

## SALE PROCESS

On March 17, 2026, Alvarez & Marsal Canada Inc. was appointed as receiver and manager (in such capacity, the “**Receiver**”) of all of the assets, undertakings, and properties of Energera Inc., Energera International Inc., Energera America Inc., and Sandtinel LLC (each a “**Debtor**” and collectively, the “**Debtors**”) pursuant to a consent receivership order (the “**Receivership Order**”) pronounced by the Court of King’s Bench of Alberta (the “**Court**”) on March 17, 2026.

The Receiver is requesting that the Court approve the sale process (the “**Sale Process**”) on the terms set out herein in respect of the business and property of the Debtors (the “**Business and Property**”). The purpose of the Sale Process is to solicit interest in and consummate one or more sale, investment, recapitalization, refinancing, restructuring, or other transactions (each, a “**Transaction**”) in respect of the Business and Property for the benefit of the stakeholders, pursuant to the procedures and requirements set out herein. A Court application for an order to approve the Sale Process (the “**Sale Process Approval Order**”) is scheduled on May 25, 2026.

All monetary references shall be to Canadian dollars, unless otherwise stated.

### Defined Terms

1. Capitalized terms used herein have the meanings given to them in Appendix A hereto.

### Opportunity

2. The Sale Process will solicit interest in and provide the opportunity for interested parties to submit proposals with respect to a Transaction involving the Business and Property or an Alternate Transaction (the “**Opportunity**”), including the sale of the Business and Property as a going concern, the Frac Shack Assets, the Sand Separation Assets, the Ancillary Fixed Assets, and/or the Other Assets.
3. The Stalking Horse Bidder has set a floor purchase price in respect of the Frac Shack Assets, the Sand Separation Assets, the Ancillary Fixed Assets. The Stalking Horse Bidder shall automatically be considered a Selected Qualified Bidder, and the Stalking Horse Agreement shall be considered a Superior Offer for the purposes of the Sales Process.
4. The Sale Process will solicit interest in Transactions in respect of: (a) the Business and Property in whole or in part; (b) the Frac Shack Assets; (c) the Sand Separation Assets; (d) the Ancillary Fixed Assets; and/or (e) the Other Assets. Interested parties may submit proposals reflecting their desired Transaction structure, including the purchase of assets, the purchase of equity interests, the purchase of a combination of assets and equity interests, and/or the completion of an investment, recapitalization, refinancing, or other restructuring transaction in respect of the Debtors, whether effected using a sale approval and vesting order or a transaction approval and reverse vesting order.
5. The Opportunity will be presented and implemented on an “as is, where is” basis without surviving representations or warranties of any kind, nature, or description by the Debtors, 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.
6. Participating Bidders must rely solely on their own independent review, investigation, and inspection of the Business and Property and all documents and information in respect thereof.

**Stalking Horse**

7. The Receiver has entered into the Stalking Horse Agreement with the Stalking Horse Bidder, pursuant to which, *inter alia*, if there is no other Successful Bid from a party other than the Stalking Horse Bidder, then the Stalking Horse Bidder will auction and liquidate the Stalking Horse Assets pursuant to the terms of the Stalking Horse Agreement.

**Bid Structure**

8. In addition to the requirements set forth in this Sale Process and specifically paragraph 30 below, to meet the definition of a Qualified Bid, a Final Bid must include the following:
- (a) A Purchase Price for the Business and Property to be acquired under the Transaction(s). If a price range is provided, the Receiver will base its analysis on the lowest amount indicated.

	<b>Purchase Price</b>	<b>Stalking Horse Bid</b>
Frac Shack Assets	[A]	\$14,175,000
Sand Separation Assets	[B]	
Ancillary Fixed Assets	[C]	
North Dakota Property	[D]	n/a
Intangible Assets	[E]	
Argentina Equity	[F]	
<b>Total Purchase Price</b>	<b>[A + B + C + D + E + F]</b>	

**Note: A Qualified Bid does not need to include each package of assets.**

In addition to the schedule above, a Qualified Bidder may bid on any combination of:

- (i) the Frac Shack Assets located only in Canada or only in the United States;
- (ii) the Sand Separation Assets located only in Canada or only in the United States; and/or
- (iii) the Ancillary Fixed Assets located only in Canada or only in the United States.

When evaluating Final Bids, the Receiver will consider whether any offer for the Business and Property in whole as a going concern is greater than the sum of any Transaction or Alternate Transactions.

- (b) If applicable, a bid (in part or in whole) for the Frac Shack Assets, the Sand Separation Assets, and/or the Ancillary Fixed Assets may be made by way of either net minimum guarantee or by outright purchase.
- (c) A detailed description of how the Purchase Price was calculated, including all material assumptions whether financial, operational, tax, or otherwise.

**Timeline**

9. The following table sets out a high-level summary of the key stages and milestones (each, a “**Milestone**”) under the Sale Process:

<b>Milestone</b>	<b>Date(s)</b>
<b>Marketing and Due Diligence</b>	
Marketing Process and Initial Due Diligence Period	May 26, 2026
Bid Deadline	5:00 p.m. (Calgary time) on July 3, 2026
<b>Auction</b>	
Auction (if applicable)	10:00 a.m. (Calgary time) on July 14, 2026

**Supervision and Amendment of the Sale Process**

10. The marketing of the Opportunity and discussions and negotiations with Potential Bidders and Participating Bidders in respect of same, as described in the Sale Process, will be conducted by the Receiver and in consultation with the Secured Lenders.
11. The Receiver, with the consent of the Secured Lenders, shall have the right to: (a) extend or modify the Milestones; and/or (b) modify the existing terms, conditions, or requirements for the Sale Process or adopt such other terms, conditions, or requirements for the Sale Process (including terms, conditions, or requirements that may depart from those set forth herein), that in its reasonable business judgement will better promote the purpose of the Sale Process; provided that the adoption of any terms, conditions or requirements that materially deviate from the Sale Process shall require an order of the Court.
12. Any extensions to the Milestones or modifications to the terms, conditions, or requirements of the Sale Process will be communicated to all Potential Bidders and Participating Bidders, posted on the website the Receiver maintains in respect of the Debtors’ receivership proceedings at <https://www.alvarezandmarsal.com/energera> (the “**Receiver’s Website**”); and communicated in such other manner, if any, as the Receiver determines is appropriate.
13. Potential Bidders and Participating Bidders are hereby advised that there is no obligation on the Receiver to complete any Transaction pursuant to the Sale Process. The Receiver reserves the right to terminate the Sale Process at any stage during the Sale Process, and no person participating in the Sale Process at any stage acquires or obtains any right or entitlement at any stage of the Sale Process to require that the Sale Process or any Transaction be completed or to receive any compensation as a result of any termination of the Sale Process.

**Notice, Solicitation of Interest and Participation Requirements**

14. As soon as reasonably practicable after the granting of the Sale Process Approval Order, the Receiver will:

- (a) prepare a list of potential bidders who may have an interest in the Opportunity (the “**Bidder List**”);
  - (b) prepare a public marketing brochure (the “**Teaser**”) describing the Opportunity;
  - (c) cause a notice of the Sale Process (and such other relevant information that the Receiver considers appropriate) to be posted on the Receiver’s Website; and
  - (d) establish and populate an electronic data room (the “**Data Room**”) developed for the Sale Process, which will contain certain due diligence information in respect of the Business and Property.
15. The Receiver shall advertise this Sale Process in the following publications, in addition to any additional publications the Receiver determines reasonable:
- (a) *Calgary Herald*;
  - (b) *Edmonton Journal*;
  - (c) *BOE Report*;
  - (d) *Midland Reporter-Telegram*; and
  - (e) *Insolvency Insider*.
16. The Receiver may, but has no obligation to, engage a real estate broker or agent to list and sell the North Dakota Property (the “**North Dakota Listing**”) on commercially reasonable and agreed upon terms.
17. The Receiver may, but has no obligation to, prepare a confidential information memorandum (a “**CIM**”) with detailed information regarding the Business and Property.
18. Thereafter, the Receiver will send the Teaser and a form of non-disclosure agreement in respect of the Sale Process prepared by the Receiver’s counsel (the “**NDA**”) to: (a) all parties on the Bidder List; and (b) any other appropriate party who wishes to participate in the Sale Process (either on their own behalf or on behalf of their clients) and who requests a copy of the Teaser or is identified to the Receiver as a potential bidder (each party in (a) and (b) being a “**Potential Bidder**”).
19. To participate in the Sale Process, a Potential Bidder must deliver to the Receiver a duly authorized and executed NDA in form and substance satisfactory to the Receiver. A Potential Bidder that has complied with this requirement will be deemed a “**Participating Bidder**” for purposes of the Sale Process.
20. At any time during the Sale Process, the Receiver may, in its reasonable business judgment, and after consultation with the Secured Lenders, eliminate a Participating Bidder from the Sale Process, in which case such bidder will no longer be a Participating Bidder for the purposes of the Sale Process.

## **Due Diligence**

21. The Receiver will provide each Participating Bidder with a copy of the CIM (if applicable) and access to the Data Room. Each Participating Bidder will also be provided with access to such other due diligence materials, information, and opportunities relating to the Opportunity as the Receiver, in its reasonable business judgment, determines necessary or appropriate from time to time, subject to paragraph 26 below.
22. Participating Bidders shall have the opportunity to: (a) conduct targeted, supervised site visits in respect of the assets, to the extent authorized by the Receiver in its reasonable business judgment; and (b) prepare and submit a Final Bid on or before the Bid Deadline.
23. Participating Bidders are advised that the Receiver may continue to utilize some or all of the assets in carrying out the going concern operations of the Debtors through the duration and until conclusion of the Sale Process.
24. The Receiver may post to the Data Room one or more template transaction agreements and/or template Transaction Approval Orders in such form and substance as the Receiver, in its reasonable business judgment and in consultation with the Secured Lenders, determines appropriate, subject to paragraph 26.
25. At the request of a Participating Bidder, the legal and financial advisor(s) and/or financing sources of such Participating Bidder may also be granted access to the materials and information described in paragraph 21 above; provided that, in each case, any such advisor or financing source: (a) is reasonably acceptable to the Receiver; and (b) has executed or is bound by an NDA or is subject to an alternative confidentiality arrangement acceptable to the Receiver.
26. The Receiver reserves the right to restrict any Participating Bidder's access to selected due diligence information or materials at any time during the Sale Process, where the Receiver determines, in its reasonable business judgment, that such Participating Bidder's access to such information or materials may have a negative impact on the conduct of the Sale Process or is otherwise not in the best interests of the Debtors or their stakeholders.
27. The Receiver and its respective agents, service providers, advisors, consultants, and lawyers, make no representation or warranty as to the accuracy or completeness of the information: (a) contained in the Teaser, the CIM (if applicable), the Sale Process, or the Data Room; (b) provided in any manner through the due diligence process in the Sale Process; or (c) otherwise made available, except to the extent set forth in a definitive transaction agreement executed with the Successful Bidder and approved by the Court.
28. At no stage of the Sale Process shall any Participating Bidder communicate, directly or indirectly, with respect to the Opportunity, the Business and Property, a Transaction, or an Alternate Transaction with any of the following parties without the prior written consent of the Receiver: (a) any other Participating Bidder; (b) any current or former director, officer, or principal of any Debtor or its affiliates; (c) any supplier, creditor, or other business partner of any Debtor; or (d) any of the foregoing parties' respective representatives or advisors. A Participating Bidder wishing to communicate in any way with any of the foregoing persons in respect of the Opportunity, the Business and Property,

a Transaction, or an Alternate Transaction shall request in advance in writing that the Receiver arrange and facilitate such communication. Where the Receiver consents to such communication, the Receiver or its designee(s) shall have the right to participate directly in any meetings, discussions, or communications, and the Receiver shall be copied on any written communications between the Participating Bidder and any of the foregoing persons.

### **Final Bids and Qualified Bid Process**

29. A Participating Bidder that wishes to pursue the Opportunity must deliver a final binding written proposal (the “**Final Bid**”) by no later than 5:00 p.m. (Calgary time) on July 3, 2026 (the “**Bid Deadline**”) to the Receiver by email at the email addresses specified in Appendix B.
30. A Final Bid will be considered a qualified Final Bid (a “**Qualified Bid**”) only if it complies with the following requirements:
  - (a) it is received by the Bid Deadline;
  - (b) it contains an acknowledgement of receipt of a copy of this Sale Process and an agreement to be bound by the terms of the Sale Process;
  - (c) it includes the bid structure contemplated in paragraph 8;
  - (d) it sets forth the identity of the Participating Bidder, the contact information for such Participating Bidder, and full disclosure of the direct and indirect owners of the Participating Bidder and their principals, as well as the directors and officers and the intended management team of the Participating Bidder;
  - (e) it includes a duly authorized transaction agreement, together with all completed exhibits and schedules thereto, accompanied by a blackline to the template transaction agreement, if any, provided by the Receiver to Participating Bidders in accordance with paragraph 24;
  - (f) it specifies the aggregate purchase price, investment amount, or other consideration to be paid by the Participating Bidder in Canadian dollars;
  - (g) it includes a letter stating that the Participating Bidder’s offer is irrevocable until the earlier of: (i) the approval by the Court of a Successful Bid; and (ii) 30 days following the Bid Deadline or such later date as may be agreed to; provided that if such Participating Bidder is selected as a Successful Bidder, its offer will remain irrevocable until the closing of the Transaction with such Successful Bidder;
  - (h) it includes such evidence of the Participating Bidder’s financial capacity (including, if applicable, written evidence of a commitment by a creditworthy bank or financial institution to provide any funding or financing required by the Participating Bidder) as is necessary to enable the Receiver to make a determination as to financial capability of the Participating Bidder (and, if applicable, its direct and indirect owners and principals) to consummate the proposed Transaction;

- (i) it includes evidence, in form and substance reasonably satisfactory to the Receiver, of authorization and approval from the Participating Bidder's board of directors (or comparable governing body) with respect to the submission, execution, delivery, and closing of the proposed Transaction contemplated by the Final Bid;
- (j) it includes the proposed form of Transaction Approval Order required by the Participating Bidder to consummate the proposed Transaction, accompanied by a blackline to the template Transaction Approval Order, if any, provided by the Receiver to Participating Bidders in accordance with paragraph 24;
- (k) it is unconditional, other than upon the receipt of the Transaction Approval Order and such other conditions as are specified in the transaction agreement (which shall not include any condition relating to financing or the outcome of due diligence by the Participating Bidder);
- (l) it fully discloses the identity of each entity that is entering into, sponsoring, or participating in the proposed Transaction and such disclosure shall include, in the case of an entity formed for the purpose of entering into the proposed Transaction, the identity of each direct or indirect equity holder of such entity;
- (m) it includes a statement that the Participating Bidder will bear its own costs and expenses (including all legal and advisor fees) in connection with the proposed Transaction and by submitting the Final Bid the Participating Bidder agrees to refrain from and waives any assertion or request for reimbursement of same on any basis;
- (n) it identifies any governmental, regulatory, and other approvals required to consummate the proposed Transaction and the anticipated time frame and impediments for obtaining such approvals;
- (o) it identifies or contains the following:
  - (i) the structure of the proposed Transaction, including: (A) whether the proposed Transaction is a sale, investment, recapitalization, or other restructuring transaction; (B) the specific assets and/or equity interests to be acquired in the proposed Transaction and the names of the Debtors that own such assets and/or equity interests; and (C) whether the proposed Transaction relates to all of the Business and Property as a going concern, the Frac Shack Assets, the Sand Separation Assets, the Ancillary Fixed Assets and/or the Other Assets;
  - (ii) a description of the liabilities and obligations of the Debtors that the Participating Bidder will assume or that will otherwise be retained by the applicable Debtor;
  - (iii) any other terms or conditions of the proposal that the Participating Bidder believes are material to the proposed Transaction;
  - (iv) anticipated timing of closing of the proposed Transaction; and

- (v) such other information as may be reasonably requested by the Receiver.
- (p) it is accompanied by evidence satisfactory to the Receiver that the Participating Bidder has the ability to fund a deposit (the "**Deposit**") in the form and in amount of ten percent (10%) of the purchase price, which Deposit shall be payable within one (1) Business Day of the applicable Participating Bidder being declared a Selected Qualified Bidder and held in trust pursuant to paragraph 44 hereof;
- (q) it includes an acknowledgment and representation that the Participating Bidder:
  - (i) has not engaged in any collusion with respect to the Sale Process, its bid is a good faith *bona fide* offer, it intends to consummate the proposed Transaction if selected as a Successful Bidder;
  - (ii) had an opportunity to conduct any and all required due diligence prior to making its Final Bid and has relied solely upon its own independent review, investigation, and inspection in making its Final Bid;
  - (iii) is not relying upon any written or oral statements, representations, promises, warranties, conditions, or guaranties whatsoever, whether express or implied by law, course of dealing, course of performance, usage of trade, or otherwise, made by any person or party, including the Receiver or its respective directors, officers, employees, agents, service providers, advisors, consultants and lawyers, or other representatives, regarding the proposed Transaction, the Sale Process, or any information (or the completeness thereof) provided in connection therewith, except as expressly stated in the definitive transaction agreement;
  - (iv) is making its Final Bid on an "as is, where is" basis and without surviving representations or warranties of any kind, nature, or description by the Debtors, the Receiver, or any of their respective directors, officers, employees, agents, service providers, advisors, consultants and lawyers, or other representatives, except to the extent set forth in the definitive transaction agreement;
  - (v) is bound by this Sale Process and the Sale Process Approval Order; and
  - (vi) is subject to the jurisdiction of the Court with respect to any disputes or other controversies arising under or in connection with the Sale Process, the Final Bid, or the proposed Transaction;
- (r) if the Final Bid includes US assets, the Final Bid shall include a detailed description of how the Purchase Price was calculated, including all material assumptions whether financial, operational, tax, or otherwise. For any Qualified Bid that includes US assets, such description shall address, as applicable, (i) any FIRPTA withholding obligations as may be required under IRC § 1445, (ii) applicable US state and local transfer taxes, and (iii) the proposed allocation of Purchase Price between Canadian and US assets for tax purposes.; and

- (s) it contains such other information as may be reasonably requested by the Receiver.
31. The Receiver, with the consent of the Secured Lenders, may waive compliance with any one or more of the requirements specified above and deem a non-compliant Final Bid to be a Qualified Bid.

### **Evaluation and Selection of Successful Bid**

32. The Receiver, in consultation with the Secured Lenders, will review each Final Bid and, if one or more Qualified Bids is received, the Receiver, exercising its reasonable business judgment and with the consent of the Secured Lenders, may:
- (a) negotiate with one or more of the Participating Bidders who submitted a Qualified Bid, including requesting that such Participating Bidder improve or otherwise modify the terms of its Qualified Bid (and any such improved or modified Qualified Bid shall be deemed a Qualified Bid for all purposes under this Sale Process); and
  - (b) select one or more Qualified Bids that it considers to be the superior bid(s) in respect of the Business and Property or components thereof (each a “**Selected Qualified Bid**” and each Participating Bidder who made a Selected Qualified Bid, a “**Selected Qualified Bidder**”).
33. The Receiver, in consultation with the Secured Lenders but in its sole discretion, may determine that any credible, reasonably certain, and financially viable bid or combination of bids for the Frac Shack Assets, the Sand Separation Assets, and the Ancillary Fixed Assets (as calculated and determined by the Receiver), whereby (a) the aggregate of the proposed purchase prices exceeds the sum of the Stalking Horse Bid, the Break Fee, and the Minimum Incremental Overbid, and (b) the terms of the bid are no less favourable and no more burdensome or conditional than the terms contained in the Stalking Horse Agreement, is a superior offer to the Stalking Horse Bidder (a “**Superior Offer**”).
34. If applicable, the Receiver will consider the status and results of the North Dakota Listing, in consultation with the Secured Lenders, when considering a Superior Offer.
35. In evaluating the Qualified Bids to determine the Selected Qualified Bid(s) (with the consent of the Secured Lenders) or a Superior Offer, the Receiver, in consultation with the Secured Lenders, may consider such evaluation criteria as the Receiver may determine in the exercise of its reasonable business judgment, including, without limitation, the following criteria:
- (a) the purchase price, investment amount, or other consideration contemplated by the Qualified Bid;
  - (b) the conditionality of the Qualified Bid;
  - (c) the financial capability of the Participating Bidder and, if applicable, its ability to obtain any required financing for the proposed Transaction;
  - (d) the timeline to consummation of the Qualified Bid;

- (e) the proposed structure of a Transaction and the degree of any execution or closing risk;
- (f) the terms of the proposed Transaction Approval Order required by the Participating Bidder;
- (g) the composition and structure of the Qualified Bids, including any overlap or interdependencies among such Qualified Bids, whether such Qualified Bids together or separately relate to Transactions in respect of all or certain of the Business and Property, and the manner in which the Qualified Bids maximize the overall value of the Business and Property;
- (h) the identity, circumstances, and ability of the Participating Bidder to successfully consummate a Transaction in a manner that complies with all requirements of the Sale Process;
- (i) the costs to the Receiver associated with the Qualified Bid and its consummation; and
- (j) the terms of the proposed definitive transaction agreement, including the exhibits and schedules thereto, relating to the Qualified Bid.

### Auction

- 36. If the Receiver determines, in consultation with the Secured Lenders, that one or more of the Qualified Bids, or a combination thereof, constitutes a Superior Offer, the Receiver may provide the parties making Superior Offers and the Stalking Horse Bidder the opportunity to make further bids through the auction process set out below (the "**Auction**") in connection with the selection of one or more Selected Qualified Bids. For greater certainty, the Receiver shall not be required to conduct an Auction.
- 37. If an Auction is to be held, the Receiver will conduct the Auction commencing at 10:00 a.m. (Calgary time) on July 14, 2026. The meeting may be held: (i) virtually, (ii) at the offices of the Receiver's legal counsel, Torys LLP, Suite 4600, 525-8 Avenue SW, Eighth Avenue Place East, Calgary, Alberta, or (iii) at such other location as shall be timely communicated to all entities entitled to attend at the Auction, which Auction may be adjourned by the Receiver at any time. The Auction shall run in accordance with the following procedures:
  - (a) prior to 4:00 p.m. Calgary time on July 9, 2026, the Receiver will provide unredacted copies of the Qualified Bid(s) which the Receiver believes is/are (individually or in the aggregate) the highest or otherwise best Qualified Bid(s) (the "**Starting Bid**") to the Stalking Horse Bidder and to all Selected Qualified Bidders that have made a Superior Offer;
  - (b) prior to 4:00 p.m. Calgary time on July 10, 2026, each Qualified Bidder that has made a Superior Offer and the Stalking Horse Bidder must inform the Receiver whether it intends to participate in the Auction (the parties who so inform the Receiver that they intend to participate are hereinafter referred to as the "**Auction Bidders**");

- (c) prior to the Auction, the Receiver shall develop a financial comparison model (the "**Comparison Model**") which will be used to compare the Starting Bid and all Subsequent Bids (as defined herein) submitted during the Auction, if applicable;
- (d) during the morning of July 13, 2026, the Receiver shall make itself available to meet with each of the Auction Bidders to review the procedures for the Auction, the mechanics of the Comparison Model, and the manner by which Subsequent Bids shall be evaluated during the Auction, and the Auction shall be held immediately thereafter;
- (e) only representatives of the Auction Bidders, the Receiver, and such other persons as permitted by the Receiver (and the advisors to each of the foregoing entities) are entitled to attend the Auction in person (and the Receiver shall have the discretion to allow such persons to attend by teleconference);
- (f) the Receiver shall arrange to have a court reporter attend at the Auction;
- (g) at the commencement of the Auction, each Auction Bidder shall be required to confirm that it has not engaged in any collusion with any other Auction Bidder with respect to the bidding or any sale;
- (h) only the Auction Bidders will be entitled to make a Subsequent Bid (as defined herein) at the Auction; provided that in the event that any Selected Qualified Bidder elects not to attend and/or participate in the Auction, such Selected Qualified Bidder's Qualified Bid shall nevertheless remain fully enforceable against such Qualified Bidder if it is selected as the Winning Bid (as defined herein);
- (i) all Subsequent Bids presented during the Auction shall be made and received in one room on an open basis and all Auction Bidders will be entitled to be present for all Subsequent Bids at the Auction with the understanding that the true identity of each Auction Bidder at the Auction will be fully disclosed to all other Auction Bidders at the Auction and that all material terms of each Subsequent Bid will be fully disclosed to all other Auction Bidders throughout the entire Auction;
- (j) all Auction Bidders must have at least one individual representative with authority to bind such Auction Bidder present in person at the Auction;
- (k) the Receiver may employ and announce at the Auction additional procedural rules that are reasonable under the circumstances (e.g., the amount of time allotted to make a Subsequent Bid, requirements to bid in each round, and the ability of multiple Auction Bidders to combine to present a single bid) for conducting the Auction; provided that such rules are (i) not inconsistent with the procedures and requirements of the Sale Process set out herein, general practice in insolvency proceedings, the Receivership Order, or the Sale Process Approval Order, and (ii) disclosed to each Auction Bidder at the Auction;
- (l) bidding at the Auction will begin with the Starting Bid and continue, in one or more rounds of bidding, so long as during each round at least one subsequent bid is submitted by an Auction Bidder (a "**Subsequent Bid**") that the Receiver, utilizing the Comparison Model, determines is (i) for the first round, a higher or otherwise

better offer than the Starting Bid, and (ii) for subsequent rounds, a higher or otherwise better offer than the Leading Bid (as defined herein), in each case by at least the Minimum Incremental Overbid. After the first round of bidding and between each subsequent round of bidding, the Receiver shall announce the bid (including the value and material terms thereof) that it believes to be the highest or otherwise best offer (the "**Leading Bid**"). A round of bidding will conclude after each Auction Bidder has had the opportunity to submit a Subsequent Bid with full knowledge of the Leading Bid;

- (m) to the extent not previously provided (which shall be determined by the Receiver), an Auction Bidder submitting a Subsequent Bid must submit, at the Receiver's discretion, as part of its Subsequent Bid, written evidence (in the form of financial disclosure, credit quality support information, or enhancement reasonably acceptable to the Receiver) demonstrating such Auction Bidder's ability to close the transaction proposed by the Subsequent Bid;
- (n) the Receiver reserves the right, in its reasonable business judgment, to make one or more adjournments in the Auction of not more than 24 hours each to, among other things, (i) facilitate discussions between the Receiver and the Auction Bidders; (ii) allow the individual Auction Bidders to consider how they wish to proceed; (iii) consider and determine the current highest and best offer at any given time in the Auction; and (iv) give Auction Bidders the opportunity to provide the Receiver with such additional evidence as the Receiver, in its reasonable business judgment, may require that that Auction Bidder (including, as may be applicable, the Stalking Horse Bidder) has sufficient internal resources, or has received sufficient non-contingent debt and/or equity funding commitments, to consummate the proposed transaction at the prevailing overbid amount;
- (o) the Stalking Horse Bidder shall be permitted, in its sole discretion, to submit Subsequent Bids; provided that such Subsequent Bids are made in accordance with the procedures and requirements of the Sale Process set out herein;
- (p) if, in any round of bidding, no new Subsequent Bid is made, the Auction shall be closed;
- (q) the Auction shall be closed within five (5) Business Days of the start of the Auction unless extended by the Receiver, provided that no bids shall be accepted after September 30, 2026; and
- (r) no bids (from Selected Qualified Bidders or otherwise) shall be considered after the conclusion of the Auction.

### **Successful Bid(s)**

38. Once one or more Selected Qualified Bids have been selected, the Receiver, in consultation with the Secured Lenders, shall negotiate and settle the terms of a definitive transaction agreement(s) in respect of the Selected Qualified Bid(s), which Selected Qualified Bid(s) will be acceptable to the Secured Lenders and conditional upon Court approval, at which time such Selected Qualified Bid will be a "**Successful Bid**" hereunder

and the Selected Qualified Bidder who made such Selected Qualified Bid will be a **“Successful Bidder”** hereunder.

39. If the Receiver, after consultation with the Secured Lenders, determines: (a) at any point during the Sale Process that there is no reasonable prospect of obtaining a Final Bid resulting in a Qualified Bid; or (b) that no Qualified Bid has been received, then the Receiver may give notice of the termination of the Sale Process by email to the service list and Participating Bidders who submitted Final Bids.

#### **Approval Motion for Successful Bid**

40. The Receiver will make a motion to the Court (the **“Approval Motion”**) for the granting of the Transaction Approval Order(s) in respect of the Successful Bid(s).
41. The Approval Motion will be held on a date to be scheduled by the Court at the request of the Receiver.
42. All Qualified Bids other than the Successful Bid(s) will be deemed rejected on the date of approval of the Successful Bid(s) by the Court.
43. In the event of the sale of the North Dakota Property, the Receiver as Foreign Representative in the Chapter 15 proceeding may seek authorization of the United States Bankruptcy Court for the Southern District of Texas (Houston Division) under 11 U.S.C. § 1521 for the disposition of the real property, in addition to Canadian Court approval.

#### **Deposits**

44. Deposits received in accordance with paragraph 30(p) will be retained by the Receiver and held in a non-interest-bearing account. If there is a Successful Bid, the Deposit paid by the Successful Bidder whose Qualified Bid is approved by the Court will be applied to the purchase price to be paid by the Successful Bidder upon closing of the Successful Bid and will be non-refundable, except as set forth in the definitive transaction agreement governing such Successful Bid. Any Deposits received from Participating Bidders not ultimately selected as a Successful Bidder will be returned to such Participating Bidders within ten (10) Business Days of the date upon which a Successful Bid is approved by the Court.

#### **Secured Creditor Participation**

45. The Secured Lenders have irrevocably confirmed to the Receiver that they will not be submitting a bid in the Sale Process; provided they reserve the right to submit a bid (including but not limited to a credit bid) if the Sale Process is terminated by the Receiver in accordance herewith. Accordingly, in addition to the consent and consultation rights in favour of the Secured Lenders provided for herein, the Receiver shall, in a timely manner, keep the Secured Lenders apprised of the status and progress of the Sale Process, and the Secured Lenders shall be entitled to receive confidential information in respect of the Sale Process, including copies of all Final Bids.

**General**

46. The Receiver reserves the right: (a) not to accept any Qualified Bid or to otherwise terminate the Sale Process at any time and for any reason; and (b) subject to the terms hereof, to deal with one or more bidders to the exclusion of others.
47. The Sale Process does not, and will not be interpreted to, create any contractual or other legal relationship between any Participating Bidder and the Receiver, the Debtors, or the Secured Lenders, other than as specifically set forth in a definitive transaction agreement executed by the parties thereto.
48. At any time during the Sale Process, the Receiver may, upon reasonable prior notice to the Service List, apply to the Court for advice and directions with respect to the discharge of its powers and duties hereunder or to seek advice and directions with respect to the Sale Process and/or any proposal received pursuant to the Sale Process.

## APPENDIX A DEFINED TERMS

- (a) **“Alternate Transaction”** means any alternate transaction, which may include, among other things, the recapitalization of, investment in, arrangement of or reorganization of the Debtors, or the business of the Debtors as a going concern or a sale of some or all of the Business and Property, whether effected using a sale approval and vesting order or a transaction approval and reverse vesting order;
- (b) **“Ancillary Fixed Assets”** means all the assets of the Debtors excluding the Frac Shack Assets, the Sand Separation Assets, the Other Assets and the Excluded Assets;
- (c) **“Approval Motion”** has the meaning attributed to it in paragraph 40;
- (d) **“Argentina Equity”** means Energera Inc.’s 51% equity interest in Frac Shack Sociedad Por Acciones Simplificada;
- (e) **“Auction”** has the meaning attributed to it in paragraph 36;
- (f) **“Auction Bidders”** has the meaning attributed to it in paragraph 37(b);
- (g) **“Break Fee”** means \$425,000;
- (h) **“Business and Property”** has the meaning attributed to it in the preamble;
- (i) **“Business Day”** means a day, other than a Saturday, Sunday or a statutory holiday, on which banks are generally open for business in Calgary, Alberta;
- (j) **“CIM”** has the meaning attributed to it in paragraph 16;
- (k) **“Court”** has the meaning attributed to it in the preamble;
- (l) **“Credit Agreement”** means the amended and restated credit agreement dated June 28, 2024, as amended or modified from time to time, between the Debtors, as borrowers, and the Secured Lenders, as lenders;
- (m) **“Data Room”** has the meaning attributed to it in paragraph 14(d);
- (n) **“Debtor”** and **“Debtors”** have the meaning attributed to them in the preamble;
- (o) **“Deposit”** has the meaning attributed to it in paragraph 30(p);
- (p) **“Excluded Assets”** means cash and accounts receivable;
- (q) **“Final Bid”** has the meaning attributed to it in paragraph 29;
- (r) **“Frac Shack Assets”** means the assets directly associated with the modular, fuel delivery systems to support hydraulic fracturing operations;
- (s) **“Intangible Assets”** means all intellectual property, patents and trademarks;

- (t) **“Leading Bid”** has the meaning attributed to it in paragraph 37(l);
- (u) **“Milestone”** has the meaning attributed to it in paragraph 9;
- (v) **“Minimum Incremental Overbid”** means \$200,000;
- (w) **“NDA”** has the meaning attributed to it in paragraph 15;
- (x) **“North Dakota Listing”** has the meaning attributed to it in paragraph 16;
- (y) **“North Dakota Property”** means the real property located in the county of McKenzie in the state of North Dakota, specifically at 2066 125<sup>th</sup> Avenue, Watford City, ND, 58854;
- (z) **“Opportunity”** has the meaning attributed to it in paragraph 2;
- (aa) **“Other Assets”** means the North Dakota Property, the Intangible Assets and the Argentina Equity;
- (bb) **“Participating Bidder”** has the meaning attributed to it in paragraph 19;
- (cc) **“Potential Bidder”** has the meaning attributed to it in paragraph 18;
- (dd) **“Qualified Bid”** has the meaning attributed to it in paragraph 30;
- (ee) **“Receiver”** has the meaning attributed to it in the preamble;
- (ff) **“Receivership Order”** has the meaning attributed to it in the preamble;
- (gg) **“Receiver’s Website”** has the meaning attributed to it in paragraph 12;
- (hh) **“Sale Process”** has the meaning attributed to it in the preamble;
- (ii) **“Sale Process Approval Order”** has the meaning attributed to it in the preamble;
- (jj) **“Sand Separation Assets”** means the assets directly associated with particle separation technology, which removes sand and other solid particles from fracking fluid;
- (kk) **“Secured Lenders”** means Royal Bank of Canada, ATB Financial, National Bank of Canada and Export Development Canada, in their capacities as lenders under the Credit Agreement;
- (ll) **“Selected Qualified Bid”** has the meaning attributed to it in paragraph 32(b);
- (mm) **“Selected Qualified Bidder”** has the meaning attributed to it in paragraph 32(b);
- (nn) **“Stalking Horse Agreement”** means the Auction and Liquidation Services Agreement between the Receiver and the Auctioneer to be appended to a supplemental report of the Receiver;

- (oo) **“Stalking Horse Assets”** means the Frac Shack Assets, the Sand Separation Assets and the Ancillary Fixed Assets;
- (pp) **“Stalking Horse Bidder”** or the **“Auctioneer”** means McDougall Auctioneers Ltd.;
- (qq) **“Subsequent Bid”** has the meaning attributed to it in paragraph 37(l);
- (rr) **“Successful Bid”** has the meaning attributed to it in paragraph 38;
- (ss) **“Successful Bidder”** has the meaning attributed to it in paragraph 38;
- (tt) **“Superior Offer”** has the meaning attributed to it in paragraph 33;
- (uu) **“Teaser”** has the meaning attributed to it in paragraph 14(b);
- (vv) **“Transaction”** has the meaning attributed to it in the preamble; and
- (ww) **“Transaction Approval Order”** means an order of the Court approving the Transaction and granting such relief as may be necessary in connection with the consummation of the Transaction.

**APPENDIX B  
ADDRESSES FOR DELIVERY**

**To the Receiver:**

Alvarez & Marsal Canada Inc., solely in its capacity as the court-appointed receiver and manager of Energera Inc., Energera International Inc., Energera America Inc., and Sandtinel LLC, and not in its personal capacity

1110, 250-6 Avenue SW  
Calgary, AB T2P 3H7

Attention: Orest Konowalchuk, Senior Vice President  
Email: [okonwalchuk@alvarezandmarsal.com](mailto:okonwalchuk@alvarezandmarsal.com)

Attention: Duncan MacRae, Vice President  
Email: [dmacrae@alvarezandmarsal.com](mailto:dmacrae@alvarezandmarsal.com)