

Form 49
[Rule 13.19]

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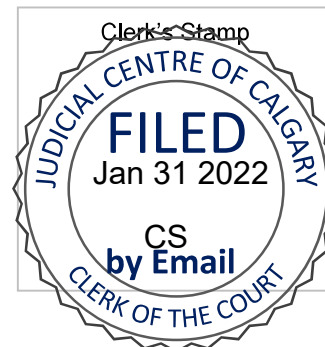
COURT COURT OF QUEEN'S BENCH OF
ALBERTA

JUDICIAL CENTRE CALGARY

PLAINTIFF ROBUS SERVICES LLC.

DEFENDANT ROBUS RESOURCES INC.

DOCUMENT **AFFIDAVIT OF ROBERT BRANTMAN**



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Feb 8 2022

Entered

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

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AFFIDAVIT OF ROBERT BRANTMAN

Sworn on January 27, 2022

I, Robert Brantman, of the City of Dallas, in the State of Texas, MAKE OATH AND SAY THAT:

1. I am the President and a Member of Robus Services LLC ("**Robus Services**"), the Plaintiff and applicant creditor herein and, as such, have personal knowledge of the matters deposed to except where stated to be based on information and belief, in which case I believe the same to be true.
2. I have reviewed the business records of Robus Services relevant to its application seeking, among other relief, the appointment of a receiver and manager over all of the current and future assets, undertakings and property of the Defendant Robus Resources

Inc. ("**Robus Resources**") and have satisfied myself that I have sufficient information and knowledge to swear this Affidavit on behalf of Robus Services.

The Parties

3. Robus Services is the senior secured creditor of Robus Resources, and is owed at least USD \$14,986,216.76 by Robus Resources.
4. A search record of Robus Resources from the Alberta Corporate Registry is attached and marked as **Exhibit "A"**. Robus Resources is an oil and gas company, with property and operations in Alberta. Robus Resources' registered office is located in Calgary, Alberta.
5. Koor Energy Ltd. ("**Koor**") is a corporation incorporated under the laws of Alberta. A search record for Koor from the Alberta Corporate Registry is attached and marked as **Exhibit "B"**. Koor's registered office is located in Red Deer, Alberta.

The Loan to Robus Resources

6. Robus Services extended a loan to Robus Resources pursuant to a Loan Agreement dated February 21, 2020, as amended on December 23, 2020, in the principal amount of USD \$7,000,000.00 (the "**Loan**"). Attached as **Exhibit "C"** is the Loan Agreement.
7. Pursuant to the terms of the Loan, Robus Resources granted the following security, guarantees and other interest to Robus Services:
 - a. a demand debenture constituting a lien on all of the present and after-acquired property of Robus Resources and its subsidiaries, including a floating charge over all property and a fixed charge over all petroleum property;
 - b. fixed charges registered with Alberta Energy under the *Mines and Minerals Act* (Alberta), against the petroleum property;
 - c. limited recourse guarantees of Ernest Methot, secured by a pledge by Ernest Methot of all issued and outstanding equity interests held by him in Robus Resources, including a covenant not to sell such equity interests (collectively, the "**Robus Resources Security**")

8. Robus Resources defaulted under the Loan, including by failing to meet the terms of repayment and refusing to provide Robus Services with the necessary monthly financial and operating information. The Loan provides that, upon default by Robus Resources, Robus Services may declare the entire principal amount outstanding under the Loan to be immediately due and payable.

Royalty

9. Robus Services and Robus Resources are also party to a Gross Overriding Royalty Agreement dated February 21, 2020 as amended on December 23, 2020 (the "**Royalty Agreement**") which was required as consideration for Robus Services advancing the Loan to Robus Resources. Attached as **Exhibit "D"** is the Royalty Agreement and related amending agreement.
10. Pursuant to the Royalty Agreement, Robus Resources granted to Robus Services a gross overriding royalty interest (the "**GORR**") on all of the working interests and other property of Robus Resources as set out in the Royalty Agreement.
11. It is a term of the Royalty Agreement and the Loan Agreement, each as amended, that the GORR payments begin after repayment of the Loan and continues until Robus Services has received the aggregate amount of USD \$8,000,000.00 (the "**Royalty Amount**") from (i) royalty payments by Robus Resources under the Royalty Agreement, or (ii) Robus Services exercising its take-in-kind rights under the Royalty Agreement, or (iii) some combination of the foregoing.
12. It is a term of the Royalty Agreement that the Royalty Amount becomes immediately due and payable if Robus Resources defaults in its obligations under the Loan Agreement.
13. The Royalty Amount is secured by the Robus Resources Security.

Indebtedness, Default, and Demand

14. As at June 28, 2021, Robus Resources was indebted to Robus Services under the Loan and Royalty Agreement in the amount of USD \$14,986,216.76 plus interest, costs, and legal fees, which continue to accrue (the "**Indebtedness**").

15. On or about June 28, 2021, Robus Services issued a notice of default to Robus Resources, confirming that all amounts outstanding under the Loan and Royalty Agreement are immediately due and payable, and demanded payment from Robus Resources in the amount of the Indebtedness. Concurrently therewith, Robus Services delivered to Robus Resources a notice of its intention to enforce its security pursuant to section 244 of the *Bankruptcy and Insolvency Act* (the "**BIA**").
16. Attached as **Exhibit "E"** is the June 28, 2021 demand letter and s. 244 BIA notice of intention to enforce security. Attached as **Exhibit "F"** is the Fixed and Floating Charge Debenture which forms part of the Robus Resources Security.

The Assignment of the Loan and the Robus Resources Security to Koor, and the Assignment back to Robus Services

17. On or about August 18, 2021, Robus Services as seller and Koor as purchaser entered into an agreement whereby Robus Services agreed to sell to Koor all of its right, title and interest in the Loan and the Royalty Agreement, including the indebtedness owing thereunder, and to assign to Koor the Robus Resources Security.
18. On or about January 12, 2022, Koor and Robus Services entered into an agreement whereby Koor transferred its right, title, and interest in the Loan and Royalty Agreement, including the indebtedness owing thereunder, to Robus Services, and Koor assigned to Robus Services the Robus Resources Security, thereby making Robus Services the senior secured creditor of Robus Resources.

Litigation History Between Robus Resources and Koor

19. During the time Koor was the senior secured creditor of Robus Resources, Koor took steps to partially enforce the Robus Resources Security. Specifically, Benjamin Koorbatoff, the President and CEO of Koor, caused Koor to exercise certain rights against Mr. Methot under Mr. Methot's guarantee and share pledge, and transferred ownership of Mr. Methot's shares in Robus Resources into Koor's name.

20. On or about August 25, 2021, Mr. Koorbatoff and Koor filed documents with the Alberta Registrar of Companies to remove Mr. Methot as a director of Robus Resources and appoint Mr. Koorbatoff as the sole director and officer of Robus Resources.
21. As a result, Robus Resources became a wholly-owned subsidiary of Koor, and Mr. Koorbatoff took charge of the operation of Robus Resources.
22. Since Mr. Koorbatoff and Koor took charge of Robus Resources, the parties and Mr. Koorbatoff and Mr. Methot have continued to be in a heated dispute and litigation regarding the ownership of Mr. Methot's shares and the management and operations of Robus Resources. Attached as **Exhibit "G"** is a Statement of Claim filed on October 5, 2021 by Mr. Methot and Robus Resources. This litigation is pending, and describes, *inter alia*, the dispute concerning the ownership of the shares of Robus Resources.
23. Prior to the filing of this Statement of Claim, Mr. Methot sought an injunction in separate proceedings, seeking virtually the same relief as sought in the Statement of Claim. The injunction application was contested and was denied by the Court of Queen's Bench of Alberta.
24. I note that the relief sought by Mr. Methot in his Statement of Claim (Exhibit "G") includes the court-appointment of a "Sales Agent" with Receiver-like powers in respect of the property of Robus Resources.

Appointment of Receiver over Robus resources

25. Attached as **Exhibit "H"** is a PPR Search on Robus Resources, which demonstrates that six writs of enforcement have been registered against Robus Resources by six separate judgement creditors. Based on this, and based on the failure of Robus Resources to meet its obligations under the Loan and Royalty Agreement, I believe Robus Resources is insolvent.
26. It is a term of the Robus Resources Security that if Robus Resources is in default of its obligations to Robus Services, Robus Services may apply to this Honourable Court for the appointment of a receiver and manager.

27. In addition to the default under the Loan, Robus Services has lost confidence in Robus Resources' management, and is presently entitled to prosecute its legal remedies under the Robus Resources Security.
28. Robus Services has the right to appoint or apply to this Honourable Court to appoint a receiver and manager over the property, assets and undertakings of Robus Resources. Robus Services wishes to exercise that right at this time.
29. I verily believe that the immediate appointment of a receiver manager of all undertakings, assets and properties of Robus Resources is just and convenient and is necessary to protect Robus Services' interests, including to preserve the remaining assets and property of Robus Resources and to realize on the Robus Resources Security.
30. I verily believe Robus Services' collateral is at risk unless a receiver is immediately appointed. No other viable alternative is presently available to Robus Services.
31. The appointment of a receiver manager may assist in resolving the disputes set out in Exhibit "G".
32. As demonstrated by Exhibit "G" there is an ongoing dispute and litigation concerning the rightful ownership and management of Robus Resources. It is my understanding that both Mr. Koorbatoff and Mr. Methot claim to be the rightful management and empowered to act on behalf of Robus Resources. However, neither Mr. Koorbatoff nor Mr. Methot are acceptable to Robus Services to act as management of Robus Resources, and Robus Services has lost faith each of them. As a result, the appointment of a Receiver is necessary to bring stable and impartial management to the business and assets of Robus Resources, subject to oversight by this Honorable Court.
33. I am informed by BD&P, and verily believe that Alvarez & Marsal Canada Inc. ("A&M") is qualified and prepared to act as receiver or receiver and manager of Robus Resources. Attached and marked as **Exhibit "I"** is a true copy of a Consent to Act executed by an authorized representative of A&M.

34. I make this Affidavit in support of Robus Services' application to appoint Alvarez & Marsal Canada ULC as receiver or receiver and manager of the current and future assets, undertakings, and properties of Robus Resources, and for no improper purpose.

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Robert J. Pratt

ROBERT BRANTMAN

