

COURT FILE NUMBER 2401-01422

COURT COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY



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

LL
C40040

Apr 10, 2024
COM

AND IN THE MATTER OF THE COMPROMISE OR
ARRANGEMENT OF GRIFFON PARTNERS OPERATION
CORPORATION, GRIFFON PARTNERS HOLDING
CORPORATION, GRIFFON PARTNERS CAPITAL
MANAGEMENT LTD., STELLION LIMITED, 2437801
ALBERTA LTD., 2437799 ALBERTA LTD., 2437815 ALBERTA
LTD., and SPICELO LIMITED

APPLICANTS GRIFFON PARTNERS OPERATION CORPORATION, GRIFFON
PARTNERS HOLDING CORPORATION, and GRIFFON
PARTNERS CAPITAL MANAGEMENT LTD.

DOCUMENT **APPLICATION (Approval and Reverse Vesting Order)**

ADDRESS FOR
SERVICE AND
CONTACT **OSLER, HOSKIN & HARCOURT LLP**
INFORMATION OF
PARTY FILING THIS
DOCUMENT Barristers & Solicitors
Brookfield Place, Suite 2700
225 6 Ave SW
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Solicitors: Randal Van de Mosselaer / Julie Treleaven
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Email: RVandemosselaer@osler.com / JTreleaven@osler.com
File Number: 1246361

NOTICE TO THE RESPONDENT

This application is made against you. You are a respondent.

You have the right to state your side of this matter before the Court.

To do so, you must be in Court when the application is heard as shown below:

Date: April 10, 2024
Time: 3:30 p.m.
Where: Edmonton Law Courts (by WebEx - See **Schedule "A"**)
Before: The Honourable Justice Burns

Go to the end of this document to see what you can do and when you must do it.

Remedy Sought:

1. Griffon Partners Operation Corporation (“**GPOC**”), Griffon Partners Holding Corporation (“**GPHC**”), and Griffon Partners Capital Management Ltd. (“**GPCM**”, and together with GPOC and GPHC, the “**Applicants**”), respectfully seek the following under the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”)
 - (a) an order substantially in the form of the Approval and Reverse Vesting Order (the “**RVO**”) attached hereto as **Schedule “B”**:
 - (i) abridging the time for service of notice of this Application (if necessary), deeming service of notice of this Application to be good and sufficient, and declaring that there is no other person who ought to have been served with notice of this Application;
 - (ii) approving the transaction (the “**Transaction**”) contemplated by the Share Purchase and Sale Agreement between Metamorphic Energy Corp. (the “**Purchaser**”), GPHC, and GPCM dated March 25, 2024 (as amended, the “**SPA**”), with such minor amendments as GPHC, GPCM, and the Purchaser, with the consent of Alvarez & Marsal Canada Inc. as monitor (the “**Monitor**”), may deem necessary;
 - (iii) authorizing and approving the execution of the SPA by GPHC and GPCM;
 - (iv) authorizing and directing GPHC and GPCM to perform their obligations under the SPA and for GPHC and the Monitor to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction;
 - (v) ordering that, upon the delivery of the Monitor’s certificate to the Purchaser certifying that, among other things, all conditions to closing of the Transaction have been satisfied or waived by the parties to the SPA, the following, among other things, shall be deemed to occur commencing at the

time of delivery of the Monitor's Certificate (the "**Effective Time**") in the following sequence and in accordance with the terms of the SPA:

- (A) all right, title and interest of GPOC in and to the Transferred Assets¹ shall be transferred to and shall vest absolutely and exclusively in GPCM, with all applicable Claims and Encumbrances continuing to attach to the Transferred Assets and to the Purchase Price, in either case with the same nature and priority as they had immediately prior to the transfer;
- (B) all Transferred Liabilities, but specifically excluding the Retained Liabilities, shall be transferred to and shall be assumed by and shall vest absolutely and exclusively in GPHC in consideration for the issuance by GPOC to GPHC of the Promissory Note, such that the Transferred Liabilities shall become the obligations of GPHC and shall no longer be the obligations of GPOC and such Transferred Liabilities shall continue to attach to the Transferred Assets with the same nature and priority as they had immediately prior to the Effective Time;
- (C) all Transferred Liabilities, Claims and Encumbrances shall be irrevocably and forever expunged, released, discharged and terminated as against the Purchaser, GPOC, and the Retained Assets;
- (D) any and all security registrations against GPOC (other than any security registrations in respect of the Retained Liabilities) and/or claiming interests in the estate or interest of GPHC in the Purchased Shares shall be forever released and discharged as against GPOC, the Retained Assets and the Purchased Shares, and all such security registrations shall attach to the Transferred Assets vested in GPCM

¹ Capitalized terms used and not defined in this Application have the meanings given to them in the proposed form of RVO.

(including the net proceeds realized from the sale of the Purchased Shares to be held by GPHC) and maintain the same attributes, rights, nature, perfection and priority as they had immediately prior to the Effective Time, and no financing change statements in any applicable personal property or other registry system are required to reflect the transfer of and assumption by GPCM of such security registrations;

(E) the Purchaser shall subscribe for the Subscribed Shares in consideration for the Subscription Price;

(F) all of GPHC's right, title and interest in and to the Purchased Shares shall vest absolutely in the name of the Purchaser free and clear from any and all Claims or Encumbrances, and concurrently:

(1) the Corporation, using the Subscription Price, shall repay the Promissory Note in full;

(2) all Claims and Encumbrances affecting or relating to the Purchased Shares shall be forever expunged, released, discharged, and terminated as against the Purchased Shares; and

(3) the Corporation shall cease to be an Applicant in these CCAA Proceedings;

(vi) ordering that, at the Effective Time:

(A) GPOC shall cease to be an Applicant in this Action and shall be released from the scope and effect of the Initial Order (as defined below) and all other orders of this Court granted in these proceedings; and

- (B) The title and the style of cause in these proceedings shall be amended to delete GRIFFON PARTNERS OPERATION CORPORATION as a party in this Action;
- (vii) directing the satisfaction of the Priority Payments in accordance with the SPA; and
- (viii) from and after the Effective Time, barring and enjoining all persons from pursuing, asserting, exercising, enforcing, issuing, commencing or continuing any step or proceeding or relying on any rights, remedies, claims or benefits in respect of or against the Purchaser, GPOC, the Purchased Shares or the Retained Assets relating to the Transferred Assets, any and all Transferred Liabilities, Claims or Encumbrances other than the Retained Liabilities against or relating to GPOC, the Transferred Assets, the Purchased Shares or the Retained Assets existing immediately prior to the Effective Time, the insolvency of GPOC prior to the Effective Time, the commencement or existence of these CCAA proceedings, the completion of the Transaction, or any other claims, obligation or matter waived, released, expunged or discharged pursuant to the RVO;
- (b) an order (the “**Restricted Court Access Order**”) substantially in the form attached hereto as **Schedule “C”**, sealing the Confidential Affidavit of Daryl Stepanic sworn April 1, 2024 (the “**Confidential Stepanic Affidavit**”) on the Court file; and
- (c) such further and other relief as may be sought by the Applicants and this Honourable Court may deem appropriate.

Basis for this claim:

Background

2. On February 7, 2024, the Honourable Justice B. Johnston granted the Applicants an Initial Order under the CCAA (the “**Initial Order**”).

3. Pursuant to the Initial Order, the proceedings commenced by the Applicants on August 25, 2023 under the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the “**NOI Proceedings**”) were continued under the CCAA. The Initial Order appointed the Monitor, granted a stay of all proceedings, rights and remedies against or in respect of the Applicants, its business or property, or the Monitor until February 16, 2024 (the “**Stay Period**”), and approved the engagement of Alvarez & Marsal Canada Securities ULC (the “**Transaction Agent**”) to continue and complete the sale and investment solicitation process (“**SISP**”) which had been approved by this Court by order granted October 18, 2023 in the NOI Proceedings (the “**SISP Order**”).
4. The Stay Period was subsequently extended by further Orders of the Court and was most recently extended until April 17, 2024.

The SISP

5. Since the granting of the SISP Order, the Applicants have diligently implemented and conducted the SISP with the assistance of the Transaction Agent, under the supervision of the Monitor, and in accordance with the terms of the SISP Order.
6. Pursuant to the SISP, the deadline for the receipt of Qualified Bids (as that term is defined in the SISP) was, as established by the Monitor in accordance with the terms of the SISP, January 22, 2024 (the “**Bid Deadline**”). Within 10 days of the Bid Deadline, the Applicants, with the assistance of the Transaction Agent and the Monitor, reviewed and assessed all Qualified Bids and selected the superior Qualified Bid.
7. Immediately thereafter, the Applicants, Transaction Agent, Monitor, and Purchaser began the negotiations of the terms of the SPA and related transaction documents, and on March 25, 2024, the SPA was executed. As noted above, the SPA is conditional on, *inter alia*, the approval of this Honourable Court.

Approval of the SPA

8. The Transaction is the best executable transaction available to the Applicants in the circumstances of these CCAA proceedings. It was subjected to a thorough canvassing of

the market pursuant to the SISP over the course of approximately 18 weeks (which period straddled the December holiday period). The SISP was developed and undertaken with the objective of identifying a transaction that would maximize value for the benefit of the Applicants' stakeholders.

9. Pursuant to the Transaction, GPHC will sell, and the Purchaser will purchase, all GPHC's interest in and to the 1,000 common shares of GPOC (the "**Purchased Shares**").
10. The Purchased Shares and assets being conveyed pursuant to the SPA were sufficiently exposed to the market in a commercially reasonable and fair and thorough marketing process.
11. The price to be paid for the Purchased Shares pursuant to the SPA represents the highest and best price that can be obtained for the assets, property and undertakings of the Applicants in the current circumstances.
12. The SPA, as proposed, is in the best interests of the Applicants' estate and its stakeholders. There is no other viable action to complete a transaction in respect of the undertakings, asset, and property of the Applicants.

The Proposed RVO

13. The proposed RVO sought by the Applicants approves the Transaction and effects the transfer and vesting steps that are necessary to complete a restructuring and cleansing of GPOC.
14. The proposed RVO transfers the Transferred Assets to GPCM on the closing of the Transaction. The Transferred Assets consist of certain assets, properties and interests of the Applicants other than assets that are designated as Retained Assets, which will continue to be held by GPOC following completion of the Transaction.
15. To accomplish the cleansing of GPOC, the proposed RVO provides for the release and discharge of all Claims and Encumbrances other than the Retained Liabilities as against GPOC and the Retained Assets. The proposed RVO provides that such Claims and Encumbrances shall be transferred to and shall vest in GPCM and shall continue to attach

to the Transferred Assets and the Purchase Price held by GPCM with the same nature and priority as they had immediately prior to the completion of the Transaction.

16. Upon completion of the Transaction, GPOC will be released from the purview of these CCAA proceedings.

Restricted Court Access Order

17. The Applicants seek to seal the Confidential Stepanic Affidavit, which contains an unredacted copy of the SPA.
18. The Confidential Stepanic Affidavit contains highly confidential, commercially sensitive information which could materially harm the interests of the Applicants and the Purchaser if disclosed. Such information includes the payment amount and other confidential business information which could harm the Applicants' and the Purchaser's commercial interests if it were made public. A Restricted Court Access Order is necessary to prevent the information in the Confidential Stepanic Affidavit from forming part of the public record or otherwise being published and disclosed.
19. For these reasons, the usual openness of the Court process would pose a serious risk to an important public interest, namely, the ability to negotiate and honour private commercial agreements. The granting of the Restricted Court Access Order is necessary to prevent this serious risk to this important interest because there are no reasonable alternatives that will prevent such risk. Finally, as a matter of proportionality, the benefits of the Restricted Court Access Order outweigh any deleterious effects on the rights and interests of the public.

Affidavit or other evidence to be used in support of this application:

20. The Affidavit of Daryl Stepanic, sworn April 1, 2024;
21. The Confidential Affidavit of Daryl Stepanic, sworn April 1, 2024; and
22. Such further and other material as counsel may advise and this Honourable Court may permit.

Applicable Acts and regulations:

23. The *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended; and
24. Such further and other Acts and regulations as counsel may advise and this Honourable Court may permit.

WARNING

You are named as a respondent because you have made or are expected to make an adverse claim in respect of this originating application. If you do not come to Court either in person or by your lawyer, the Court may make an order declaring you and all persons claiming under you to be barred from taking any further proceedings against the applicant(s) and against all persons claiming under the applicant(s). You will be bound by any order the Court makes, or another order might be given or other proceedings taken which the applicant(s) is/are entitled to make without any further notice to you. If you want to take part in the application, you or your lawyer must attend in Court on the date and at the time shown at the beginning of this form. If you intend to give evidence in response to the application, you must reply by filing an affidavit or other evidence with the Court and serving a copy of that affidavit or other evidence on the applicant(s) a reasonable time before the application is to be heard or considered.

Schedule "A"

File #(s) : 2401 01422

Style of Cause: GRIFFON PARTNERS OPERATION CORP. v. COMPANIES CREDITORS ARRANGEMENT ACT.

Date/Duration:

Apr 10, 2024 03:30 PM

Total: 60 Minute(s)

Booking Type/List: Commercial

Purpose of Hearing: Commercial Hearing

Counsel: Randal Steven Van de Mosselaer;Matti Cornelia Carpentier Leonie Lemmens;Karen Linda Fellowes;Kyle David Kashuba;

Special Requirements:

Requirements: Courtroom Required

Equipment: Video Conferencing

Counsel: Please ensure that all relevant parties have received Webex information.

Virtual Courtroom 86 has been assigned for the above noted matter:

Virtual Courtroom Link:

<https://albertacourts.webex.com/meet/virtual.courtroom86>

Instructions for Connecting to the Meeting

1. Click on the link above or open up Chrome or Firefox and cut and paste it into your browser address bar.
2. If you do not have the Cisco Webex application already installed on your device, the site will have a button to install it. Follow installation instructions. Enter your full name and email address when prompted
3. Click on the **Open Cisco Webex Meeting**.
4. You will see a preview screen. Click on **Join Meeting**.

Key considerations for those attending:

1. Please connect to the courtroom **15 minutes prior** to the start of the hearing.
2. Please ensure that your microphone is muted and remains muted for the duration of the proceeding, unless you are speaking. Ensure that you state your name each time you speak.
3. If bandwidth becomes an issue, some participants may be asked to turn off their video and participate by audio only.
4. **Note: Recording or rebroadcasting of the video is prohibited.**

- 5. Note: It is highly recommended you use headphones with a microphone or a headset when using Webex. This prevents feedback.**

For more information relating to Webex protocols and procedures, please visit:

<https://www.albertacourts.ca/qb/court-operations-schedules/webex-remote-hearings-protocol>

You can also join the meeting via the “Cisco Webex Meetings” App on your smartphone/tablet or other smart device. You can download this via the App marketplace and join via the link provided above.

Schedule “B”

Clerk's Stamp

COURT FILE NUMBER 2401-01422

COURT COURT OF KING’S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

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

AND IN THE MATTER OF THE COMPROMISE OR
ARRANGEMENT OF GRIFFON PARTNERS OPERATION
CORPORATION, GRIFFON PARTNERS HOLDING
CORPORATION, GRIFFON PARTNERS CAPITAL
MANAGEMENT LTD., STELLION LIMITED, 2437801
ALBERTA LTD., 2437799 ALBERTA LTD., 2437815 ALBERTA
LTD., and SPICELO LIMITED

APPLICANTS GRIFFON PARTNERS OPERATION CORPORATION, GRIFFON
PARTNERS HOLDING CORPORATION, and GRIFFON
PARTNERS CAPITAL MANAGEMENT LTD.

DOCUMENT **APPROVAL AND REVERSE VESTING ORDER**

ADDRESS FOR **OSLER, HOSKIN & HARCOURT LLP**

SERVICE AND Barristers & Solicitors
CONTACT Brookfield Place, Suite 2700
INFORMATION OF 225 6 Ave SW
PARTY FILING THIS Calgary, AB T2P 1N2
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Solicitors: Randal Van de Mosselaer / Julie Treleaven
Telephone: (403) 260-7000
Facsimile: (403) 260-7024
Email: RVandemosselaer@osler.com / JTreleaven@osler.com
File Number: 1230496

DATE ON WHICH ORDER WAS PRONOUNCED: April 10, 2024

NAME OF JUDGE WHO MADE THIS ORDER: The Honourable Justice Burns

LOCATION OF HEARING: Edmonton, Alberta

UPON the application of Griffon Partners Operation Corporation (“**GPOC**”), Griffon Partners Holding Corporation (“**GPHC**”), and Griffon Partners Capital Management Ltd. (“**GPCM**”, and together with GPOC and GPHC, the “**Applicants**”) for an Order approving the

transaction (the “**Transaction**”) contemplated by a Share Purchase and Sale Agreement between Metamorphic Energy Corp. (the “**Purchaser**”), GPHC, and GPCM dated March 25, 2024 (as amended, the “**SPA**”), a redacted copy of which is exhibited to the Affidavit of Daryl Stepanic sworn April 1, 2024 (the “**Public Stepanic Affidavit**”) and an unredacted copy of which is exhibited to the Confidential Affidavit of Daryl Stepanic sworn April 1, 2024 (the “**Confidential Affidavit**”), and: (a) vesting in GPHC all of GPOC’s right, title and interest in and to the Transferred Liabilities (as that term is defined in the SPA and as more particularly described in Schedule “B” hereto); (b) vesting in GPCM all of GPOC’s right, title and interest in and to the Transferred Assets (as that term is defined in the SPA and as more particularly described in Schedule “B” hereto); and (b) vesting in the Purchaser all of GPHC’s right, title and interest in and to all of the issued and outstanding common shares in the capital of GPOC (the “**Purchased Shares**”) free and clear of all Claims and Encumbrances (as defined below); **AND UPON** reviewing the Initial Order granted in these proceedings on February 7, 2024 (the “**Initial Order**”); **AND UPON** reviewing the Third Report of the Monitor appointed in these proceedings (the “**Monitor**”); **AND UPON** hearing from counsel for the Applicants, the Purchaser, the Monitor, and any other interested party appearing at the application; **AND UPON** noting that capitalized terms used but not otherwise defined in this Order shall have the meaning given to such terms in the SPA;

IT IS HEREBY ORDERED AND DECLARED THAT:

SERVICE

1. Service of notice of this application and supporting materials is hereby declared to be good and sufficient, no other person is required to have been served with notice of this application and time for service of this application is abridged to that actually given.

APPROVAL OF TRANSACTION

2. The Transaction and the SPA are hereby approved and the execution of the SPA by GPHC and GPCM are hereby authorized and approved, with such minor amendments as GPHC, GPCM and the Purchaser, with the consent of the Monitor, may deem necessary. GPHC and GPCM are hereby authorized and directed to perform its obligations under the SPA and GPHC and the Monitor are authorized to take such additional steps and execute such

additional documents as may be necessary or desirable for the completion of the Transaction and the terms of this Order. In the event of any conflict between the terms of the SPA and this Order, this Order shall govern.

VESTING OF ASSETS, LIABILITIES AND SHARES

3. Upon delivery of a Monitor's Certificate substantially in the form set out in Schedule "A" hereto (the "**Monitor's Certificate**"), the following shall occur and be deemed to occur commencing at the time of delivery of the Monitor's Certificate (the "**Effective Time**"), in the following sequence with one minute interval between each step unless specify otherwise (the "**Closing Sequence**"):
 - (a) all right, title and interest of GPOC in and to the Transferred Assets shall be transferred to and shall vest absolutely and exclusively in GPCM, with all applicable Claims and Encumbrances (each as defined below) continuing to attach to the Transferred Assets and to the Purchase Price in accordance with paragraph 6 of this Order, in either case with the same nature and priority as they had immediately prior to the transfer;
 - (b) all Transferred Liabilities, but specifically excluding the Retained Liabilities, shall be transferred to and shall be assumed by and shall vest absolutely and exclusively in GPHC in consideration for the issuance by GPOC to GPHC of the Promissory Note, such that the Transferred Liabilities shall become the obligations of GPHC and shall no longer be the obligations of GPOC and such Transferred Liabilities shall continue to attach to the Transferred Assets with the same nature and priority as they had immediately prior to the Effective Time;
 - (c) all Transferred Liabilities, Claims and Encumbrances shall be irrevocably and forever expunged, released, discharged and terminated as against the Purchaser, GPOC, and the Retained Assets;
 - (d) without limiting subparagraphs 3(c) and 3(d), any and all security registrations against GPOC (other than any security registrations in respect of the Retained Liabilities) and/or claiming interests in the estate or interest of GPHC in the

Purchased Shares shall be and are hereby forever released and discharged as against GPOC, the Retained Assets and the Purchased Shares, and all such security registrations shall attach to the Transferred Assets vested in GPCM (including the net proceeds realized from the sale of the Purchased Shares to be held by GPHC) and maintain the same attributes, rights, nature, perfection and priority as they had immediately prior to the Effective Time, and no financing change statements in any applicable personal property or other registry system are required to reflect the transfer of and assumption by GPCM of such security registrations;

- (e) the Purchaser shall subscribe for the Subscribed Shares in consideration for the Subscription Price;
- (f) all of GPHC's right, title and interest in and to the Purchased Shares, shall vest absolutely in the name of the Purchaser, free and clear of and from any and all debts, liabilities, obligations, indebtedness, contracts, leases, agreements, and undertakings of any kind or nature whatsoever, whether direct or indirect, known or unknown, absolute or contingent, accrued or unaccrued, liquidated or unliquidated, matured or unmatured or due or not yet due, in law or equity and whether based in statute or otherwise, including any and all encumbrances, security interests (whether contractual, statutory, or otherwise), hypothecs, pledges, mortgages, liens, trusts or deemed trusts (whether contractual, statutory or otherwise), reservations of ownership, royalties, options, rights of pre-emption, privileges, interests, assignments, actions, judgments, executions, levies, Taxes, writs of enforcement, charges, or other claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**"), including without limiting the generality of the foregoing: (i) any encumbrances or charges created by any Order granted in these Proceedings; (ii) all charges, security interests or claims evidenced by registrations pursuant to the Personal Property Security Act (Alberta) or any other personal property registry system; (all of which are collectively referred to as the "**Encumbrances**");

- (g) concurrently with subparagraph 3(f), the Corporation, using the Subscription Price, shall repay the Promissory Note in full;
 - (h) concurrently with subparagraph 3(g), all Claims and Encumbrances affecting or relating to the Purchased Shares shall be, and are hereby forever expunged, released, discharged, and terminated as against the Purchased Shares; and
 - (i) concurrently with subparagraph 3(h), the Corporation shall cease to be an Applicant in these CCAA Proceedings, as further provided in paragraph 8 herein.
4. As of the Effective Time, and subject to the Closing Sequence:
- (a) GPOC shall continue to hold all right, title and interest in and to the Retained Assets, free and clear of all Transferred Liabilities and subject only to the Retained Liabilities;
 - (b) GPOC shall be deemed to have disposed of the Transferred Assets and shall have no right, title or interest in or to any of the Transferred Assets; and
 - (c) GPHC shall be deemed to have transferred and assigned the Purchased Shares to the Purchaser and shall have no right, title or interest in or to the Purchased Shares.
5. For greater certainty, any person that, prior to the Effective Time:
- (a) had a Claim or Encumbrance in respect of any of the Transferred Liabilities (other than the Retained Liabilities) against GPOC or its assets, properties or undertakings shall, as of the Effective Time (subject to the Closing Sequence), no longer have any such Claim or Encumbrance in respect of the Transferred Liabilities as against or in respect of GPOC or the Retained Assets, but shall have an equivalent Claim or Encumbrance, as applicable, against the Transferred Assets and GPHC from and after the Effective Time (subject to the Closing Sequence), with the same attributes, rights, security, nature and priority as such Claim or Encumbrance had immediately prior to its transfer to GPHC, and nothing in this Order limits, lessens, modifies (other than by change in debtor) or extinguishes the Claim or Encumbrance of any person as against the Transferred Assets; and

- (b) had a Claim or Encumbrance against the Purchased Shares, shall, as of the Effective Time (subject to the Closing Sequence), no longer have any such Claim or Encumbrance as against the Purchased Shares, but shall have an equivalent Claim or Encumbrance, as applicable, against the net proceeds from sale of the Purchased Shares with the same priority as they had with respect to the Purchased Shares immediately prior to the sale, as if the Purchased Shares had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.
- 6. From and after the Effective Time (subject to the Closing Sequence), the Purchaser and/or GPOC shall be authorized to take all steps as may be necessary to effect the discharge and release:
 - (a) as against GPOC and the Retained Assets: of the Transferred Liabilities that are transferred to and vested in GPHC pursuant to this Order; and
 - (b) as against GPHC: of all Claims and Encumbrances with respect to the Purchased Shares, and Retained Assets.
- 7. Upon delivery of the Monitor's Certificate, and upon filing of a certified copy of this Order, together with any applicable registration fees, all governmental authorities and any other applicable registrar or government ministries or authorities exercising jurisdiction with respect to GPOC, the Retained Assets, the Transferred Assets, or the Purchased Shares (collectively, "**Governmental Authorities**") are hereby authorized, requested and directed to accept delivery of such Monitor's Certificate and certified copy of this Order as though they were originals and to register such transfers, interest authorizations, discharges and discharge statements of conveyance as may be required to convey to give effect to the terms of this Order and the completion of the Transaction and to discharge and release all Claims and Encumbrances other than Retained Liabilities against or in respect of GPOC, the Retained Assets, and the Purchased Shares, and presentment of this Order and the Monitor's Certificate shall be the sole and sufficient authority for Governmental Authorities to do so and the Monitor, Purchaser or GPOC are authorized to discharge the registrations on the Retained Assets and the Transferred Assets, as applicable.

THE CCAA APPLICANTS

8. Upon the filing of the Monitor's Certificate:
 - (a) GPOC shall cease to be an Applicant in this Action and shall be released from the scope and effect of the Initial Order and all other orders of this Court granted in these proceedings;
 - (b) The title and the style of cause in these proceedings shall be amended to delete GRIFFON PARTNERS OPERATION CORPORATION as a party in this Action;

PRIORITY PAYMENTS

9. The following payments shall be made in accordance with the SPA, as each term herein is defined in the SPA and as permitted by the SPA:
 - (a) The Corporation shall pay and discharge the Priority Payables from the cash on hand on the Closing Date consistent with the SPA;
 - (b) All Administration Expenses in respect of all CCAA Applicants shall be provided for by way of the Administration Expenses Amount to be maintained by the Monitor from the Purchase Price.

RELEASES

10. Except as expressly provided for in the SPA, the Purchaser shall not, by completion of the Transaction, have liability of any kind whatsoever in respect of any Claims or Encumbrances against any of the Applicants.
11. Except as expressly provided for in the SPA, GPOC shall not, by completion of the Transaction, have liability of any kind whatsoever in respect of any Transferred Liabilities, except for the Retained Liabilities.
12. From and after the Effective Time (subject to Closing Sequence), all persons shall be absolutely and forever barred, estopped, foreclosed and permanently enjoined from pursuing, asserting, exercising, enforcing, issuing or continuing any steps or proceedings,

or relying on any rights, remedies, claims or benefits in respect of or against the Purchaser, GPOC, the Purchased Shares or the Retained Assets, in any way relating to, arising from or in respect of:

- (a) the Transferred Assets;
 - (b) any and all Transferred Liabilities, Claims or Encumbrances other than the Retained Liabilities against or relating to GPOC, the Transferred Assets, the Purchased Shares or the Retained Assets existing immediately prior to the Effective Time;
 - (c) the insolvency of GPOC prior to the Effective Time;
 - (d) the commencement or existence of these CCAA proceedings;
 - (e) the completion of the Transaction; or
 - (f) and any other claims, obligations and other matters that are waived, released, expunged or discharged pursuant to this Order.
13. Except to the extent expressly contemplated by the SPA (and, for greater certainty, excluding the Transferred Assets and Transferred Liabilities and contracts relating thereto), all contracts to which GPOC is a party at the time of delivery of the Monitor's Certificate will be and remain in full force and effect upon and following delivery of the Monitor's Certificate and no individual, firm, corporation, governmental body or agency, or any other entity (all of the foregoing, collectively being "**Persons**" and each being a "**Person**") who is a party to any such arrangement may accelerate, terminate, rescind, refuse to perform or otherwise repudiate its obligations thereunder, or enforce or exercise any right (including any right of set off, dilution or other remedy) or make any demand under or in respect of any such arrangement and no automatic termination will have any validity or effect, by reason of:
- (a) any event that occurred on or prior to the Closing and is not continuing that would have entitled such Person to enforce those rights or remedies (including defaults or events of default arising as a result of the insolvency of GPCM, GPHC or GPOC);

- (b) the insolvency of GPCM, GPHC or GPOC or the fact that GPCM, GPHC and GPOC obtained relief under the CCAA;
- (c) any compromises, releases, discharges, cancellations, transactions, arrangements, reorganizations or other steps taken or effected pursuant to the SPA, the Transaction, the provisions of this Order, or any other Order of this Court in these CCAA proceedings; or
- (d) any transfer or assignment, or any change of control of GPCM, GPHC or GPOC arising from the implementation of the SPA, the Transaction, or the provisions of this Order.

MISCELLANEOUS MATTERS

- 14. The Monitor is directed to file with the Court a copy of the Monitor's Certificate forthwith after delivery thereof to the Purchaser.
- 15. At the Closing the Purchaser, GPOC and the Monitor shall be deemed released from any and all claims, liabilities, (direct, indirect, absolute or contingent) or obligations with respect to any Taxes (including penalties and interest thereon) of, or that relate to GPOC, GPHC or GPCM (provided, as it relates to the Purchaser and GPOC, such release shall not apply to (a) Taxes in respect of the business and operations conducted by GPOC after the Closing; or (b) Taxes expressly assumed as Retained Liabilities pursuant to the SPA), including without limiting the generality of the foregoing, all Taxes that could be assessed against the Purchaser or GPOC (including their affiliates and any predecessor corporations) pursuant to sections 160 and 160.01 of the Income Tax Act, R.S.C. 1985 c. 1 (5th Supp.), or any provincial or foreign tax equivalent.
- 16. Notwithstanding:
 - (a) the pendency of these proceedings;
 - (b) the pendency of any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c.B-3, as amended

(the “**BIA**”), and any bankruptcy order issued pursuant to any such applications;
and

(c) the provisions of any federal or provincial statute,

the execution of the SPA and the implementation of the Transaction shall be binding on any trustee in bankruptcy or receiver that may be appointed in respect of any of the Applicants and shall not be void or voidable by creditors of GPCM, GPHC or GPOC, nor shall it constitute nor be deemed to be a transfer at undervalue, settlement, fraudulent preference, assignment, fraudulent conveyance or other reviewable transaction under the BIA or any other applicable federal or provincial legislation or at common law, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

17. The Applicants, the Purchaser and any other interested party, shall be at liberty to apply for further advice, assistance and direction as may be necessary in order to give full force and effect to the terms of this Order and to assist and aid the parties in closing the Transaction.
18. This Court shall retain exclusive jurisdiction to, among other things, interpret, implement and enforce the terms and provisions of this Order, the SPA and all amendments thereto, in connection with any dispute involving GPCM, GPOC or GPHC and to adjudicate, if necessary, any disputes concerning GPCM, GPOC or GPHC related in any way to the Transaction.
19. This Honourable Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in any of its provinces or territories or in any foreign jurisdiction (including, but not limited to, the United States of America), to act in aid of and to be complimentary to this Court in carrying out the terms of this Order, to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such order and to provide such assistance to the Receiver, as an officer of the Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

20. Service of this Order shall be deemed good and sufficient by:

(a) Serving the same on:

- (i) the persons listed on the service list created in these proceedings;
- (ii) any other person served with notice of the application for this Order;
- (iii) any other parties attending or represented at the application for this Order;
- (iv) the Purchaser or the Purchaser's solicitors; and

(b) Posting a copy of this Order on the Monitor's website at:

<https://www.alvarezandmarsal.com/GriffonPartners>

and service on any other person is hereby dispensed with.

21. Service of this Order may be effected by facsimile, electronic mail, personal delivery or courier. Service is deemed to be effected the next business day following transmission or delivery of this Order.

Justice of the Court of Queen's Bench of Alberta

SCHEDULE “A”

Monitor’s Certificate

COURT FILE NUMBER 2401-01422

COURT COURT OF KING’S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

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

AND IN THE MATTER OF THE COMPROMISE OR
ARRANGEMENT OF GRIFFON PARTNERS OPERATION
CORPORATION, GRIFFON PARTNERS HOLDING
CORPORATION, GRIFFON PARTNERS CAPITAL
MANAGEMENT LTD., STELLION LIMITED, 2437801
ALBERTA LTD., 2437799 ALBERTA LTD., 2437815 ALBERTA
LTD., and SPICELO LIMITED

DOCUMENT **MONITOR’S CERTIFICATE**

ADDRESS FOR
SERVICE AND
CONTACT **OSLER, HOSKIN & HARCOURT LLP**
Barristers & Solicitors
Brookfield Place, Suite 2700
225 6 Ave SW
Calgary, AB T2P 1N2

Solicitors: Randal Van de Mosselaer / Julie Treleaven
Telephone: (403) 260-7000
Facsimile: (403) 260-7024
Email: RVandemosselaer@osler.com / JTreleaven@osler.com
File Number: 1230496

RECITALS

- A. Pursuant to an Order of the Honourable Justice B. Johnston of the Court of King’s Bench of Alberta (the “**Court**”), dated February 7, 2024, Alvarez & Marsal Canada Inc. was appointed Monitor (the “**Monitor**”) of Griffon Partners Operation Corporation (“**GPOC**”), Griffon Partners Holding Corporation (“**GPHC**”), and Griffon Partners Capital Management Ltd. (“**GPCM**”, and together with GPOC and GPHC, the “**Debtors**”).

- B. Pursuant to an Approval and Reverse Vesting Order granted by the Honourable Justice Burns on April 10, 2024 (the “**Order**”), the Court approved a Share Purchase and Sale Agreement between Metamorphic Energy Corp. (the “**Purchaser**”), GPHC, and GPCM dated March 25, 2024 (as amended, the “**SPA**”). This Monitor’s Certificate is the certificate referred to in paragraph 3 of the Order.
- C. Capitalized terms not otherwise defined herein have the meanings given to those terms in the SPA.

THE RECEIVER CERTIFIES THE FOLLOWING:

1. The Monitor has received the Purchase Price from or on behalf of the Purchaser.
2. The Monitor has received the payment of the Promissory Note from or on behalf of GPOC.
3. The conditions to Closing as set out in the SPA have been satisfied or waived by the Purchaser.
4. The Transaction has been completed to the satisfaction of the Monitor.
5. This Certificate was delivered by the Monitor at _____ on _____, 2024.

Alvarez & Marsal Canada Inc.

Name:

Title:

SCHEDULE “B”

Transferred Assets and Transferred Liabilities

Transferred Assets

- (a) other than those contracts listed as Retained Assets, all contracts of GPOC, including without limitation:
 - (i) the Trafigura Contracts;
 - (ii) the Viking Gas Handling Agreement dated May 1, 2019 between Tamarack Valley Energy Ltd. and Steel Reef Infrastructure Corp.;
 - (iii) the Gas Gathering and Processing Agreement (Loverna) Marengo Area dated March 8, 2022 between Tamarack Valley Energy Ltd. and Campus Energy Partners Infrastructure LP;
 - (iv) the Sproule Asset Management Master Services Agreement between GPOC and Sproule Associates Limited;
 - (v) all agreements with Twin Eagle Resource Management Canada LLC and its affiliates;
 - (vi) all marketing agreements with Tidal Energy Marketing Inc.;
 - (vii) all energy marketing agreements or other marketing agreements, consulting arrangements relating to marketing agreements, and purchase or sale agreements; and
 - (viii) any office leases or agreements relating to leased premises which GPOC is a party to; and
- (b) subject to the prior written consent of the Monitor, any other assets of GPOC designated by the Purchaser as Transferred Assets, prior to the Closing Date.

Transferred Liabilities

- (a) all unpaid funded indebtedness, including all claims of Signal Alpha C4 Limited, Trafigura Canada Limited and Tamarack Valley Energy Ltd., and their respective affiliates;
- (b) all unsecured claims against GPOC;
- (c) all liabilities of GPOC associated with the consultants or employees which are not retained, which consultants shall be identified by Purchaser prior to Closing;

- (d) all intercompany indebtedness and obligations of GPOC to the Vendor, GPCM and their Affiliates;
- (e) subject to the prior written consent of the Monitor, any other liabilities designated by the Purchaser as Transferred Liabilities, prior to the Closing Date; and
- (f) all debt, liabilities, obligations, indebtedness, leases, agreements and undertakings of any kind or nature whatsoever (whether direct or indirect, known or unknown, absolute or contingent, accrued or unaccrued, liquidated or unliquidated, matured or unmatured, in law or in equity, and whether based in statute or otherwise) of GPOC and its predecessors (other than the Retained Liabilities), whether or not specifically referred to in this Order.

SCHEDULE "C"

Retained Assets and Retained Liabilities

Retained Assets

- (a) all of GPOC's cash and cash equivalents;
- (b) all accounts receivable and notes receivable;
- (c) all prepaid charges and expenses, including all prepaid rent;
- (d) all inventory;
- (e) the Assets;
- (f) the property and house located at 213 3rd Avenue, Smiley, SK S0L 2Z0;
- (g) all equipment and other tangible assets, including all vehicles, tools, parts and supplies, fuel, machinery, furniture, furnishing, appliances, fixtures, office equipment and supplies, owned and licensed computer hardware and related documentation, stored data, communication equipment, trade fixtures and leasehold improvements, in each case, with any transferable warranty and service rights of any seller related thereto;
- (h) all licenses and permits used by GPOC in connection with the operation of its business;
- (i) all consultants of GPOC which the Purchaser decides to retain, acting in its sole discretion;
- (j) any storage contracts relating to the Assets;
- (k) all agreements, files and databases relating to the Geologic, Prodman, ValNav and Pandel software;
- (l) all intellectual property;
- (m) all goodwill and intangibles;
- (n) all books and records;
- (o) all rights under insurance contracts and policies;
- (p) all telephone numbers (including emergency lines), fax numbers and email addresses;
- (q) all prepaid Taxes and Tax credits;

- (r) all rights to receive any refund, rebate, credit, abatement or recovery of or with respect to Taxes;
- (s) all bank accounts; and
- (t) all other or additional assets, properties, privileges, rights and interests relating to the business of GPOC, the Retained Liabilities or the assets of GPOC (other than any Transferred Assets) of every kind and description and wherever located, whether known or unknown, fixed or unfixed, accrued, absolute, contingent or otherwise, and whether or not specifically referred to in this Order.

Retained Liabilities

- (a) municipal taxes payable in the estimated amount of \$829,317.39;
- (b) fees payable to Saskatchewan Ministry of Energy and Resources in the estimated aggregate amount of \$194,210.25;
- (c) royalties payable in the estimated aggregate amount of \$418,248.69;
- (d) the Environmental Liabilities;
- (e) the Abandonment and Reclamation Obligations; and
- (f) all liabilities and obligations arising from the possession, ownership and/or use of the Purchased Shares and the Retained Assets, including normal course accounts trade payable related to the operation of the Retained Assets that have been incurred from March 1, 2024 onward and not already paid by GPOC in the normal course of business (based on standard payment terms).

Schedule “C”

Clerk's Stamp

COURT FILE NUMBER 2401-01422

COURT COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

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

AND IN THE MATTER OF THE COMPROMISE OR
ARRANGEMENT OF GRIFFON PARTNERS OPERATION
CORPORATION, GRIFFON PARTNERS HOLDING
CORPORATION, GRIFFON PARTNERS CAPITAL
MANAGEMENT LTD., STELLION LIMITED, 2437801
ALBERTA LTD., 2437799 ALBERTA LTD., 2437815 ALBERTA
LTD., and SPICELO LIMITED

APPLICANTS GRIFFON PARTNERS OPERATION CORPORATION, GRIFFON
PARTNERS HOLDING CORPORATION, and GRIFFON
PARTNERS CAPITAL MANAGEMENT LTD.

DOCUMENT **ORDER (Restricted Court Access Order)**

ADDRESS FOR
SERVICE AND
CONTACT **OSLER, HOSKIN & HARCOURT LLP**
Barristers & Solicitors
Brookfield Place, Suite 2700
225 6 Ave SW
Calgary, AB T2P 1N2

Solicitors: Randal Van de Mosselaer / Julie Treleaven
Telephone: (403) 260-7000
Facsimile: (403) 260-7024
Email: RVandemosselaer@osler.com / JTreleaven@osler.com
File Number: 1230496

DATE ON WHICH ORDER WAS PRONOUNCED: April 10, 2024

JUSTICE WHO MADE THIS ORDER: The Honourable Justice Burns

LOCATION WHERE ORDER WAS PRONOUNCED: Edmonton, Alberta

UPON THE APPLICATION of Griffon Partners Operation Corporation, Griffon
Partners Holding Corporation, and Griffon Partners Capital Management Ltd. (collectively, the
“**Applicants**”); **AND UPON** having read the Application, the Affidavit of Daryl Stepanic sworn

April 1, 2024 and the Confidential Affidavit of Daryl Stepanic sworn April 1, 2024 (the “**Confidential Stepanic Affidavit**”); **AND UPON** reading the Third Report of Alvarez & Marsal Canada Inc. in its capacity as monitor of the Applicants (the “**Monitor**”), to be filed; **AND UPON** hearing the submissions of counsel for the Applicants, counsel for the Monitor, counsel for Metamorphic Energy Corp., and counsel for any other party present at the application; **AND UPON** reviewing the initial order and the amended and restated initial order both granted in the within proceedings pursuant to the *Companies’ Creditors Arrangement Act (Canada)*, R.S.C. 1985, c. C-36, as amended by the Honourable Justice B. Johnston on February 7, 2024;

IT IS HEREBY ORDERED AND DECLARED THAT:

1. Subject to further Order of this Honourable Court, the Confidential Stepanic Affidavit shall be sealed on the Court file and shall not form part of the public record, notwithstanding Division 4, Part 6 of the *Alberta Rules of Court*, until the filing of the Monitor’s Certificate, pursuant to paragraph 15 of the Reverse Vesting Order dated April 10, 2024, unless and until an application is made to modify or vary this Order.
2. The Clerk of this Honourable Court shall file the Confidential Stepanic Affidavit in a sealed envelope, and the Confidential Stepanic Affidavit and envelope shall each have attached to them a notice that sets out the style of cause of these proceedings and states that:

THIS ENVELOPE CONTAINS CONFIDENTIAL MATERIALS FILED
BY GRIFFON PARTNERS OPERATION CORPORATION, GRIFFON
PARTNERS HOLDING CORPORATION, AND GRIFFON PARTNERS
CAPITAL MANAGEMENT LTD. WHICH IS SEALED PURSUANT TO
THE RESTRICTED COURT ACCESS ORDER ISSUED BY THE
HONOURABLE JUSTICE BURNS ON APRIL 10, 2024.

3. Leave is hereby granted to any person, entity or party affected by this Order to apply to this Court for a further Order vacating, substituting, modifying, or varying the terms of this Order, with such application to be brought on notice to the Applicants and the Monitor.

Justice of the Alberta Court of King’s Bench