Clerk's Stamp

JUDICIAL CENTRE OF EDMONTON
FILED DIGITALLY
2603 02889
Jul 31, 2026
12:16 PM
CLERK OF THE COURT

COURT FILE NUMBER	2603-02889
COURT	COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE	EDMONTON
PLAINTIFF	ROYAL BANK OF CANADA, as Agent
DEFENDANTS	ENERGERA INC. (formerly known as FRAC SHACK INC.), ENERGERA INTERNATIONAL INC. (formerly known as FRAC SHACK INTERNATIONAL INC.), ENERGERA AMERICA INC. (formerly known as FRAC SHACK AMERICA INC.) and SANDTINEL LLC
DOCUMENT	**SECOND REPORT OF THE RECEIVER**
	July 31, 2026
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	**RECEIVER** ALVAREZ & MARSAL CANADA INC. Bow Valley Square IV Suite 1110, 250 - 6th Avenue SW Calgary, Alberta T2P 3H7 Attention: Orest Konowalchuk / Duncan MacRae Telephone: (403) 538-4736 / (403) 538-7514 Email: okonowalchuk@alvarezandmarsal.com/ dmacrae@alvarezandmarsal.com **COUNSEL TO RECEIVER** TORYS LLP 46th Floor, Eighth Avenue Place East 525 - 8th Avenue SW Calgary, Alberta T2P 1G1 Attention: Kyle Kashuba Phone: (403) 776-3744 Fax: (403) 776-3800 Email: kkashuba@torys.com File: 39108-2014

ALVAREZ & MARSAL

TABLE OF CONTENTS OF THE SECOND REPORT OF THE RECEIVER

LISTING OF APPENDICES TO THE SECOND REPORT OF THE RECEIVER

INTRODUCTION

1. On March 17, 2026 (the "**Receivership Date**"), the Court of King's Bench of Alberta (the "**Court**") granted an order (the "**Receivership Order**"), whereby Alvarez & Marsal Canada Inc. was appointed receiver and manager (the "**Receiver**"), without security, of all of the current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof (the "**Property**"), of Energera Inc. ("**ENH**"), Energera International Inc. ("**ENI**"), Energera America Inc. ("**ENA**"), and Sandtinel LLC ("**SLLC**", and together with ENH, ENI and ENA, the "**Energera Group**", or the "**Company**", and such proceedings, the "**Receivership Proceedings**").

2. The Receivership Order empowers and authorizes, but does not obligate, the Receiver to, among other things, manage, operate and carry on the business of the Company, to assume control and take possession of the Company's Property and of any and all proceeds, receipts and disbursements arising out of or from the Property, and to abandon, dispose of, or otherwise release any interest in any of the Company's Property, subject to approval of this Honourable Court for any single transaction exceeding $500,000, or aggregate multiple transactions exceeding $3,000,000.

3. On April 1, 2026, the Receiver obtained a provisional relief order in the United States Bankruptcy Court for the Southern District of Texas (Houston Division) (the "**US Court**") in case No. 26-90433, granting a stay of proceedings in respect of ENH, ENA and SLLC (collectively, the "**US Debtors**") and the Receiver, in its capacity as a foreign representative of the US Debtors. On May 4, 2026, the US Court granted an order in relation to the Receiver's petition for: (i) recognition of a foreign main proceeding; (ii) recognition of the Receiver as foreign representative; and (iii) related relief under Chapter 15 of the US Bankruptcy Code.

4. On May 25, 2026, this Honourable Court granted an order (the "**Sale Process Approval Order**"), which provided for, among other things:

a) approval of the sale process (the "**Sale Process**") for the Property and/or the business as a going-concern (the "**Business**") of the Company; and

b) approval of the auction and liquidation services agreement (the "**Stalking Horse Agreement**"), between the Receiver and McDougall Auctioneers Ltd. ("**McDougall**", or the "**Stalking Horse Bidder**").

5. The purpose of this second report of the Receiver (the "**Second Report**") is to provide this Honourable Court with information in respect of the following matters:

a) the activities of the Receiver since the first report of the Receiver dated May 15, 2026 (the "**First Report**");

b) an update with respect to the Sale Process and outcome of same;

c) the Receiver's application for an order (the "**Auction Approval and Vesting Order**"), approving the transaction contemplated in the Stalking Horse Agreement between the Receiver as vendor, and McDougall as purchaser, with respect to certain Property of the Company;

d) the Receiver's application for an order approving the proposed interim distribution of funds recovered by the Receiver (the "**Proposed Interim Distribution**") to the syndicate of lenders (collectively, the "**Lenders**"), through a payment or payments to Royal Bank of Canada ("**RBC**"), as administrative agent (in such capacity, the "**Agent**") to the Lenders;

e) the actual cash receipts and disbursements for the period from May 9, 2026 to July 24, 2026 (the "**Reporting Period**");

f) the Receiver's application for an order approving the Receiver's actions, activities and conduct, and approving: (i) the Receiver's fees and disbursements; (ii) fees and expenses of Torys LLP (the

"**Receiver's Canadian Counsel**"); and (iii) fees and expenses of Munch, Hardt, Kopf & Harr, P.C. (the "**Receiver's US Counsel**") since the date of the First Report;

g) the Receiver's ongoing activities and its future proposed course of action; and

h) the Receiver's conclusions and recommendations.

6. Unless otherwise set forth herein, capitalized words or terms not defined or ascribed a meaning in this Second Report are as defined or ascribed the meaning set out in the Receivership Order.

7. All references to dollars are in Canadian currency unless otherwise noted.

TERMS OF REFERENCE

8. In preparing the Second Report, the Receiver has relied primarily upon information obtained through the representations of certain former management and other key stakeholders of the Company, and financial and other information contained in the Company's books and records, which were produced and maintained principally by the Company.

9. While the Receiver has reviewed certain financial information in respect of the Company for reasonableness, the Receiver has not performed an audit, review or otherwise attempted to verify the accuracy or completeness of the Company's financial information, in a manner that would wholly or partially comply with Canadian Auditing Standards ("**CASs**") pursuant to the Chartered Professional Accountants Canada Handbook, and accordingly, the Receiver expresses no opinion or other form of assurance contemplated under CASs in respect of the financial information.

10. Further background on the Energera Group and its operations is included in the materials filed in support of the Receivership Order. These documents, together with other publicly filed Court materials in these proceedings have been posted on

the Receiver's website at: www.alvarezandmarsal.com/energera (the "**Receiver's Website**").

11. A detailed overview of the circumstances leading to the appointment of the Receiver is contained in the application of RBC, as Agent for the Lenders, filed February 17, 2026, and the affidavits of Cameron Bailey, sworn February 12, 2026 and March 11, 2026 (the "**Bailey Affidavits**"). Copies of these materials are available on the Receiver's Website.

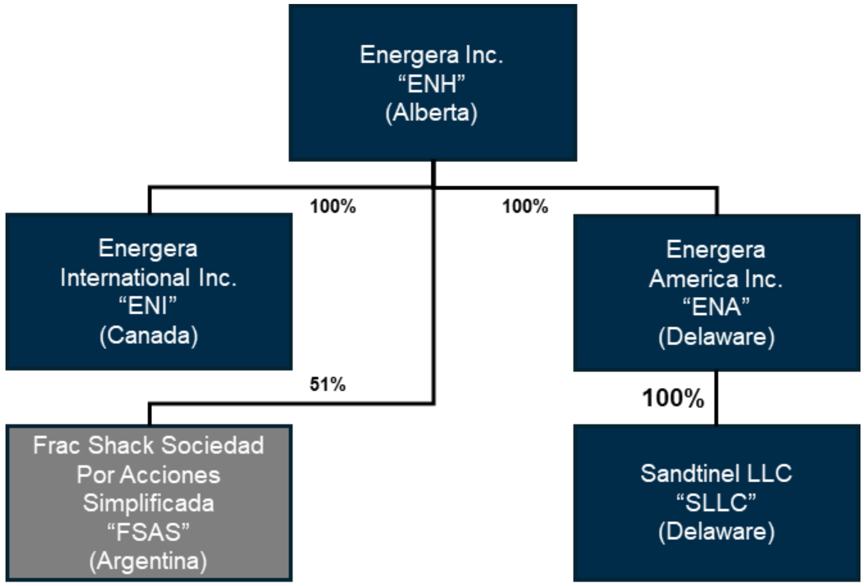
BACKGROUND AND OVERVIEW

Company Overview

12. The Energera Group is an integrated, multi-national energy technology business in the oilfield services industry. Primary operations of the Company include the provision of automated, self-contained, and self-sufficient fuel delivery systems for hydraulic fracturing and the separation of solids from produced liquids, with reduced methane emissions relative to competitors. The Energera Group is headquartered in Spruce Grove, Alberta, and provides services to customers in various provinces and states, including Alberta, Alaska, British Columbia, Colorado, Louisiana, New Mexico, North Dakota, Ohio, Pennsylvania, Texas, and Wyoming.

13. ENH is a private Alberta corporation. Each of ENI, ENA and SLLC is a direct or indirect wholly-owned subsidiary of ENH. ENH owns 100% of the issued and outstanding equity interests in ENI and ENA, and ENA owns 100% of the membership interests of SLLC. ENH also owns a 51% equity interest in an Argentina-based entity (the "**Argentina Investment**"), Frac Shack Sociedad Por Acciones Simplificada ("**FSAS**"), which is not currently subject to the Receivership Order.

14. Below is a corporate organizational chart of the Company:



15. The Energera Group primarily operates out of six locations across Canada and the United States. The Company's primary six locations are comprised of: (i) two facilities in Spruce Grove, Alberta and Grande Prairie, Alberta, which are leased by ENI and ENH, respectively; (ii) three leased properties in Midland, Texas, Douglas, Wyoming, and Clarksburg, West Virginia, which are leased by ENA; and (iii) one facility in Watford City, North Dakota (the "**ND Facility**"), which is owned by ENA.

ACTIVITIES OF THE RECEIVER

16. Since the First Report, the Receiver's activities with respect to the Company have included, but are not limited to, the following:

a) maintaining day-to-day operational control of the Company (with the assistance of the Company's management and employees), including monitoring, reviewing, and overseeing the acceptance of additional work orders from customers and continuing to employ Company staff and contractors to fulfill these operational matters;

b) reviewing collections and overseeing the payment of trade creditors and suppliers for goods and services rendered and approved by the Receiver;

c) continuing to secure and safeguard the Property, with the assistance of the Company's management and employees;

d) conducting the Sale Process pursuant to the Sale Process Approval Order, as further detailed below;

e) monitoring the daily receipts and disbursements of the Company and completing frequent updates to the weekly cash flow forecast to identify and manage the future cash flow requirements of the Company;

f) communicating with the Canada Revenue Agency to coordinate GST audits for the Energera Group entities;

g) executing a listing agreement with eXp Realty LLC (the "**ND Listing Agent**") to market the ND Facility, as contemplated in and allowed for in the Sale Process;

h) engaging the services of Segal, Turner & Asociados (Argentina) (the "**Receiver's Argentinian Counsel**") on a variety of matters with respect to the Argentina Investment;

i) hosting preliminary discussions with an interested party for the potential acquisition of the Argentina Investment and reviewing financial and valuation metrics on same;

j) communication with a law firm representing NexTier Completion Solutions Inc. ("**NexTier**") with respect to an application to lift the stay of proceedings in the Receivership Proceedings, with recoveries being specifically limited to any insurance proceeds;

k) providing instructions to the Receiver's US Counsel to file a motion requesting to reject a lease for one of the Company's properties in Denver, CO (the "**Lease Rejection Order**"). On May 18, 2026, the US Court granted the Lease Rejection Order;

l) providing instructions to the Receiver's Canadian Counsel and Receiver's US Counsel on a variety of matters with respect to the Receivership Proceedings;

m) terminating the employment of certain employees no longer required as a result of the Receivership Order being granted, and delivering the required information packages with respect to the Wage Earner Protection Program for eligible employees;

n) attending numerous meetings and communications with the Agent and Lenders as the main creditor stakeholders, with respect to operational and financial updates, and other matters arising in the Receivership Proceedings; and

o) attending multiple meetings and hosting discussions with various creditors (or their representatives), the Receiver's Canadian Counsel, the Receiver's US Counsel, the Receiver's Argentinian Counsel, shareholders, interested parties and other stakeholders regarding the Receivership Proceedings.

17. The Receiver is aware that counsel for NexTier is making an application for a lifting of the stay of proceedings, and the Receiver does not object, given that the lifting of the stay of proceedings is limited to pursuing insurance proceeds which the Receiver (and the estate) would otherwise not have claim or priority to. The form of order shall protect the Receiver and the estate from any liability and not require the Receiver to perform any obligation to any party related thereto.

SALE PROCESS

Overview

18. On May 25, 2026, the Court granted the Sale Process Approval Order which among other things, approved the Sale Process and the Stalking Horse Agreement.

19. The Receiver undertook a comprehensive marketing process which commenced on May 26, 2026. The Receiver delivered a non-confidential teaser, non-disclosure agreement ("**NDA**") and sale process procedure to a list of potential bidders, including strategic partners and capital providers (the "**Potential Bidders**"). The teaser package included general information with respect to the Company's operations, assets, Stalking Horse Agreement and key Sale Process milestones.

20. The Receiver prepared and disseminated notices of the Sale Process in the following media outlets: *Calgary Herald, Edmonton Journal, BOE Report, Midland Reporter-Telegram,* and *Insolvency Insider* on May 26 and May 29, 2026.

21. The Receiver prepared a confidential information memorandum (the "**CIM**"), which contained detailed information regarding the Company's historical financial information, financial projections, assets (including those subject to the Stalking Horse Agreement), management team, and other Sale Process matters.

22. A detailed package of marketing materials which included the CIM, a financial model, corporate presentations, historical financial results, asset and intellectual property listings, employee information and material contracts, was assembled and made available in a virtual data room ("**VDR**") to Potential Bidders who executed an NDA (the "**Participating Bidders**").

23. Throughout the course of the Sale Process:

    a) 197 Potential Bidders were contacted, which consisted of 108 financial institutions and 78 strategic targets and/or companies which could be interested in potentially acquiring the Company as a going-concern (in whole or in part), as well as 11 other auctioneer firms;

b) 29 Participating Bidders executed NDAs and received access to the VDR; and

c) 18 Participating Bidders held meetings with the Receiver and/or Company management.

24. All Participating Bidders were provided with an opportunity to participate in the Sale Process. The Sale Process was intended to find the highest and/or best offer for a sale of the Property or the Business.

25. Any transaction involving the Property or Business of the Company would be conducted on an 'as is, where is' basis without surviving representations or warranties of any kind, nature, or description by the Company, the Receiver, or any of their respective advisors or agents, except to the extent set forth in a definitive transaction agreement executed by a successful bidder and approved by the Court.

26. Participating Bidders that wanted to pursue a transaction had to deliver a final binding written proposal (a "**Final Bid**") to the Receiver by no later than 5:00 p.m. MT on July 3, 2026 (the "**Bid Deadline**").

27. On June 24, 2026, the Receiver made available in the VDR a form of template purchase and sale agreement to accompany the submission of a Final Bid, along with a letter providing instructions on the preparation of a Final Bid.

28. Participating Bidders were advised that:

a) immediately following the Bid Deadline, the Receiver would review the Final Bids to assess whether any of the Final Bids constitute a Qualified Bid (as set out in the Sale Process); and

b) the Receiver would determine, in consultation with the Lenders, whether any of the Qualified Bids (individually or in the aggregate, as calculated and determined by Receiver) were deemed to be superior to the Stalking Horse Agreement (a "**Superior Offer**"). A Superior Offer would have a minimum aggregate purchase price in excess of $14.8

million, which represents the value of the Stalking Horse Agreement, break fee and minimum incremental overbid amount.

29. At the Bid Deadline, the Receiver received six partial bids; however, no bid received (or package of bids received) was deemed to be a Superior Offer. As no Superior Offer was received, the Stalking Horse Bidder was deemed to be the Successful Bidder, and the Stalking Horse Agreement has been accepted as the Successful Bid in the Sale Process.

30. As discussed in the First Report, below are key terms of the Stalking Horse Agreement. Capitalized terms used but not defined below are intended to bear the meanings ascribed to them in the Stalking Horse Agreement.

a) the Stalking Horse Bidder will be engaged to auction and liquidate substantially all of the assets of the Company, with the exception of the Excluded Assets;

b) the auction proceeds, which represent the greater of: (i) $14,185,009 (the "**Net Minimum Guarantee**"); and (ii) the Net Minimum Guarantee, plus 50% of the amount generated by the Public Auction (excluding the Buyer's Premium), in excess of the Net Minimum Guarantee;

c) the Net Minimum Guarantee is subject to certain adjustments on closing relating to unverified assets and the condition of certain verified assets. The Stalking Horse Bidder has ascribed a value for each individual asset which was included as a schedule to the Stalking Horse Agreement;

d) a deposit of $3.6 million, which represents 25% of the anticipated Net Minimum Guarantee, to be held by the Receiver in a trust account; and

e) the Stalking Horse Agreement is subject to the following conditions:

i. the Sale Process Approval Order has been granted by the Court, which occurred on May 25, 2026;

ii. the Stalking Horse Bid will have been determined by the Receiver, in consultation with the Lenders, to be the Successful Bid in the Sale Process;

iii. the Auction Approval and Vesting Order has been granted by the Court; and

iv. the closing is not otherwise prohibited by law.

31. The Stalking Horse Agreement excluded the ND Facility and the Argentina Investment. The Receiver will continue to monetize these interests and will report back to the Court at a later date on these matters.

Receiver's Views on the Transaction

32. The Receiver believes that the granting of an Auction Approval and Vesting Order to consummate the transaction contemplated in the Stalking Horse Agreement is in the best interests of all stakeholders for the following reasons:

a) in the Receiver's view, the steps required by the Sale Process Approval Order were carried out by the Receiver, consistent with the Court's directions. The Sale Process consisted of a comprehensive marketing process where the market of potential purchasers was sufficiently canvassed;

b) the purchase price contemplated by the Stalking Horse Agreement was the highest negotiated purchase price, and there was no other Superior Offer received in the marketing process;

c) the Stalking Horse Agreement contemplates the immediate payment of a sizeable deposit in the amount of $3.6 million, should this Honourable Court approve the Auction Approval and Vesting Order; and

d) the Agent and Lenders have been consulted throughout the Sale Process and have informed the Receiver of their support of the Auction Approval and Vesting Order.

SECURITY OPINION

33. As described in the Bailey Affidavits, as general and continuing security for its obligations to the Company, the Company granted various first-priority security interests in its Property to the Lenders.

34. The Receiver's Canadian Counsel has completed its independent security review of the security held by the Lenders over the Property in Canada. Based on its review, the Receiver's Canadian Counsel has opined that, subject to customary qualifications and assumptions, the security granted to the Lenders creates a valid and enforceable security interest in respect of the Property in Canada. With respect to the Property in the US, the security review is in its final stages, but not yet finalized. In consultation with the Receiver's US Counsel, the Receiver is advised that there do not appear to be any concerns regarding the security granted to the Lenders regarding the validity and enforceability of its security interest in respect of the Property in the US. Should any issues arise prior to the finalization of the US security review, the Receiver will advise the Court and/or file a supplemental report addressing those issues, as required.

PROPOSED INTERIM DISTRIBUTION

35. Pursuant to paragraph 14 of the Receivership Order, the monies collected during the Receivership Proceedings shall be deposited by the Receiver to be paid or distributed in accordance with the terms of the Receivership Order or any other order of the Court.

36. As set out later in this Report, the interim statement of receipts and disbursements shows that the Receiver holds funds of approximately $4.2 million as at July 24, 2026 (the "**Receiver's Cash Balance**"). Further, if the Auction Approval and

Vesting Order is approved by the Court, the Receiver will receive a deposit of $3.6 million from the Stalking Horse Bidder (the "**Deposit**").

37. If the Auction Approval and Vesting Order is approved by the Court, the Receiver recommends making an interim distribution to the Lenders, as a partial repayment of the indebtedness owing to it in these Receivership Proceedings. The estimated quantum of the Proposed Interim Distribution is $4.0 million, with additional distributions pending the timing and collection of further accounts receivable; however, this is subject to change based on any changes to the Receiver's assumptions regarding future estate disbursements.

38. The Proposed Interim Distribution would be made, up to the amount of the indebtedness owed to the Lenders:

a) from the Deposit to be provided by the Stalking Horse Bidder, upon satisfaction of all conditions pertaining to the nature of the Deposit (*i.e.*, it becomes non-refundable);

b) from the net proceeds of sale of the Auctioned Assets (as defined in the Stalking Horse Agreement) subject to maintaining sufficient funds in the estate to address any claims against any Auctioned Assets sold and any claims disputing title or ownership of the Auctioned Assets; and

c) from the Receiver's Cash Balance, less an amount to be determined by the Receiver, at its sole discretion, to be retained in order to cover future costs of administering the estate in these Receivership Proceedings and any potential priority claims.

INTERIM STATEMENT OF RECEIPTS AND DISBURSEMENTS

39. The following is a statement of the Receiver's receipts and disbursements in respect of the Company between May 9, 2026 and July 24, 2026 (the Reporting Period):

In the Matter of the Receivership of Energera Group
Interim Statement of Receipts and Disbursements
March 17, 2026 to July 24, 2026
$CAD 000's (1)

	First Report Mar 17/26 to May 8/26	Reporting Period May 9/26 to Jul 24/26	Total Mar 17/26 to Jul 24/26
Receipts			
Frac Shack	4,555	5,437	9,992
Sandtinel	640	1,068	1,708
Other Receipts	250	23	273
Total Receipts	**5,445**	**6,528**	**11,973**
Operating Disbursements			
Payroll & Benefits	(1,964)	(2,402)	(4,366)
Operating & Maintenance Expenses	(492)	(1,073)	(1,565)
Insurance	(300)	(303)	(603)
Rent & Utilities	(151)	(244)	(395)
IT	(130)	(176)	(306)
Sales & Use Tax Payments	(42)	(198)	(241)
Total Operating Disbursements	**(3,079)**	**(4,396)**	**(7,476)**
Net Operating Cash Flow	**2,366**	**2,132**	**4,497**
Non-Operating Disbursements			
Receiver's Fees	(189)	(770)	(958)
Receiver's Counsel's Retainer and Fees (US)	(181)	(93)	(274)
Receiver's Counsel's Fees (Canada)	(103)	(224)	(327)
Receiver's Counsel's Fees (Argentina)	-	(36)	(36)
Tax Filing Fee	-	(55)	(55)
Non-Operating Disbursements Sub-Total	**(473)**	**(1,178)**	**(1,650)**
Net Cash Flow	**1,893**	**954**	**2,847**
Opening Cash	1,315	**3,208**	1,315
Net Cash Flow	1,893	954	2,847
Receiver's Certificate Advance/(Repayment)	-	-	-
Closing Cash	**3,208**	**4,162**	**4,162**

(1) Amounts in $USD have been translated to $CAD using a conversion rate of 1.37:1:00.

40. There was approximately $3.2 million of opening cash available at the start of the Reporting Period.

41. The Receiver collected approximately $6.5 million during the Reporting Period, primarily relating to collections of accounts receivable from ongoing projects.

42. The Receiver disbursed approximately $5.6 million during the Reporting Period, relating primarily to:

a) employee wages and benefits of approximately $2.4 million, in addition to modest employee retention payments of $30,000;

b) field operating and maintenance costs of approximately $1.1 million relating primarily to employee accommodations, travel, and field-level operating expenses;

c) insurance payments of approximately $303,000, relating to premium payments made up to September 30, 2026;

d) rent and utility payments of $244,000 at the Company's five leased locations and the ND Facility;

e) other operating disbursements of approximately $375,000, relating to IT and sales and use tax expenses; and

f) professional fee payments of $1.2 million, which are comprised of: (i) the Receiver's fees and costs of $770,000; (ii) the Receiver's Canadian Counsel's fees and costs of $224,000; (iii) the Receiver's US Counsel's retainer, fees and costs of $93,000; (iv) tax filing fees of $55,000; and (v) the Receiver's Argentinian Counsel's retainer of $36,000.

43. The total ending cash available as at July 24, 2026 is approximately $4.2 million.

44. Pursuant to paragraph 22 of the Receivership Order, the Receiver has been empowered to borrow by way of a revolving credit or otherwise, up to $5,000,000 (or such greater amounts as the Court may further order). The Receiver executed an indicative term sheet for $3,000,000 with the Lenders in the event the Receiver requires funding in the Receivership Proceedings. To date, the Receiver has not been required to draw on the Receiver's certificate line of credit.

APPROVAL OF PROFESSIONAL FEES AND EXPENSES

45. Pursuant to paragraph 21 of the Receivership Order, the Receiver seeks approval from this Honourable Court of the respective professional fees and disbursements of the Receiver for the period from May 3, 2026 to June 19, 2026 (the "**Receiver's Interim Taxation Period**"), the Receiver's Canadian Counsel for the period from May 1, 2026 to July 14, 2026 (the "**Receiver's Canadian Counsel's Interim Taxation Period**") and the Receiver's US Counsel for the period from April 1, 2026 to June 30, 2026 (the "**Receiver's US Counsel's Interim Taxation Period**"). This Honourable Court previously approved the fees and disbursements of the Receiver, the Receiver's Canadian Counsel and the Receiver's US Counsel as outlined in the First Report.

46. The total fees and expenses of the Receiver during the Receiver's Interim Taxation Period are $387,473.29 (exclusive of GST), which are comprised of $378,632.50 in fees and $8,840.79 in expenses (the "**Receiver's Fees and Costs**"). A summary of the Receiver's fees and expenses by invoice is attached as Appendix "**A**" to this Report.

47. The total fees and expenses of the Receiver's Canadian Counsel total $158,098.15 (exclusive of GST), which are comprised of $155,689.50 in professional fees and $2,408.65 in expenses (the "**Receiver's Canadian Counsel's Fees and Costs**"). A summary of the Receiver's Canadian Counsel's Fees and Costs by invoice is attached as Appendix "**B**" to this Report.

48. The total fees and expenses of the Receiver's US Counsel total $92,675.60, which are comprised of $90,565.22 in professional fees and $2,110.38 in expenses (the "**Receiver's US Counsel's Fees and Costs**")[1]. A summary of the Receiver's US Counsel's Fees and Costs by invoice is attached as Appendix "**C**" to this Report.

[1] The Receiver's US Counsel's Fees and Costs have been converted from $USD to $CAD using a conversion rate of 1.37:1.00.

49. The Receiver and its respective counsel's invoices outline the date of the work completed, the description of the work completed, the length of time taken to complete the work and the name of the individual who completed the work. Copies of the invoices will be brought to the Receiver's application before this Honourable Court set for August 12, 2026, and made available to the Court.

50. The Receiver is respectfully of the view that its fees and those of the Receiver's Canadian Counsel and the Receiver's US Counsel are fair and reasonable in the circumstances, and respectfully requests the Court's approval of these accounts for the Receiver's Interim Taxation Period, the Receiver's Canadian Counsel's Interim Taxation Period, and the Receiver's US Counsel's Interim Taxation Period.

RECEIVER'S ONGOING ACTIVITIES AND FUTURE COURSE OF ACTION

51. The Receiver's next steps include, but are not limited to the following:

a) if approved by the Court, closing the transaction contemplated in the Stalking Horse Agreement;

b) if approved by the Court, making the Proposed Interim Distribution (in an amount and at the timing of the Receiver's discretion);

c) filing any necessary materials in the US Court;

d) with the assistance of the ND Listing Agent, continuing to market the ND Facility;

e) evaluating monetization alternatives with respect to the Company's interests in the Argentina Investment (including the collection of an approximate USD$5.6 million intercompany receivable owing from FSAS to ENH), with the assistance of the Receiver's Argentinian Counsel;

f) continuing communication with and updates to the Agent and Lenders and other stakeholders respecting the Receivership Proceedings, in general; and

g) completing various other administrative tasks related to the Receivership Proceedings.

RECEIVER'S RECOMMENDATIONS

52. Based on the foregoing, the Receiver respectfully recommends that this Honourable Court:

a) grant the Auction Approval and Vesting Order;

b) approve the Receiver's Fees and Costs, the Receiver's Canadian Counsel's Fees and Costs, and the Receiver's US Counsel's Fees and Costs;

c) approve the Proposed Interim Distribution; and

d) approve the actions, activities and conduct of the Receiver, as set out in this Second Report.

All of which is respectfully submitted this 31st day of July, 2026

ALVAREZ & MARSAL CANADA INC.,
in its capacity as the Court-appointed
Receiver of the Company, and not in
its personal or corporate capacity

Orest Konowalchuk, CPA, CA, CIRP, LIT	Duncan MacRae, CPA, CA, CIRP, LIT
Senior Vice President	Vice President

APPENDIX A

Energera Group Summary of the Receiver's Statements of Account For the period May 2, 2026 to June 20, 2026						
Invoice	Period	Fees	Disbursements	Subtotal	GST	Total
Alvarez & Marsal Canada						
4	May 2, 2026 to May 16, 2026	138,056.50	5,269.25	143,325.75	7,166.29	150,492.04
5	May 17, 2026 to May 30, 2026	114,235.50	884.41	115,119.91	5,756.00	120,875.91
6	May 31, 2026 to June 19, 2026	126,340.50	2,687.13	129,027.63	6,451.38	135,479.01
Total		**378,632.50**	**8,840.79**	**387,473.29**	**19,373.67**	**406,846.96**

APPENDIX B

Energera Group Summary of the Receiver's Canadian Counsel's Statements of Account For the period May 1, 2026 to June 14, 2026						
Invoice	Period	Fees	Disbursements	Subtotal	GST	Total
Torys LLP						
1714773	May 1, 2026 to May 19, 2026	74,116.50	-	74,116.50	3,705.83	77,822.33
1716431	May 7, 2026 to May 31, 2026	28,672.00	194.00	28,866.00	1,433.60	30,299.60
1717563	June 1, 2026 to June 16, 2026	33,446.00	-	33,446.00	1,672.30	35,118.30
1720920	June 7, 2026 to July 14, 2026	19,455.00	2,214.65	21,669.65	1,052.86	22,722.51
Total		**155,689.50**	**2,408.65**	**158,098.15**	**7,864.59**	**165,962.74**

APPENDIX C

Energera Group Summary of the Receiver's US Counsel's Statements of Account For the period April 1, 2026 to June 30, 2026				
Invoice	**Period**	**Fees**	**Disbursements**	**Total(1)**
Munsch Hardt Kopf & Harr, P.C.				
10589911	April 1, 2026 to April 30, 2026	40,782.16	1,715.45	42,497.61
10593146	May 1, 2026 to May 31, 2026	31,820.99	389.67	32,210.66
10596903	June 1, 2026 to June 30, 2026	17,962.07	5.26	17,967.33
Total		**90,565.22**	**2,110.38**	**92,675.60**

(1) Converted from USD at a rate of 1:37:1:00