"**
Referred to in the Affidavit of Ryan Martin
Sworn before me this 12th day of April, 2021



A Commissioner for Oaths in and for Alberta

COLIN LAROCHE
A Commissioner for Oaths
in and for Alberta
Student-At-Law, Notary Public

From: Oliver, Jeffrey <joliver@cassels.com>
Sent: March 31, 2021 7:59 AM
To: Lemmens, Matti
Cc: Marc Kelly
Subject: Fwd: Calgary Oil & Gas Syndicate Group Ltd. et al, CCAA proceedings - inquiries of the Monitor

[External / Externe]

FYI

Jeffrey Oliver
Partner
Cassels
403-351-2921
joliver@cassels.com

Begin forwarded message:

From: "Oliver, Jeffrey" <joliver@cassels.com>
Date: March 31, 2021 at 7:58:03 AM MDT
To: "Kashuba, Kyle" <kkashuba@torys.com>
Cc: mkelly@insolvency.net
Subject: Re: Calgary Oil & Gas Syndicate Group Ltd. et al, CCAA proceedings - inquiries of the Monitor

Kyle,

Thanks for your email. An updated cashflow of the company will be in its materials for the upcoming application, which we expect will be served Tuesday. The Monitor is unable to provide the balance of the information as there is no current sales process and as a result your client does not have the necessary standing to receive the information at this time

Jeffrey Oliver
Partner
Cassels
403-351-2921
joliver@cassels.com

On Mar 31, 2021, at 7:12 AM, Kashuba, Kyle <kkashuba@torys.com> wrote:

Hello Marc and Jeff,

In connection with the offer that Westbrick intends to submit today, we would appreciate it if the Company/Monitor could kindly confirm/provide (as applicable):

1. the net cash position of the Companies (and particularly, T5) as at March 31, 2021;
2. further information about the transportation rights, and whether you have copies of any of the related commitments so that Westbrick can consider the position of the relevant parties;
3. details/copies of any prepaid deposits/LCs that may be returned.

This will allow Westbrick to provide a more fulsome offer.

Should you wish to discuss, please do not hesitate to contact me.

Best regards,

Kyle

Kyle Kashuba


P. 403.776.3744 | F. 403.776.3800 | 1.800.505.8679
525 - 8th Avenue S.W., 46th Floor, Eighth Avenue Place East
Calgary, Alberta T2P 1G1 Canada | www.torys.com

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This is **Exhibit "C"**
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Sworn before me this 12th day of April, 2021



A Commissioner for Oaths in and for Alberta

COLIN LAROCHE
A Commissioner for Oaths
in and for Alberta
Student-At-Law, Notary Public

From: Moe Mangat <mmangat@westbrick.ca>
Sent: Saturday, April 10, 2021 6:44 PM
To: Ryan Martin <Ryan.Martin@petroworldenergy.com>
Cc: Ken McCagherty <McCagherty@westbrick.ca>
Subject: RE: Follow up

External Sender

Hi Ryan,

Appreciate these are busy times and thought it might be helpful to share the due diligence list in anticipation of our discussions. At this stage, it would be very helpful to have these items. Thanks in advance,

1	Fully executed version of original IOGC Lease OL-6448 and any amendments and/or extensions thereto
2	Fully executed version of all IOGC surface leases associated with the Assets on Sunchild reserve #202 and any amendments thereto, relevant attachments, terms etc.
3	Confirm that the above IOGC mineral and surface leases are in good standing and if not, details on defaults, default notices and any associated costs of such defaults to bring the leases back into good standing, including lease rentals, compensatory royalties
4	Fully executed version of any and all Farmout Agreements, Joint Venture Agreements, Royalty Agreements, Surface access agreements etc associated with the Assets and any amendments thereto and confirmation that all agreements are in good standing.
5	Production Allocation Agreements between IOGC and Alberta Energy for horizontal wells

6	Any document or agreement addressing or detailing WI ownership of Crown title docs on reserve (particularly 0598030879 with TAQA)
7	Lease operating statements
8	FT-R Schedule
9	Marketing Arrangements
10	Gas Processing Agreement(s) with Keyera
11	Lease agreements for the compression/separator equipment
12	Reserves report

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: Moe Mangat

Sent: Saturday, April 10, 2021 12:06 PM

To: Ryan Martin <Ryan.Martin@petroworldenergy.com>

Cc: Ken McCagherty <McCagherty@westbrick.ca>

Subject: RE: Follow up

Thanks for the note Ryan. As I mentioned during my part of yesterdays proceedings, we are confident in the funds required to close this transaction, furthermore we have approval from our Board of Directors to do the same. The 10% deposit contemplated in our bidding offer provides an additional level of certainty. We are confident that Matti's review will confirm the same, as such, given the compressed timing involved, I don't think we need to delay our discussions to Monday. Are you able to provide any comments on our binding offer, or require additional discussion on any of the points over the weekend?

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: Saturday, April 10, 2021 9:52 AM

To: Moe Mangat <mmangat@westbrick.ca>

Cc: Ken McCagherty <McCagherty@westbrick.ca>

Subject: Re: Follow up

Morning Moe, and appreciate the outreach.

Will prepare the DD materials you require and look forward to a fulsome discussion regarding your 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.

Best regards
Ryan

On Apr. 9, 2021 7:03 p.m., Moe Mangat <mmangat@westbrick.ca> wrote:

External Sender

Hi Ryan,

Thanks for your offer to engage in discussion with Westbrick regarding our binding offer. As we said in the cover letter to our offer, we have the full team ready to go on this transaction and can have the entire due diligence process completed before the court date. Also, just want to clarify any questions or concerns you might have with regards to our deposit, we are happy to advance the deposit and its contemplated in our offer, as soon as we receive the executed copy of our offer. As time is of the essence, I have also cc'd our CEO on this email and we can also jump on a call if its more helpful to have a live discussion. Is there a time that works for you?

Cheers,

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

Chief Operating Officer

Westbrick Energy Ltd.

Suite 2500 255 5th AVE SW

Calgary, AB

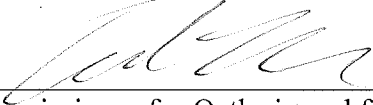
T2P 3G6

Ph: 587-293-4668

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Referred to in the Affidavit of Ryan Martin
Sworn before me this 12th day of April, 2021



A Commissioner for Oaths in and for Alberta

COLIN LAROCHE
A Commissioner for Oaths
in and for Alberta
Student-At-Law, Notary Public

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


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Sworn before me this 12th day of April, 2021



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COLIN LAROCHE
A Commissioner for Oaths
in and for Alberta
Student-At-Law, Notary Public

From: Ryan Martin
Sent: Sunday, April 11, 2021 7:31 PM
To: Moe Mangat <mmangat@westbrick.ca>
Subject: RE: Mr. Mangat's Undertakings

Thanks Moe, as outlined in the cross examination on Friday, April 9, 2021 and the Monitor's Report, the Westbrick offer is significantly less than the Spartan offer and does not provide for the restructuring and survival of the T5 limited partnership. Your offer is to acquire the assets of T5. As you may recall, Justice Nixon granted COGL's application, in part, on the basis that the T5 entity would be restructured and survive, and he rejected the sales process sought by Crown Capital and consequent asset sale that would have ensued as a result of a sales process.

To date, Westbrick has only been interested in acquiring the T5 assets at a substantially lesser amount than what Spartan has offered to recapitalize T5. We understood that Westbrick's due diligence inquiries were more limited in nature during the cross-examinations on Friday; however, 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. Given the foregoing, with a view to maximizing the value for the Companies' creditors, we will now be focusing our time and energy to consummate a deal with a transaction that is more accretive to stakeholders and continues the survival of T5.

Regards,
Ryan

From: Moe Mangat <mmangat@westbrick.ca>
Sent: Sunday, April 11, 2021 2:55 PM
To: Ryan Martin <Ryan.Martin@petroworldenergy.com>
Subject: FW: Mr. Mangat's Undertakings

External Sender

Hello Ryan,

Please see below email from our legal counsel to Ms. Lemmens, which includes our responses to my undertakings given. I tried forwarding the full email with attachments but it was kicked back by your server. Please let me know if you would like me to forward those as separate attachments. We trust that our responses are satisfactory and look forward to receiving the due diligence materials we have requested as soon as possible so that we can consider whether our review results in any changes to our Offer (and hopefully an increased benefit to the creditors).

Should you wish to discuss, please do not hesitate to contact me.

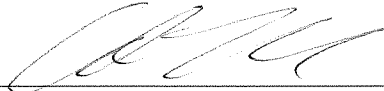
Best regards,

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

This is **Exhibit "F"**
Referred to in the Affidavit of Ryan Martin
Sworn before me this 12th day of April, 2021

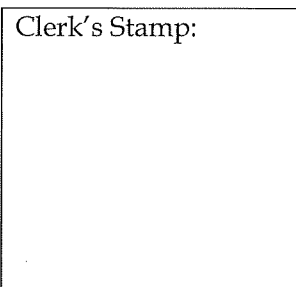


A Commissioner for Oaths in and for Alberta

COLIN LAROCHE
A Commissioner for Oaths
in and for Alberta
Student-At-Law, Notary Public

COURT FILE NUMBER 1901-13767
COURT COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY

Clerk's Stamp:



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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF BELLATRIX EXPLORATION LTD.

APPLICANT BELLATRIX EXPLORATION LTD.

DOCUMENT **AFFIDAVIT**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT
McCARTHY TETRAULT LLP
Suite 4000
421 7 Ave SW
T2P 4K9
Solicitor: Sean Collins
Phone Number: 403-260-3531
Email: SCollins@mccarthy.ca
Fax Number: 403-260-3501
File No.: 146818-1005

AFFIDAVIT OF FOTIS KALANTZIS
Sworn (or Affirmed) on May 15, 2020

I, **FOTIS KALANTZIS**, of the City of Calgary, in the Province of Alberta, **SWEAR/AFFIRM AND SAY THAT:**

1. I am the President, Chief Executive Officer and a director of Return Energy Inc. (to be renamed Spartan Delta Corp.) ("**Spartan**"), and as such, I have personal knowledge of the matters hereinafter deposed to, except where stated to be based on information, in which case I believe that information to be true.

2. I hold a M.Sc. from the University of Saskatchewan and a Ph.D. in Geophysics from the University of Alberta. I have been a co-founder of several public companies and have over 25 years of experience in oil and gas exploration and development in senior technical and leadership positions.
3. I was a senior officer and founder of Spartan Energy Corp. ("**Spartan Energy**") from December 2013 to May 2018, Spartan Oil Corp. ("**Spartan Oil**") from June 2011 to January 2013 and Spartan Exploration Ltd. ("**Spartan Exploration**") from January 2008 to June 2011. Prior to that, I was the Exploration Manager at Innova Exploration Ltd. and I also held technical positions at Petro-Canada, Saudi Aramco, Suncor Energy Inc., Wascana Energy Inc., Home Oil Company and Mobil Oil of Canada in connection with oil and gas exploration and development in Canada and internationally.
4. Spartan is a public oil and gas company listed on the facilities of the TSX Venture Exchange.
5. On December 19, 2019, Spartan completed a non-brokered private placement for gross proceeds of \$25.0 million, as well as the appointment of a new board of directors (the "**New Board**") and a new management team (the "**New Management Team**").
6. The New Board is comprised of Richard F. McHardy, Fotis Kalantzis, Don Archibald, Reginald Greenslade, Kevin Overstrom and Tamara MacDonald. The members of the New Board have strong track records and distinguished careers in both the oil and gas industry and capital markets and have held prominent lead positions within a range of successful companies. Their combined experience and expertise will provide the New Management Team with invaluable advice, guidance and support.
7. The New Management Team is comprised of Richard F. McHardy as Executive Chairman and Fotis Kalantzis as President and Chief Executive Officer, Geri Greenall as Chief Financial Officer, Thanos Natras as Vice President, Exploration, Craig Martin as Vice President, Operations, Mark Hodgson as Vice President, Corporate Development, Brendan Paton as Manager, Engineering and Ashley Hohm as Controller.

8. The New Management Team has an established track record of creating value across multiple business cycles in high-growth oil and gas companies through an integrated strategy of acquiring, exploiting and exploring, including the following:
 - (a) The New Management Team led Spartan Energy, a light oil producer focused primarily on conventional open-hole horizontal wells drilled on Mississippian oil plays in southeast Saskatchewan. The New Management Team grew production from approximately 625 boepd to 23,000 boepd over a four-year period prior to its sale to Vermilion Energy Inc. in May 2018 for approximately \$1.4 billion. During a period of significant uncertainty in the energy markets, the New Management Team stewarded capital efficiently and delivered above market shareholder returns.
 - (b) Prior to Spartan Energy, the New Management Team led Spartan Oil, a light oil producer focused primarily in the Cardium light oil resource play at Pembina in central Alberta. At Spartan Oil, the New Management Team grew production from approximately 650 boepd to 5,500 boepd in the 18 months prior to its sale to Bonterra Energy Corp. in January 2013 for approximately \$500.0 million.
 - (c) Prior to Spartan Oil, the New Management Team led Spartan Exploration, a light oil producer with operations focused in the Cardium light oil resource play at Pembina and the Lower Shaunavon oil play in southwest Saskatchewan. While at Spartan Exploration, the New Management Team grew production from 0 boepd to 2,500 boepd in just over 3 years prior to its sale to Penn West Petroleum Ltd. in June 2011 for approximately \$228.0 million.
9. Having successfully founded, capitalized, grown and monetized several companies, the New Management Team intends to apply its experience to grow Spartan through a combination of organic growth and acquisitions.
10. On April 22, 2020, Spartan and its wholly-owned subsidiary, Winslow Resources Inc. (the “**Buyer**”), entered into an Asset Purchase Agreement with Bellatrix Exploration Ltd. (“**Bellatrix**”) for the purchase of substantially all the petroleum and natural gas assets of Bellatrix (the “**Transaction**”). Among other conditions, the closing of the Transaction is

conditional on the approval of the Court in the proceedings undertaken by Bellatrix under the *Companies' Creditors Arrangement Act*.

11. On May 8, 2020, the Court of Queen's Bench granted an approval and vesting order in respect of the Transaction, with the form of approval and vesting order to be addressed in further hearings, including on May 22, 2020, being the hearing date set aside to address the contract assignment order applied for by Bellatrix (the "**Contract Assignment Order**"). The Transaction is currently contemplated to close on May 29, 2020.
12. Spartan has executed the Purchase Agreement to fully and unconditionally guarantee the compliance and performance, by the Buyer, of all the representations, warranties, covenants, indemnities, obligations and agreements of the Buyer contained in the Purchase Agreement. In that regard, Spartan will provide the Buyer with the financial backing required to ensure that the Buyer has the financial wherewithal and ability to perform under the third-party contracts which will be purchased in the Transaction.
13. Spartan is a publicly-listed holding company and it, as the parent, has and will continue to flow funds from it to the Buyer to ensure that the Buyer can continue to satisfy all of its obligations.
14. Spartan has significant financial resources at its disposal, including the following:
 - (a) On May 8, 2020, Spartan completed a private placement of 2,945,500,000 subscription receipts (the "**Subscription Receipts**") at a price of \$0.02 per Subscription Receipt for aggregate gross proceeds of \$58.91 million (the "**Subscription Receipt Offering**").
 - (b) Spartan has entered into irrevocable subscription agreements for the issuance of 254,500,000 common shares in the capital of the Spartan ("**Common Shares**") at a price of \$0.02 per Common Share for gross proceeds of \$5.09 million (the "**Common Share Offering**") and, together with the Subscription Receipt Offering, aggregate gross proceeds of \$64.0 million.

- (c) Spartan has entered into an agreement with respect to a committed senior-secured revolving reserves based lending facility with a syndicate of lenders in the amount of \$100.0 million (the "Credit Facility").
- 15. Through a combination of cash-on-hand, aggregate proceeds of \$64.0 million from the Subscription Receipt Offering and the Common Share Offering and \$100.0 million of credit available under the Credit Facility, Spartan will have access to the capital required to satisfy its obligations under the contracts acquired pursuant to the Transaction. Spartan is also confident that it will have continued access to equity and debt capital in the future.
- 16. I swear this Affidavit in support of Bellatrix's Application for the Contract Assignment Order and for no other or improper purpose.

This Affidavit was sworn using video technology. The deponent was not physically before the commissioner but was linked with the commissioner utilizing video technology. The process as required by the Court of Queen's Bench of Alberta "Notice to the Profession & Public Notice: Remote Commissioning of Affidavits For Use in Civil and Family Proceedings During the COVID-19 Pandemic" was utilized.

SWORN (OR AFFIRMED) before me in)
the City of Calgary, in the Province of)
Alberta, on this 15th day of May, 2020.)



A Commissioner of Oaths in and for the
Province of Alberta

P. Mark Keohane
Barrister and Solicitor



Fotis Kalantzis

This is **Exhibit "G"**
Referred to in the Affidavit of Ryan Martin
Sworn before me this 12th day of April, 2021



A Commissioner for Oaths in and for Alberta

COLIN LAROCHE
A Commissioner for Oaths
in and for Alberta
Student-At-Law, Notary Public

April 12, 2021

Delivered via email

**Sunchild First Nation
P.O. Box 747
Rocky Mountain House, Alberta T4T 1A5**

To: Chief and Council

Dear Sirs / Madam:

Re: Request for Engagement

Further to your letter dated April 8, 2021 to Westbrick Energy Ltd. ("**Westbrick**"), Calgary Oil and Gas Intercontinental Group Ltd. ("**COGL**") would like to introduce you to Spartan Delta Corp. ("**Spartan**"). As you know, COGL has been trying to engage with you since early last week to have a dialogue regarding the benefits Spartan will bring to our successful relationship. Additionally, COGL has serious concerns about the content of your letter and wishes to respectfully engage in a dialogue to discuss a very beneficial relationship between the parties and to address the content of your letter to Westbrick.

COGL has for 7 years met or exceeded the commitments to Sunchild First Nation, by drilling 10 wells with some being among the largest gas wells in Alberta at the time, as referenced in a report by an independent institution. COGL has never had any environmental issues, or any issue whatsoever with the AER and includes to date one of the best liability ratings in Alberta with a 37.5 LMR (AER liability assessment Jan 2, 2021) and has never missed or delayed a royalty payment to Sunchild First Nation in its 7 year history. COGL has had a positive working relationship with Sunchild First Nation since 2014. We are not seeking to change the positive relationship between COGL and Sunchild First Nation. Instead, we seek to expand such relationship in a positive manner with Spartan taking an ownership position in COGL. In furtherance of this relationship, COGL has applied to Court for the approval of the Sunchild First Nation Community Payment.

As for Spartan's financial wherewithal, Spartan is a public company with a market capitalization of approximately \$450 million. Spartan was formed as a result of the recapitalization of Return Energy Inc. in December, 2019. As a part of the recapitalization, Spartan completed an equity financing of \$25.0 million. Since the completion of the recapitalization, Spartan has raised \$188.0 million in proceeds from equity financings. The demand in respect of all such financings was well in excess of the proceeds ultimately raised by Spartan, representing tremendous support from the capital markets. Spartan's shareholder base includes significant Canadian and international institutions and pension funds.

Having successfully founded, capitalized, grown and monetized several sustainable energy companies, Spartan continues to apply its experience to grow through a combination of organic growth and acquisitions. Since the completion of its initial financing in December, 2019, Spartan has completed \$264.0 million of corporate and asset acquisitions, including the acquisition of the assets of Bellatrix Exploration Ltd. ("**Bellatrix**") in June, 2020, pursuant to proceedings under the CCAA.



The Bellatrix assets are the same assets that Westbrick unsuccessfully sought to acquire in 2020, including oil and gas assets on the O'Chiese First Nation. Westbrick had previously been involved with the O'Chiese First Nation into 2015.

Spartan is in an enviable position from a financial perspective as represented by an established \$100.0 million undrawn syndicated credit facility, cash-on-hand of approximately \$107.0 million, annualized cashflow based on current pricing of \$139.0 million from assets producing approximately 43,000 boe/d and expected continued support from the capital markets. Spartan's production eclipses Westbrick's production of what we understand to be approximately 30,000 boe/d.

The senior leadership team of Spartan has successfully led other oil and gas producers, including:

- Spartan Energy Corp., which grew production from approximately 625 boe/d to 23,000 boe/d over a four-year period prior to its sale to Vermilion Energy Inc. in May 2018 for approximately \$1.4 billion;
- Spartan Oil Corp., which grew production from approximately 650 boe/d to 5,500 boe/d in the 18 months prior to its sale to Bonterra Energy Corp. in January 2013 for approximately \$500.0 million; and
- Spartan Exploration Corp., which grew production from 0 boe/d to 2,500 boe/d in just over 3 years prior to its sale to Penn West Petroleum Ltd. in June 2011 for approximately \$228.0 million.

The senior leadership team of Spartan has a proven track record of building oil and gas companies. The Board and Management Team takes its responsibilities to properly comply with remediation and reclamation obligations very seriously, all as demonstrated by the collective track record of success in creating value for all stakeholders. Consistent with Spartan's core values with respect to the environment, social responsibility, governance and the stewardship of assets, Spartan is fostering a mutually beneficial relationship based on trust and respect with the First Nations with whom Spartan is a partner. Spartan has adopted an ESG Policy that it regularly reviews in conjunction with its stakeholders to ensure a continued commitment to the socially responsible and sustainable development of its assets.

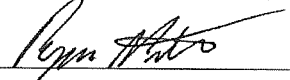
COGL and Sunchild First Nation have a long history together and carefully considered what would be in the long term best interests of the Sunchild First Nation when engaging with Spartan to put together a transaction for the benefit of all stakeholders. COGL would like to introduce Spartan to you in furtherance of a discussion of strategic plans for the development of the oil and gas assets located on the lands of the Sunchild First Nation.

We look forward to engaging in a meaningful dialogue to discuss this exciting opportunity for Sunchild First Nation. Please let us know a convenient time for you to discuss these matters with us.



Yours truly,

T5 SC OIL AND GAS LIMITED PARTNERSHIP

Per: 

Ryan Martin, President



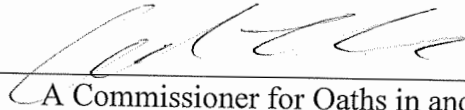
This is **Confidential Exhibit "1"**
Referred to in the Affidavit of Ryan Martin
Sworn before me this 12th day of April, 2021



A Commissioner for Oaths in and for Alberta

COLIN LAROCHE
A Commissioner for Oaths
in and for Alberta
Student-At-Law, Notary Public

This is **Exhibit "H"**
Referred to in the Affidavit of Ryan Martin
Sworn before me this 12th day of April, 2021



A Commissioner for Oaths in and for Alberta

COLIN LAROCHE
A Commissioner for Oaths
in and for Alberta
Student-At-Law, Notary Public



SPARTAN
DELTA CORP.

500, 207 – 9th Street SW
Calgary, Alberta T2P 1K3
CANADA
Tel : +1 403.265.8011
www.SpartanDeltaCorp.com

Fotis Kalantzis
fkalantzis@spartandeltacorp.com

April 12, 2021

PRIVATE AND CONFIDENTIAL

VIA E-MAIL

BDO Canada Limited

#110, 5800 – 2nd Street SW
Calgary, Alberta T2H 0H2
Attention: Jerri Beauchamp
Phone: 825-509-0394
E-mail: jbeauchamp@bdo.ca

Calgary Oil & Gas Syndicate Partners Ltd.

c/o Calgary Oil and Gas Intercontinental Group Ltd.
Suite 3600, 700 2nd Street SW
Calgary, Alberta T2P 2W2
Attention: Marc Berzins, President of Calgary Oil and Gas Syndicate Partners Ltd.
Ryan Martin, President of Calgary Oil and Gas Intercontinental Group Ltd.

Dear Sirs/Mesdames:

I am the President, Chief Executive Officer and a director of Spartan Delta Corp. ("**Spartan**"). I have been a co-founder of several public companies and have over 25 years of experience in oil and gas exploration and development in senior technical and leadership positions.

On April 6, 2021, Spartan entered into a letter of intent with Calgary Oil & Gas Syndicate Partners Ltd. ("**Syndicate Partners**") pursuant to which Spartan has agreed, subject to the execution of definitive agreements, to recapitalize Syndicate Partners with a [REDACTED] cash injection by way of a subscription for equity of Syndicate Partners (the "**Spartan Transaction**") all in connection with the proceedings (the "**Proceedings**") commenced by Calgary Oil and Gas Intercontinental Group Ltd. (in its own capacity and in its capacity of general partner of T5 SC Oil and Gas Limited Partnership ("**T5**")), Calgary Oil and Gas Syndicate Group Ltd., Calgary Oil and Syndicate Partners and Petroworld Energy Ltd. pursuant to the *Companies' Creditors Arrangement Act* ("**CCAA**"). Spartan funded a [REDACTED] deposit into escrow with Syndicate Partners counsel, Borden Ladner Gervais LLP, on April 7, 2021. On April 12, 2021, Spartan and Syndicate Partners entered into an exclusivity agreement (the "**Exclusivity Agreement**") pursuant to which Spartan and Syndicate Partners agreed to exclusively negotiate the execution of definitive agreements in respect of the Spartan Transaction for a period of 10 days from the signing thereof (the "**Exclusivity Period**"). As such, Spartan is prepared to expeditiously move towards the execution of definitive agreements in respect of the Spartan Transaction and close as soon as reasonably practicable thereafter.

It has come to Spartan's attention that numerous misleading statements and misrepresentations have been made within an affidavit filed in connection with the Proceedings by an officer of

Westbrick Energy Ltd. ("**Westbrick**") as it relates to Spartan's financial and operating history, and financial condition. We were advised on the evening of April 8, 2021, that Westbrick made a competing application in respect of the Proceedings. As such, I am obliged, for and on behalf of Spartan, to provide you with accurate information with regard to Spartan and our desire and intent to complete the Spartan Transaction.

It has further come to our attention that Westbrick has procured letters of support dated April 1, 2021, from certain unsecured creditors referencing a "Third Party Transaction". Westbrick's materials leave the impression that the Third Party Transaction is the Spartan Transaction. That is obviously not the case as Spartan did not enter into the LOI until April 6, 2021, after the date on which such letters of support were procured from certain unsecured creditors.

Spartan is a public oil and gas company listed on the facilities of the TSX Venture Exchange. Spartan's current market capitalization is approximately \$450.0 million. Spartan was formed as a result of the recapitalization of Return Energy Inc. in December, 2019. As a part of the recapitalization, Spartan completed an equity financing of \$25.0 million. Since the completion of the recapitalization, Spartan has raised \$188.0 million in proceeds from equity financings. The demand in respect of all such financings was well in excess of the proceeds ultimately raised by Spartan, representing tremendous support from the capital markets. Spartan's shareholder base includes significant Canadian and international institutions and pension funds.

Having successfully founded, capitalized, grown and monetized several sustainable energy companies, Spartan continues to apply its experience to grow through a combination of organic growth and acquisitions. Since the completion of its initial financing in December, 2019, Spartan has completed \$264.0 million of corporate and asset acquisitions, including the acquisition of the assets of Bellatrix Exploration Ltd. ("**Bellatrix**") in June, 2020, pursuant to proceedings under the CCAA. Attached as Schedule "A" to this letter is a description of the equity financings and acquisitions completed by Spartan to-date.

Spartan is in an enviable position from a financial perspective as represented by an established \$100.0 million undrawn syndicated credit facility, cash-on-hand of approximately \$107.0 million, annualized cashflow based on current pricing of \$139.0 million from assets producing approximately 43,000 boe/d and expected continued support from the capital markets.

The board of directors of Spartan is comprised of Richard F. McHardy, Fotis Kalantzis, Don Archibald, Reginald Greenslade, Kevin Overstrom, Tamara MacDonald, Steven Lowden and Elliot Weissbluth (collectively, the "**Board**"). The members of the Board have strong track records and distinguished careers in both the oil and gas industry and capital markets and have held prominent lead positions within a range of successful companies. Their combined experience and expertise provides management with invaluable advice, guidance and support.

The senior management of Spartan is comprised of Richard F. McHardy as Executive Chairman and Fotis Kalantzis as President and Chief Executive Officer, Geri Greenall as Chief Financial Officer, Thanos Natras as Vice President, Exploration, Craig Martin as Vice President, Operations, Mark Hodgson as Vice President, Corporate Development, Brendan Paton as Vice President, Engineering and Ashley Hohm as Vice President, Finance and Controller (collectively, the "**Management Team**"). The biography of each member of the Board and Management Team is attached as Schedule "B" to this letter.

The senior leadership team of Spartan has an established track record of creating value across multiple business cycles in high-growth oil and gas companies through an integrated strategy of acquiring, exploiting and exploring, including the following:

- (a) The senior leadership team led Spartan Energy Corp ("**Spartan Energy**"), a light oil producer focused primarily on conventional open-hole horizontal wells drilled on Mississippian oil plays in southeast Saskatchewan. Spartan Energy grew production from approximately 625 boe/d to 23,000 boe/d over a four-year period prior to its sale to Vermilion Energy Inc. ("**Vermilion**") in May 2018 for approximately \$1.4 billion. During a period of significant uncertainty in the energy markets, the senior leadership team stewarded capital efficiently and delivered above market shareholder returns.
- (b) Prior to Spartan Energy, the senior leadership team led Spartan Oil Corp. ("**Spartan Oil**"), a light oil producer focused primarily in the Cardium light oil resource play at Pembina in central Alberta. At Spartan Oil, the senior leadership team grew production from approximately 650 boe/d to 5,500 boe/d in the 18 months prior to its sale to Bonterra Energy Corp. ("**Bonterra**") in January 2013 for approximately \$500.0 million.
- (c) Prior to Spartan Oil, the senior leadership team led Spartan Exploration Ltd. ("**Spartan Exploration**"), a light oil producer with operations focused in the Cardium light oil resource play at Pembina and the Lower Shaunavon oil play in southwest Saskatchewan. While at Spartan Exploration, the senior leadership team grew production from 0 boe/d to 2,500 boe/d in just over 3 years prior to its sale to Penn West Petroleum Ltd. in June 2011 for approximately \$228.0 million.

The Board and Management Team takes its responsibilities to properly comply with remediation and reclamation obligations very seriously, all as demonstrated by the collective track record of success in creating value for all stakeholders. Consistent with Spartan's core values with respect to the environment, social responsibility, governance and the stewardship of assets, Spartan is fostering a mutually beneficial relationship based on trust and respect with the First Nations with whom Spartan is a partner. Spartan has adopted an ESG Policy that it regularly reviews in conjunction with its stakeholders to ensure a continued commitment to the socially responsible and sustainable development of its assets.

Spartan is committed to moving towards definitive agreements as contemplated in the LOI, and was able to deliver a significant deposit of [REDACTED] as further evidence of its good faith and commitment. Within the course of the last week, Spartan negotiated and signed the LOI, delivered the deposit, reviewed Syndicate Partner's application and supporting materials and the Monitor's Report and executed the Exclusivity Agreement. In addition, prior to entering into the LOI, Spartan had already completed significant operational, financial and other technical due diligence in respect of the assets of T5.

Spartan remains committed to completing the Spartan Transaction within the Exclusivity Period, and has the resources and capacity to move to an expedited closing which will benefit all stakeholders. Spartan has specifically chosen an equity transaction, rather than an asset purchase and sale, in order to minimize disruption to operations and ensure a smooth closing, with minimal conditions and without the attendant transfer issues, consents etc. associated with an asset acquisition.

As a result of the uncertainty caused by this competing application of Westbrick, Spartan does not intend to proceed with the Spartan Transaction unless definitive agreements can be negotiated and settled under exclusivity pursuant to the Exclusivity Agreement. Further, Spartan has no desire to engage in a competitive bid process for these assets, and if forced into such a process by the Court, may choose to withdraw from its participation in the restructuring. Given the structure of the Spartan Transaction, Spartan expects to be able to close the transaction expeditiously upon execution of definitive agreements.



Yours truly,

A handwritten signature in black ink, appearing to read "Fotis Kalantzis", with a long horizontal flourish extending to the right.

Fotis Kalantzis
President and Chief Executive Officer
Spartan Delta Corp.

SCHEDULE "A" SPARTAN TRANSACTION HISTORY

Recapitalization Transaction

On December 19, 2019, Spartan: (a) completed a non-brokered private placement for gross proceeds of up to \$25.0 million; and (b) appointed a new management team and new board of directors of Spartan, the biographies of whom are provided in Schedule "B".

Bellatrix Acquisition

On May 8, 2020, Spartan completed a non-brokered private placement of 29,455,000 subscription receipts (the "**May 2020 Subscription Receipts**") for aggregate gross proceeds of \$58.91 million.

On June 1, 2020, Spartan closed the acquisition of substantially all of the oil and gas assets of Bellatrix for total consideration of \$108.8 million (the "**Bellatrix Acquisition**"). Concurrent with the closing of the Bellatrix Acquisition: (a) the May 2020 Subscription Receipts issued converted into 29,455,000 common shares of Spartan ("**Common Shares**") and the gross proceeds related thereto were released from escrow; (b) Spartan completed a non-brokered private placement of 2,545,000 Common Shares for gross proceeds of \$5.09 million; and (c) Spartan established a \$100.0 million revolving credit facility with a syndicate of financial institutions.

Minor Acquisitions

On December 1, 2020, Spartan completed an acquisition of producing petroleum and natural gas assets located in its core area at Baptiste, Alberta, for cash consideration of \$0.4 million after estimated closing adjustments.

On January 14, 2021, Spartan acquired all of the issued and outstanding shares of two private companies for cash in the amount of \$0.3 million and the issuance of 2,002,585 Common Shares.

On March 5, 2021, Spartan acquired certain producing petroleum and natural gas assets located at Willesden Green, Alberta, for cash consideration of approximately \$5.4 million after estimated closing adjustments.

2021 Montney Acquisitions and Concurrent Financings

On March 8, 2021, Spartan completed a bought-deal financing of 11,250,000 subscription receipts for gross proceeds of approximately \$45.0 million. The gross proceeds of the 2021 Prospectus Offering were released from escrow upon completion of the Inception Acquisition (as defined below) and the Non-Brokered Offering (as defined below), and each subscription receipt was automatically exchanged for one Common Share for no additional consideration.

On March 18, 2021, Spartan acquired certain petroleum and natural gas assets located primarily in the Simonette area of Alberta for a gross purchase price of \$22.9 million, comprised of the issuance of 1,493,180 Common Shares and \$17.2 million of cash, before closing adjustments.

On March 18, 2021, Spartan acquired all of the issued and outstanding common shares of Inception Exploration Ltd. by way of an exempt take-over bid for aggregate share consideration of \$91.0 million, plus the assumption by Spartan of net debt estimated to be \$7.8 million (the "**Inception Acquisition**").



On March 18, 2021, Spartan closed a non-brokered private placement of: (i) 6,250,000 Common Shares for aggregate gross proceeds of \$25.0 million; and (ii) 10,976,626 Common Shares issued on a "flow-through" basis pursuant to the *Income Tax Act* (Canada) for aggregate gross proceeds of approximately \$54.0 million (collectively, the "**Non-Brokered Offering**").

SCHEDULE "B"
BOARD/MANAGEMENT BIOGRAPHIES

Management Team

Fotis Kalantzis (President, Chief Executive Officer and Director) – Dr. Kalantzis has been co-founder of several public companies and has over 25 years of experience in oil and gas exploration and development in senior technical and leadership positions. Dr. Kalantzis has been instrumental in a number of significant transactions, including in his capacity as a senior officer and founder of Spartan Energy from December 2013 to May 2018, Spartan Oil from June 2011 to January 2013 and Spartan Exploration from January 2008 to June 2011. Prior thereto, Dr. Kalantzis was the Exploration Manager at Innova Exploration Ltd. He has also held technical positions at Petro-Canada, Saudi Aramco, Suncor Energy Inc., Wascana Energy Inc., Home Oil Company and Mobil Oil of Canada in connection with oil and gas exploration and development in Canada and internationally. Dr. Kalantzis holds a M.Sc. from the University of Saskatchewan and a Ph.D. in Geophysics from the University of Alberta.

Richard F. McHardy (Executive Chairman) – Mr. McHardy has been a founder of several public oil and gas companies and has extensive experience in leadership roles. Mr. McHardy was President, Chief Executive Officer and a director of Spartan Energy, Spartan Oil and Spartan Exploration. Previously, Mr. McHardy was the President and a director of Titan Exploration Ltd. ("**Titan**"). In addition, Mr. McHardy has served as a board member of, and as corporate secretary to, a number of other public and private companies. Prior to founding Titan, Mr. McHardy was a partner at one of Canada's largest national law firms, where he practiced securities and corporate law. Mr. McHardy has over 24 years of experience in all aspects of securities and mergers and acquisitions.

Geri Greenall (Chief Financial Officer) – Ms. Greenall is a capital markets executive with over 20 years of experience in the energy and financial sectors. Ms. Greenall has over a decade of experience as a Portfolio Manager and Chief Compliance Officer for investment fund managers. Most recently, Ms. Greenall co-founded and was the Chief Financial Officer at Camber Capital Corp., a fund manager offering private client & institutional fund management services. Prior thereto, Ms. Greenall was the Chief Compliance Officer and an energy portfolio manager with Canoe Financial. In addition to her fund management work, Ms. Greenall has a strong background in both public equity analysis and commodity trading. Ms. Greenall is currently an independent director of Kelt Exploration Ltd. ("**Kelt**") also serving as the Chair of the Reserves Evaluation Committee and a member of the Audit Committee. Ms. Greenall holds a B.Comm. in Finance from the University of Calgary as well as the Chartered Financial Analyst and Institute of Corporate Directors designations.

Thanos Natras (Vice President, Exploration) – Mr. Natras is a professional geologist with over 22 years of experience in both conventional and unconventional plays across the Western Canadian and Williston Basins, most recently employed with Vermilion Energy Inc. ("**Vermillion**") as the Team Lead for southeast Saskatchewan operations. Prior thereto, from 2014 to 2018, Mr. Natras was employed with Spartan Energy where he held the roles of Manager, Geoscience, and Senior Geologist. Before joining Spartan Energy, Mr. Natras held the role of Vice President, Exploration, at Arcan Resources Ltd. from 2011 to 2013. Prior thereto, from 2004 to 2010, Mr. Natras was employed by EnCana Corp. where he held various geoscience and operational oriented roles. From 1996 to 2003, Mr. Natras provided geological wellsite supervision on more than 170 wells across western Canada. Mr. Natras holds a B.Sc. in Geology from the University of Alberta and is an active member of the Canadian Society of Petroleum Geologists and the Association of Professional Engineers and Geoscientists of Alberta ("**APEGA**").

Craig Martin (Vice President, Operations) – Mr. Martin is a professional engineer with 14 years of industry experience, most recently with Vermilion. Prior thereto, he held the role of Manager, Drilling



and Completions, at Spartan Energy and various operational and production roles from the inception of Spartan Energy, overseeing its growth from 625 boepd to 23,000 boepd at sale. Prior thereto, Mr. Martin held the role of Operations Engineer with Spartan Oil prior to its acquisition by Bonterra Energy Corp. in 2013. Preceding that, Mr. Martin held various operational roles with Suncor Energy Inc. and Weatherford Oil Services, Inc. Mr. Martin holds a B.Sc. in Mechanical Engineering from Dalhousie University and is an active member of APEGA.

Mark Hodgson (Vice President, Corporate Development) – Mr. Hodgson has worked with several public companies across multiple continents and has over 19 years of experience in both capital markets and upstream oil and gas in senior commercial, operational and leadership positions. Mr. Hodgson was most recently with Obsidian Energy Ltd. where he led departments across a broad spectrum of commercial and operational functions as both Vice President, Operations, and Vice President, Business Development. Prior thereto, Mr. Hodgson was the Vice President, New Ventures, and In-Country Manager for Bankers Petroleum Ltd. in Albania, as well as the General Director for its subsidiaries in Croatia, Hungary and Romania. Mr. Hodgson has also worked at Tristone Capital, Sarbican Capital and Deutsche Bank in London, England, and on the American Stock Exchange in New York City. Mr. Hodgson holds a B.Sc. in Economics from the Wharton School of the University of Pennsylvania.

Randy Berg (Vice President, Land) – Mr. Berg is a professional landman with over 30 years of diverse Canadian oil and gas experience, specializing in land and acquisition negotiations. Most recently, Mr. Berg served as Vice President, Land at Spartan Energy Corp. Before joining Spartan, Mr. Berg was Vice President, Land and Business Development at Renegade Petroleum Ltd. Prior thereto, his roles included, Conventional Business Unit Manager at Petrobakken Energy Ltd, Vice President Land at Alberta Clipper Energy Inc. and Vice President Marketing at Enermarket Solutions Ltd. Mr. Berg also served in numerous senior negotiation and administration positions dating back to 1987. He graduated from the University of Calgary with a Bachelor of Arts in Economics. He is an active member of the Canadian Association of Petroleum Landmen (CAPL).

Brendan Paton (Vice President, Engineering) – Mr. Paton is the founder and director of Canoe Point Energy Ltd., a private company in the Alberta Montney oil play. Prior thereto, Mr. Paton has held a variety of engineering roles at Shell Canada Limited ("**Shell**"), including Production Engineer for Shell's Gold Creek Montney and Kaybob Duvernay assets. Prior thereto, Mr. Paton worked on Shell's Exploration and Business Development team focused on acquisitions, divestitures and new play maturation. Mr. Paton holds a B.A.Sc. in Mechanical Engineering from the University of British Columbia and is a member of APEGA.

Ashley Hohm (Vice President, Finance and Controller) – Ms. Hohm is a Chartered Professional Accountant with over 10 years of management, accounting and corporate finance experience. Ms. Hohm served as Vice President, Finance of Kelt from 2016 to 2018 and as Controller from the company's inception following its spin-out from Celtic Exploration in 2013. She brings extensive experience in a fast paced, high growth environment with particular expertise in public company financial reporting, acquisition integration and business process optimization. Prior to joining Celtic as Manager of Financial Reporting in 2011, she worked in the audit and assurance practice of PricewaterhouseCoopers. Ms. Hohm graduated from the University of Alberta with a Bachelor of Commerce degree with distinction.

Independent Directors

Donald Archibald – Donald (Don) Archibald is an independent businessman and President of Cypress Energy Corp., a private investment company. Mr. Archibald was a former director and Audit Committee member of numerous public issuers, including Spartan Energy, Spartan Oil and



Cequence Energy Inc. Mr. Archibald has held senior executive positions with a number of public and private issuers, including roles as Chief Executive Officer of Cyries Energy Inc. and President and Chief Executive Officer of Cequel Energy Inc.

Reginald Greenslade – Reginald (Reg) Greenslade is an independent businessman and former director and committee member of numerous public issuers, including Spartan Energy, Spartan Oil and Spartan Exploration. Mr. Greenslade has held senior executive positions with a number of public and private issuers, including roles as Chairman, President and Chief Executive Officer of Big Horn Resources Ltd., Enterra Energy Corp., Enterra Energy Trust, JED Oil Inc. and as President and a director of Tuscany International Drilling Inc.

Kevin Overstrom – Kevin Overstrom is an independent businessman and the founder and a principal of KO Capital Advisors Ltd. Mr. Overstrom's experience in capital markets and the energy sector spans more than 25 years. Mr. Overstrom was most recently Vice Chairman, Co-Head of Energy Investment Banking at GMP FirstEnergy, and a member of the GMP Securities Executive Committee. During his 22-year career at GMP Securities, a leading independent global investment bank, Mr. Overstrom held key leadership roles in investment banking, capital markets and institutional sales. Mr. Overstrom holds a B.A. in Management and Economics from the University of Guelph and the Chartered Financial Analyst designation.

Tamara MacDonald – Tamara MacDonald has over 27 years of oil and gas industry experience and has been involved in over 530 transactions totaling over \$14.5 billion. Most recently, Ms. MacDonald was the Senior Vice President, Corporate and Business Development, of Crescent Point Energy Corp. ("Crescent Point"), a position she held from October 2004 to July 2018. Prior to Crescent Point, Ms. MacDonald worked with NCE Petrofund Corp., Merit Energy Ltd., Tarragon Oil & Gas Ltd. and Northstar Energy Corp. Ms. MacDonald currently sits on the boards of Southern Energy Corp. and Cache Island Corp. Ms. MacDonald holds a B.Comm. in Petroleum Land Management from the University of Calgary and the Institute of Corporate Directors designation.

Steve Lowden – Steve Lowden is a petroleum engineer with over 35 years' experience in the international oil and gas sector. He has a track record of building energy businesses throughout the world and was previously Chairman and Chief Executive Officer of New Age (African Global Energy) Ltd., Executive Director and Officer of Marathon Oil and Premier Oil. At Premier Oil, Mr. Lowden held a number of roles including Executive Director of Development and Production, Business Development and Exploration. He added more than one billion barrels of oil equivalent of new resource, and operated and managed multiple emerging market oil and gas projects from discovery to production. At Marathon, Steve was President of Marathon International, Head of Corporate Business Development and Head of the Global Integrated Gas business. Since June 2017, he has acted as an advisor to a number of governments, energy businesses, private energy groups and corporate restructurings representing the debt and security holders. Mr. Lowden has also served as a board member for a number of private and public companies.

Elliot S. Weissbluth – Elliot S. Weissbluth is an accomplished entrepreneur and financial business leader. Mr. Weissbluth retired last year as chairman of the board of Hightower Inc., a U.S. financial services company he founded in 2007. Mr. Weissbluth has been a member of Worth Magazine's Power 100 list of top U.S. business leaders, as well as rankings among the most influential figures in the financial services industry. Before Hightower, Mr. Weissbluth was Founding Investor, Director and President of U.S. Fiduciary, a financial advisory company. Previously, from 2000 to 2003, he led the development of the Alternative Investments group at RogersCasey and conceived and launched the firm's first hedge fund advisory service for institutional clients.