

COURT FILE NUMBER 2201-01016  
COURT COURT OF KING'S BENCH OF ALBERTA  
JUDICIAL CENTRE CALGARY  
APPLICANT PAMOCO RESOURCES LTD.  
PROCEEDING IN THE MATTER OF THE RECEIVERSHIP  
OF ROBUS RESOURCES INC.  
DOCUMENT **AFFIDAVIT**  
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT  
MILLER THOMSON LLP  
3000, 700-9th Avenue S.W.  
Calgary, AB, Canada T2P 3V4  
**Attention: James W. Reid**  
Telephone: 403.298.2418  
Fax: 403.262.0007  
E-Mail: [jwreid@Millerthomson.com](mailto:jwreid@Millerthomson.com)  
File No.: 0273785.0001

Clerk's Stamp

**AFFIDAVIT OF JOHN STEIN AMUNDSON**

Sworn on January 16, 2023

I, JOHN STEIN AMUNDSON, of Red Deer, Alberta, SWEAR AND SAY THAT:

1. I am the President of Terroco Industries Ltd. ("**Terroco**"). As such, I have personal knowledge of the matters hereinafter deposed to, except where stated to be based on information and belief, and where so stated I verily believe the same to be true.
2. I have been employed by Terroco for approximately 23 years. I have been President of Terroco for approximately 19 years.
3. The sole director and shareholder of Terroco is Terry O'Connor ("**Mr. O'Connor**"). On occasion, I am requested by Mr. O'Connor to assist with accounting and financial matters for him personally, and for some of his or his family's other businesses, including Pamoco Resources Ltd. ("**Pamoco**"), and Androco Holdings Ltd. ("**Androco**"), although I do not assist with this on a regular basis.
4. In this regard, I did assist Mr. O'Connor, Pamoco, and Androco in February 2021, with reviewing and commenting on the payout statement (the "**Payout Statement**") prepared

and provided to Pamoco by then counsel to Robus Resources Inc. ("**Robus**") to settle certain advances made by Mr. O'Connor, Pamoco, and Androco to Robus. The Payout Statement is attached as Exhibit K to the Affidavit of Mr. O'Connor sworn January 9, 2022, in this proceeding (the "**O'Connor Affidavit**").

5. In respect of the advances made by Pamoco that were paid out by Robus as evidenced by the Payout Statement, I had previously assisted Pamoco with preparing certain of the demand promissory notes and directions to pay that are attached as Exhibit F to the O'Connor Affidavit.
6. Following the payout of the amounts set out in the Payout Statement by Robus, on February 26, 2020, I was advised by Pamoco's book keeping staff of three additional payments that were made by Pamoco for the benefit of Robus. These are referred to as the "Robus AP Payments" in the O'Connor Affidavit consisting of the following advances:
  - (a) a payment in the amount of \$10,000 from Pamoco to Pandell Technology on January 24, 2019;
  - (b) a payment in the amount of \$37,000 from Pamoco to 1092401 Alberta Ltd. on January 24, 2019; and
  - (c) a payment in the amount of \$20,000 to Robus' President and Director, Ernie Methot ("**Mr. Methot**") on April 17, 2019.
7. Upon learning of these advances, on February 26, 2020, I e-mailed Mr. Methot, thinking that these advances were mistakenly omitted from the Payout Statement. As noted in my e-mail, I advised that I would subsequently be discussing the matter with Mr. O'Connor. A copy of this e-mail is at Appendix D to the Second Report of the Receiver dated January 12, 2023. A copy of my February 26, 2020, e-mail is attached as Exhibit "**A**". Upon review, I have no record of Mr. Methot responding to this e-mail.
8. Upon discussing the Robus AP Payments with Mr. O'Connor, I was advised that these advances were made at the request of Robus to pay certain accounts payable owing by Robus for services that were provided to Robus.
9. Mr. O'Connor further advised that these advances, along with certain other payments made by Pamoco to or for the benefit of Robus, were settled by way of Robus selling Pamoco its interests in certain of its equipment assets (the "**Tangibles Transaction**").

As a result, the Robus AP Payments were not outstanding loans, which is why no promissory notes were requested to be prepared by me in respect of these payments and why these amounts were not included in the Payout Statement.

10. Instead, I understand that the Tangibles Transaction was documented by the parties by way of the General Conveyance attached as Exhibit N to the O'Connor Affidavit, as amended by the Conveyance of Tangibles at Exhibit R to the O'Connor Affidavit.
11. On January 13, 2023, I pulled and reviewed the 2022 year-end financial statement for Pamoco from its external accountant. Consistent with the Tangibles Transaction and the conveyance documents, the financial statements of Pamoco record the equipment subject to the Tangibles Transaction as being an asset of Pamoco with a value of \$90,000. Had the Robus AP Payments intended to have been a debt, it would have been recorded as a "due from" line item in the financials. Attached as Exhibit "B" is the 2022 year-end financial information of Pamoco.

**Conclusion**

12. I make this Affidavit to assist the Court with certain of the facts that are pertinent to Pamoco's application returnable January 18, 2023, and no improper purpose.

SWORN BEFORE ME at the City of Red Deer, Alberta, this 16<sup>th</sup> day of January, 2023.

Commissioner for Oaths in and for the Province of Alberta

**C.E. FORGUES**  
Barrister & Solicitor

JOHN STEIN AMUNDSON

This is Exhibit "A" referred to  
in the Affidavit of John Stein Amundson  
sworn January 16, 2023



A Commissioner for Oaths in and  
for the Province of Alberta

**C.E. FORGUES**  
Barrister & Solicitor

## Re: Fwd: FW: Releases

Inbox

**John Amundson** <amundson@terroco.com>

Wed, Feb  
26, 2020,  
10:40 AM

to me

Ernie;

I was informed this morning of three advances made directly by Pamoco that were not included in our payout amounts and they are as follows:

- (1) payment direct to Derek Woods - \$37,800
- (2) payment direct to Pandell - \$10,000
- (3) payment to Ernie Methot - \$20,000

I was not aware of these payments out of the Pamoco account so never prepared promissory notes for them. Unfortunately these did not come to my attention until this morning when we were going over some of the Pamoco accounts as part of the Pamoco year end review. I am most concerned about the first two, as we should have asked that these be repaid at the same time as the other loans. I have asked for copies of the cancelled cheques and will forward those in due course for your reference.

I will bring this up with Terry when I see him this morning and I would prefer to be able to tell him these first two items will not be an issue and will be looked after by Robus within a reasonable period of time. Please let me know your view on handling these. Thanks.

John

John S. Amundson, President  
Terroco Industries Ltd.  
3105682 Nova Scotia ULC  
direct: (403) 314-5604 mobile: (403) 350-0731  
27212 Twp Rd 391, Red Deer, Alberta T4P 0Z8  
website: [www.terroco.com](http://www.terroco.com)

CHRONIC 10324

**\$10,141.00**

CHEQUE # 00324

[illegible]

0324  
DATE JAN. 24/19 P  
TO DANDELL

RE Deposit on Acct Fees

GST #		GST #	
BALANCE FORWARD			
THIS CHEQUE	10000	00	
DEPOSIT			
OTHER			
BALANCE			





0325

DATE JAN. 24/19 P

TO 1092401 AB LTD.  
(Derek Woods)

RE

GST#		GST#	
BALANCE FORWARD			
THIS CHEQUE		37800	00
DEPOSIT			
OTHER			
BALANCE			

no invoice provided, related  
possibly to works in the Canmore  
properties, re: Due from Robus

Ref no: CK 325

900290  
Feb 19



WIKI - MISC  
FSC  
PSC 0004212

Page 2 of 2

0025-5233241

CHEQUE # 00334

\$20,000.00

PANOCO RESOURCES LTD. (INCORPORATED) NUMBER 28 (P.L.)		0334
DATE 2019-04-17		00000000
PAY TO the order of	Ernie methol	\$ 20,000.00
20000 DOLLARS		00
Canada Trust BANK OF CANADA	PANOCO RESOURCES LTD.	
Advance Consulting Fees		<i>[Signature]</i>
*000334*		

CHEQUE # 00334

Deposit date/time: 04/18/2019 13:04:10	Sheet 08 1021
Source Number: 30	<i>[Signature]</i>
Deposit Number: 0110647	Interchange: Signature
Required number of items: 1	
User ID: 600000	
Location: 700	
Location Number: 700	100% UY 100% CAL
100% UY 100% CAL BACK/VERSO	

0334

DATE April 17/19

TO Ernie methot

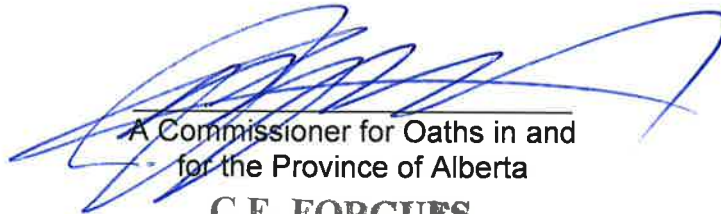
RE Advance/consulting fees

GST \$                 GST \$           

BALANCE FORWARD		
THIS CHEQUE	20,000	00
DEPOSIT		
OTHER		
BALANCE		

ENG 1 7 0

This is Exhibit "B" referred to  
in the Affidavit of John Stein Amundson  
sworn January 16, 2023



A Commissioner for Oaths in and  
for the Province of Alberta

**C.E. FORGUES**  
Barrister & Solicitor

**PAMOCO RESOURCES LTD.**  
**Financial Information**  
**Year Ended February 28, 2022**

---

## COMPILATION ENGAGEMENT REPORT

---

To the Corporate Shareholder of Pamoco Resources Ltd.

On the basis of information provided by management, we have compiled the balance sheet of Pamoco Resources Ltd. as at February 28, 2022, and the statement of income and deficit for the year then ended, and Note 1, which describes the basis of accounting applied in the preparation of the compiled financial information ("financial information").

Management is responsible for the accompanying financial information, including the accuracy and completeness of the underlying information used to compile it and the selection of the basis of accounting.

We performed this engagement in accordance with Canadian Standard on Related Services (CSRS) 4200, *Compilation Engagements*, which requires us to comply with relevant ethical requirements. Our responsibility is to assist management in the preparation of the financial information.

We have not performed an audit engagement or a review engagement, nor were we required to perform procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an audit opinion or a review conclusion, or provide any form of assurance on the financial information.

Readers are cautioned that the financial information may not be appropriate for their purposes.

Red Deer, Alberta  
August 12, 2022

*Anderson Slipp LLP*

Chartered Professional Accountants

**PAMOCO RESOURCES LTD.****Balance Sheet****February 28, 2022**

	2022	2021
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 2,662,302	\$ 2,571,089
Accounts receivable	181,614	165,247
Goods and services tax recoverable	12	306
Deposits	23,756	23,873
Due from Terroco Industires Ltd.	592,506	592,506
	<u>3,460,190</u>	<u>3,353,021</u>
WELL EQUIPMENT <i>(Net of accumulated amortization)</i>	67,159	81,305
INTANGIBLE DRILLING & COMPLETION COSTS <i>(Net of accumulated amortization)</i>	64,049	93,771
EQUIPMENT HELD FOR RESALE	90,000	90,000
DUE FROM 1576062 ALBERTA LTD.	118,807	118,807
	<u>\$ 3,800,205</u>	<u>\$ 3,736,904</u>
<b>LIABILITIES AND CORPORATE SHAREHOLDER'S DEFICIENCY</b>		
<b>CURRENT</b>		
Accounts payable	\$ 1,404	\$ 6,521
Due to corporate shareholder	4,412,794	4,412,794
	<u>4,414,198</u>	<u>4,419,315</u>
DUE TO RELATED PARTIES	22,200	22,200
ASSET RETIREMENT OBLIGATION	65,118	65,118
	<u>4,501,516</u>	<u>4,506,633</u>
<b>CORPORATE SHAREHOLDER'S DEFICIENCY</b>		
Share capital	9	9
Deficit	(701,320)	(769,738)
	<u>(701,311)</u>	<u>(769,729)</u>
	<u>\$ 3,800,205</u>	<u>\$ 3,736,904</u>

**ON BEHALF OF THE BOARD**\_\_\_\_\_  
Director

**PAMOCO RESOURCES LTD.**  
**Statement of Income and Deficit**  
**Year Ended February 28, 2022**

	2022	2021
<b>PETROLEUM AND NATURAL GAS SALES</b>	<b>\$ 198,718</b>	<b>\$ 71,207</b>
Royalties	<u>27,007</u>	<u>12,103</u>
<b>GROSS PROFIT</b>	<b><u>171,711</u></b>	<b><u>59,104</u></b>
<b>EXPENSES</b>		
Depletion and depreciation	56,146	81,907
Operating costs	50,798	87,466
General and administrative	<u>13,441</u>	<u>18,920</u>
	<b><u>120,385</u></b>	<b><u>188,293</u></b>
<b>INCOME (LOSS) FROM OPERATIONS</b>	<b>51,326</b>	<b>(129,189)</b>
<b>OTHER INCOME</b>		
Interest income	<u>17,092</u>	<u>14,100</u>
<b>NET INCOME (LOSS)</b>	<b>68,418</b>	<b>(115,089)</b>
<b>DEFICIT - BEGINNING OF YEAR</b>	<b><u>(769,738)</u></b>	<b><u>(654,649)</u></b>
<b>DEFICIT - END OF YEAR</b>	<b><u>\$ (701,320)</u></b>	<b><u>\$ (769,738)</u></b>



**PAMOCO RESOURCES LTD.**  
**Notes to Financial Information**  
**Year Ended February 28, 2022**

---

**1. BASIS OF ACCOUNTING**

The basis of accounting applied in the preparation of the balance sheet of Pamoco Resources Ltd. as at February 28, 2022, and the statement of income and deficit for the year then ended is the historical cost basis and reflects cash transactions with the addition of:

- accounts receivable less an allowance for doubtful accounts
  - inventory valued at cost
  - accounts payable and accrued liabilities
  - current income taxes payable as at the reporting date
- 

**2. FUTURE INCOME TAX ASSET**

As at February 28, 2022 the company has resource related assets and non capital loss carryforwards. The estimated future income tax benefit is \$168,400

Future income taxes are estimated using the rates enacted by tax law. The future income tax asset has not been recorded as management cannot reasonably determine that the future income tax asset will be realized.

---