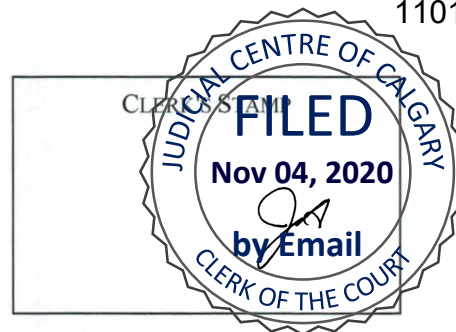




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ESTATE NUMBERS

25-2679073

25-2679074

COURT

COURT OF QUEEN'S BENCH OF ALBERTA

COM
Dec. 17, 2020
Justice D.B Nixon

JUDICIAL CENTRE

CALGARY

IN THE MATTER OF THE *BANKRUPTCY AND
INSOLVENCY ACT*, RSC 1985, C. B-3, AS
AMENDED

AND IN THE MATTER OF THE NOTICE OF
INTENTION TO MAKE A PROPOSAL OF
GREENFIRE HANGINGSTONE OPERATING
CORPORATION

AND IN THE MATTER OF THE NOTICE OF
INTENTION TO MAKE A PROPOSAL OF
GREENFIRE OIL & GAS LTD.

DOCUMENT

AFFIDAVIT OF HARRY WARNER

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
PARTY FILING THIS DOCUMENT

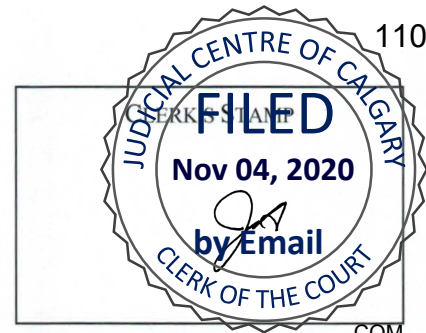
BENNETT JONES LLP
Barristers and Solicitors
4500 Bankers Hall East
855 2nd Street SW
Calgary, Alberta
T2P 4K7 Canada

Attention: Kelsey Meyer / Dylan Gibbs
Telephone No.: 403-298-3323
Fax No.: 403-265-7219
Client File No.: 87366.2

AFFIDAVIT OF HARRY WARNER

Sworn November 4, 2020.

I, Harry Warner, of the City of Clare, in the State of Michigan, United States of America, SWEAR
AND SAY THAT:



1101053

ESTATE NUMBERS

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Telephone No.: 403-298-3323
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AFFIDAVIT OF HARRY WARNER

Sworn November 4, 2020.

I, Harry Warner, of the City of Clare, in the State of Michigan, United States of America, SWEAR
AND SAY THAT:

1. I am a director and the president of Warner Petroleum Corporation ("**Warner**"). I am also the sole director and shareholder of Liberator Crude Trading, LLC ("**Liberator**"). As such, I have personal knowledge of the matters hereinafter deposed to except where stated to be on information and belief, in which case I believe the same to be true.
2. I am authorized by each of Warner and Liberator to make this Affidavit in response to the application of Greenfire Hangingstone Operating Corporation ("**GHOC**") and Greenfire Oil & Gas Ltd. ("**GOGL**" and together with GHOC, "**Greenfire**") being heard in these proceedings on November 6, 2020.
3. As is reflected in the corporate search attached as Exhibit "B" to the Affidavit No. 1 of Robert Logan sworn in these proceedings on October 9, 2020 (the "**Logan Affidavit #1**"), Liberator is a shareholder of GOGL, and holds 7.9% of the voting shares of GOGL.
4. Warner is a party to an exclusive marketing agreement with Greenfire dated April 15, 2019 (the "**Marketing Agreement**") whereby Warner has the exclusive marketing rights with respect to Greenfire's production, including crude oil, synthetic crude oil, condensate or bitumen blend produced from an Area of Dedication as defined in that Marketing Agreement. Attached hereto as **Exhibit "1"** is a true copy of the Marketing Agreement.

Greenfire's Purported Termination of the Marketing Agreement

5. On September 3, 2020, Greenfire's counsel sent a letter to counsel for Warner, purporting to terminate the Marketing Agreement (the "**Termination Letter**"). Attached hereto as **Exhibit "2"** is a true copy of the letter sent on September 3, 2020.
6. Warner's counsel, through various discussions in September 2020, by email on September 30, 2020, and by letter on October 14, 2020, has responded to advise that Greenfire has not validly terminated the Marketing Agreement, and that Warner insists on strict performance of the Marketing Agreement. Attached hereto as **Exhibit "3"** is a redacted copy of the email sent by Warner's counsel to counsel for Greenfire on September 30, 2020. Attached hereto as **Exhibit "4"** is a true copy of the letter dated October 14, 2020 sent by Warner's counsel to counsel for Greenfire. On behalf of Warner, I agree with the contents of the letter dated October 14, 2020, and confirm that its contents are true and accurate.

7. The Affidavit No. 2 of Robert B. Logan sworn November 2, 2020 in these proceedings (the "**Logan Affidavit #2**") alleges, at paragraph 8(c) thereof, non-payment and non-performance by Warner beginning in late 2019. Warner denies these allegations, on the basis set out in the letter attached hereto as Exhibit "4". To confirm, as is set out in that letter, the contents of which are true and accurate, Greenfire remains indebted to Warner in the amount of \$2,167,913.66 as of September 2020.
8. Warner's position has not changed since the letter of October 14, 2020 attached hereto as Exhibit "4". That is, the Marketing Agreement continues to be of full force and effect, Greenfire remains indebted to Warner in the amount of \$2,167,913.66 as of September 2020, and Greenfire's purported termination of the Marketing Agreement was invalid.

There is continued interest in product under the Marketing Agreement

9. Warner, through its marketing consultant, has recently contacted all its current customers regarding the possibility of Greenfire resuming production. I am advised by Jared Layton of JL Energy Corp., marketing consultant for Warner, that those customers each expressed an interest in purchasing 3,000 to 5,000 barrels per day of Greenfire's product when it becomes available, should Greenfire be able to restart and return to production this year.
10. Warner is advised by Mr. Layton and I do believe he has also discussed Greenfire's product with three potential new customers, each of which expressed an interest in purchasing 50 to 100% of Greenfire's production over a term ranging from three to 12 months. Further, each of these potential new customers is willing to prepay for Greenfire's product prior to delivery.
11. Warner is confident that it has the capacity to market any quantities of production that Greenfire's Hangingstone Facility can produce, to Warner's current customers and additional customers.
12. Attached hereto as **Exhibit "5"** is a true copy of an email from Mr. Layton to Byron Thomas, Executive Vice President of Warner, dated November 4, 2020, which Mr. Thomas forwarded to me on the same day.

Warner's Specific Concerns with Greenfire's Sale of the Hangingstone Facility

13. Under Section 2.3 of the Marketing Agreement, Greenfire covenanted that it would not sell or transfer any portion of its interest in the Lands or Leases (as defined in the Marketing Agreement) or the reserves related thereto (the "**Dedicated Interest**"), unless the purchaser of such interest agrees to be bound by the Marketing Agreement.
14. I am advised by Warner's counsel that the Marketing Agreement is an eligible financial contract and constitutes an interest in land.
15. I am advised by Warner's counsel that Greenfire has applied for this Court's approval of a sale of Greenfire's Hangingstone Facility, which facility forms part of the Dedicated Interest. Neither Greenfire nor the Proposal Trustee have asked Warner to consent to an assignment of the Marketing Agreement to the proposed purchaser of the Hangingstone Facility, as required by Section 12.7 of the Marketing Agreement.
16. To date, Greenfire has not filed any evidence of a purchase agreement between it and any purchaser of the Hangingstone Facility, nor even the term sheet that it claims to have executed with McIntyre Partners, yet has applied for this Court's approval of the purchase and sale of the Hangingstone Facility. I have not seen or received a copy of the term sheet purported to have been entered into between Greenfire and McIntyre Partners, nor have I seen or received any purchase agreement between them. In those circumstances, Warner is unable to determine whether the proposed purchase agreement contemplates the purchaser of the Hangingstone Facility agreeing to be bound by the Marketing Agreement. It is also unable to determine whether Greenfire's proposed agreement with McIntyre Partners involves the current directors or management of Greenfire receiving equity in relation to the Hangingstone Facility as part of the deal, as partial consideration (and with no value to Greenfire's creditors).
17. Having not received a copy of any term sheet or purchase agreement between Greenfire and the proposed purchaser of the Hangingstone Facility, and considering Greenfire's purported termination of the Marketing Agreement (which purported termination Warner maintains was invalid), Warner is concerned that Greenfire is seeking to sell the

Hangingstone Facility to the proposed purchaser without the purchaser agreeing to be bound by the Marketing Agreement, contrary to section 2.3 of the Marketing Agreement. This would cause significant prejudice to Warner.

Liberator's Specific Concerns with Greenfire's Sale of the Hangingstone Facility

18. I am advised by Liberator's counsel that to the extent that GOGL is entering into a sale, lease or exchange of all or substantially all of its property, shareholder approval is required pursuant to section 190 of the *Business Corporations Act* (Alberta) (the "**ABCA**"). To date, Liberator has not received any request for shareholder approval of a sale of Greenfire's Hangingstone Facility. Liberator's counsel has advised counsel for Greenfire of this requirement previously. Attached hereto as **Exhibit "6"** is a true copy of a letter from counsel for Liberator to counsel for Greenfire dated October 7, 2020.

Concerns of Warner and Liberator

19. Paragraphs 9 to 14 of the Logan Affidavit #2 reference Greenfire engaging Imperial Capital ("**Imperial**") to assist Greenfire in its "strategic alternatives process". I was a member of the board of directors of Greenfire up until my resignation on June 2, 2020 (effective as of that date). Attached hereto as **Exhibit "7"** is a true copy of my email and letter to the remaining members of the board of directors of Greenfire dated June 2, 2020, advising of my resignation. I am advised by Byron Thomas that he had conversations with Ken Morris, a representative of Imperial, in the spring of 2020 when Greenfire was seeking refinancing as is addressed in the Logan Affidavit #2. However, as a director of Greenfire in the spring of 2020, I have no knowledge of Imperial being engaged by Greenfire to carry out any marketing process to market the assets of Greenfire, nor that Imperial made any efforts to do so. My understanding was that Greenfire only approached Imperial as a potential source of refinancing.
20. While Mr. Logan and Allan Bezanson, another member of the board of directors of Greenfire, spoke of their own efforts to look for investors in Greenfire in the spring of 2020, I am not aware of Greenfire engaging Imperial or any other party to carry out a strategic alternatives process, or of 43 different financial and strategic advisors being

contacted by or on behalf of Greenfire. I am not aware of any structured process undertaken by Greenfire to market its assets for sale. I am concerned that Greenfire is now seeking this Honourable Court's approval to sell its assets without having undertaken any process to market the assets. Mr. Logan has not provided any evidence of any marketing efforts undertaken after my resignation as a director of Greenfire.

21. In the circumstances where Greenfire is seeking this Honourable Court's approval to sell its Hangingstone Facility without having put forth evidence of a term sheet or a signed purchase agreement, both Warner and Liberator have serious concerns about the serious prejudice that could result from the approval and closing of such a transaction, including but not limited to the specific concerns identified in this Affidavit.
22. I make this Affidavit in response to the application of Greenfire for approval of a sale of its interest in the Hangingstone Facility and for no other or improper purpose.

SWORN BEFORE ME at Clare,)
Michigan, this 4th day of November, 2020.)



A Notary Public
in and for the State of Michigan)

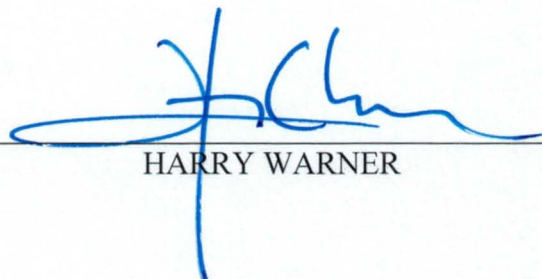
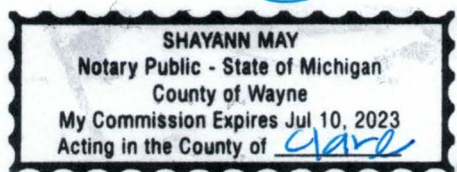
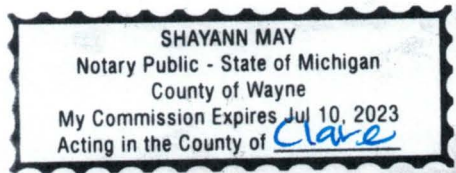

HARRY WARNER

EXHIBIT 1

THIS IS EXHIBIT "1"
TO THE AFFIDAVIT OF HARRY WARNER
SWORN BEFORE ME THIS 4TH DAY OF NOVEMBER, 2020



A NOTARY PUBLIC
IN AND FOR THE STATE OF MICHIGAN



MARKETING AGREEMENT

THIS AGREEMENT made this 15 day of April, 2019 (the "**Effective Date**").

BETWEEN:

GREENFIRE HANGINGSTONE OPERATING CORPORATION,
a body corporate with offices in the City of Calgary, in the Province of
Alberta ("**GHOC**")

and

GREENFIRE OIL AND GAS LTD., a body corporate with offices in
the City of Calgary, in the Province of Alberta ("**GOGL**")

(GHOC and GOGL are collectively referred to herein as "**Greenfire**")

and

WARNER PETROLEUM CORPORATION, a body corporate with
offices in the City of Detroit, in the State of Michigan ("**Warner
Petroleum**")

WHEREAS Greenfire desires to enter into an agreement with Warner Petroleum for the purposes of marketing all of its Product (as defined herein) produced by Greenfire within the Area of Dedication (as defined herein) as further set out and described in this Agreement and in accordance with the terms and conditions of this Agreement;

AND WHEREAS Warner Petroleum is willing to enter into an agreement with Greenfire in accordance with the terms and conditions described in this Agreement;

AND WHEREAS concurrently with the execution of this Agreement, the Parties or their Affiliates (each as defined herein) will have entered into the Subscription Agreement (as defined herein);

NOW THEREFORE, THIS AGREEMENT WITNESSES THAT in consideration of the premises and provisions herein stated, Greenfire and Warner Petroleum mutually covenant and agree as follows:

ARTICLE 1 **INTERPRETATION**

1.1 Definitions

- (a) "**Affiliate**" means, in relation to any Person, any entity Controlled, directly or indirectly, by such Person, any entity that Controls, directly or indirectly, such Person, or any entity directly or indirectly under common Control with such Person. For purposes of this definition, "**Control**" means, when used with respect to any specified Person, the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise.
- (b) "**Agreement**" means this Marketing Agreement, including the Schedules attached hereto, executed by the Parties.

- (c) **"Alternative Options"** has the meaning set forth in Section 4.2(a)(i).
- (d) **"Altex Lynton"** means the Transloading Facility owned and operated by Altex Energy Ltd. located at Lynton, Alberta.
- (e) **"Annual Production Volume"** has the meaning set forth in Section 7.1.
- (f) **"API"** has the meaning set forth in Section 3.2(b).
- (g) **"Applicable Laws"** means, in relation to any Person, transaction or event, all applicable provisions of laws, statutes, instruments, policies, by-laws, ordinances, rules, regulations, official directives, published guidelines, protocols, standards, codes of practice and orders of, and the terms of all judgments, orders, ratings, awards and decrees issued by, any Governmental Authority by which such Person is bound or having application to the transaction or event in question.
- (h) **"Applicable Limitations Period"** means the statute of limitations or time bar for filing of claims under Applicable Law applicable to a particular claim.
- (i) **"Area of Dedication"** means those lands within the areas set out in the map attached hereto as Schedule "A".
- (j) **"Bank of Canada"** has the meaning set forth in Section 8.1(c).
- (k) **"Business Day"** means a Day on which banks are generally open for the transaction of commercial business in Calgary, Alberta, and Detroit, Michigan, but does not in any event include a Saturday or a Sunday or statutory holiday in Calgary, Alberta or Detroit, Michigan.
- (l) **"Claim"** means any cause of action, action, account, lien of any kind whatsoever, claim, demand, obligation, lawsuit, audit, proceeding, suit or arbitration, including any proceeding or investigation by a Governmental Authority.
- (m) **"CNR"** means Canada National Railway Company or its affiliates.
- (n) **"Consequential Losses"** means, in respect of a Party, any and all loss of product, production, revenue, profits (actual or anticipated), use, business opportunity consequential loss, and incidental, punitive, special, exemplary or indirect damage of any similar kind of such Party, arising out of or in connection with a breach of this Agreement by the other Party hereto.
- (o) **"Deductions"** has the meaning set forth in Section 4.2.
- (p) **"Defaulting Party"** has the meaning set forth in Section 6.1.
- (q) **"Effective Date"** has the meaning set forth in the recitals hereto.
- (r) **"Event of Default"** has the meaning set forth in Section 6.1.
- (s) **"Extended Force Majeure Event"** has the meaning set forth in Section 11.1(e).

- (t) **"Force Majeure"** means an event or circumstance which prevents the claiming Party from performing its obligations under one or more transactions, which event or circumstance was not anticipated as of the date the transaction was agreed to, which is not within the reasonable control of the claiming Party, and which, by the exercise of due diligence, the claiming Party was unable to overcome or avoid or cause to be avoided. For example purposes only, Force Majeure may include: (i) physical events such as acts of God, landslides, lightning, earthquakes, fires, storms, or storm warnings such as hurricanes, resulting in evacuation of the affected area, floods, washouts, explosions, breakage, accident, or necessity of repairs to machinery, equipment, or lines of pipe; (ii) weather-related events affecting an entire geographic region, such as low temperatures which cause freezing or failure of wells or lines of pipe; (iii) interruption or curtailment of transportation or storage by transporters or storage operators; (iv) acts of others such as strikes, lockouts or other industrial disturbances, riots, sabotage, terrorist acts, insurrections or wars; or (v) compliance with any court order, law, statute, ordinance, or regulation promulgated by a Governmental Authority having jurisdiction.
- (u) **"Governmental Authority"** means any federal, state, provincial, regional, local or municipal governmental, quasi-governmental or self-regulatory body, agency, instrumentality, authority or entity established or controlled by any government or subdivision thereof (whether U.S., Canadian, or otherwise), including any legislative, administrative, regulatory or judicial body, or any Person purporting to act therefore.
- (v) **"Greenfire"** has the meaning set forth in the recitals hereto.
- (w) **"Greenfire Product"** means Product produced by Greenfire or an Affiliate from within the Area of Dedication, whether produced by steam assisted gravity drainage, HHF or other method of production.
- (x) **"Greenfire Third Party Claim"** has the meaning set forth in Section 10.1(a).
- (y) **"Gross Negligence"** means a marked and flagrant departure from good industry practice at the time of the alleged misconduct, or such wanton and reckless conduct or omissions as constitutes in effect an utter disregard for harmful, foreseeable and avoidable consequences. Gross Negligence does not include:
 - (i) an individual act or omission of a Representative of a Person that constitutes or results from an error in judgment or an honest mistake unless such act or omission in the context of the relevant facts and circumstances amounts to conduct of the nature described above;
 - (ii) an act or omission of ordinary negligence; or
 - (iii) an act or omission of a Party that was done or was omitted to be done at the direction or with the approval of, or in accordance with the instruction of, the other Party.
- (z) **"HHF"** means Greenfire's proprietary Hygrade Horizontal Fireflood technology.
- (aa) **"Initial Term"** has the meaning set forth in Section 5.1(a).

- (bb) **"Insolvency Event"** means, in relation to any Person, the occurrence of one or more of the following:
- (i) if such Person institutes, seeks relief under or has instituted against it a proceeding (including an interim proceeding) seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law, any companies or corporations legislation or other similar law affecting creditors' rights: (i) for any relief from creditors; (ii) to make a proposal to or other compromise with its creditors; (iii) to become a voluntary bankrupt; (iv) seeking reorganization, readjustment, arrangement, composition or similar relief, in each case pursuant to any insolvency law;
 - (ii) if such Person is dissolved (other than pursuant to a consolidation, reorganization, reincorporation, reconstitution, amalgamation or merger);
 - (iii) if such Person has a receiver, administrator, trustee or legal authority appointed over its assets, becomes insolvent or makes a general assignment of its property for the benefit of its creditors;
 - (iv) such Person authorizes, commences or acquiesces in or consents to the authorization or commencement of or otherwise becomes the subject of an arrangement or composition, any notice, petition, filing or other proceeding (in this definition, collectively, a **"proceeding"**), an effective resolution is passed, or an order is made for the winding-up, liquidation, dissolution or other termination of such Person or all or a substantial portion of its business and affairs (in this definition, collectively, a **"liquidation"**);
 - (v) a court or other board or tribunal having jurisdiction enters a decree or order (including an interim decree or order) pursuant to any insolvency law, security agreement or other instrument: (i) for any stay or other relief from creditors; (ii) adjudging such Person a bankrupt or insolvent; (iii) approving any reorganization, readjustment, arrangement, composition or similar relief; (iv) for the appointment of a receiver, liquidator, trustee or assignee of all or a substantial part of its undertaking or property; (v) its liquidation;
 - (vi) as a result of a default by such Person under any security instrument or other contract or commitment, any other Person has the right to appoint or to institute a proceeding for the appointment of a receiver, liquidator, trustee or assignee of all or a substantial part of the undertaking or property of such first mentioned Person and that other Person has exercised that right;
 - (vii) all or substantially all of such Person's assets are seized (including by way of execution, attachment, garnishment or distraint) or are subject to distress, execution, attachment, sequestration or other legal process; and/or
 - (viii) such Person:
 - (A) does or fails to do any act which contravenes any insolvency law;
 - (B) initiates, or is subject to the appointment of a receiver, liquidator or trustee of all or a substantial part of its undertaking or property;

- (C) makes an assignment for the benefit of creditors;
 - (D) becomes insolvent, is unable to pay its debts, fails or admits in any manner its inability to pay its debts generally as they come due or ceases to meet its liabilities generally as they become due;
 - (E) gives notice to any of its creditors that it has suspended or is about to suspend payment of its debts;
 - (F) commits any other act of bankruptcy or insolvency;
 - (G) suspends or threatens to suspend transaction of its usual business, or
 - (H) takes any action in furtherance of any of the aforesaid.
- (cc) **"Keyera South Cheecham"** means the Transloading Facility owned and operated by Keyera Energy Inc. located 75 km southeast of Fort McMurray, Alberta.
- (dd) **"Lands"** means the lands located within the Area of Dedication, including any lands pooled or unitized therewith or any additional lands acquired by Greenfire that are incorporated within the Area of Dedication, and includes the Product within, upon or under those Lands, together with the right to explore for and recover Product to the extent those rights are granted by the Leases.
- (ee) **"Leases"** means the leases, reservations, permits, licenses or other documents of title pertaining to the Lands in which Greenfire holds any interest and any document of title issued in substitution for, amendment of or in addition to any of them.
- (ff) **"Losses"** mean all losses, costs, charges, penalties, fines, interest, liabilities, expenses and damages (whether contractual or tortious), of any kind or type whatsoever including reasonable legal fees on a solicitor and his own client basis and expenses.
- (gg) **"Margins"** means the delivered price of Product minus the Deductions.
- (hh) **"Marketing Services"** has the meaning set forth in Section 2.2.
- (ii) **"Minimum Annual Volume"** has the meaning set forth in Section 7.1.
- (jj) **"Monthly Volume"** has the meaning set forth in Section 7.2(a).
- (kk) **"NDA"** has the meaning set forth in Section 9.5(a).
- (ll) **"Party"** means either Greenfire or Warner Petroleum as the context requires and **"Parties"** shall mean both parties collectively.
- (mm) **"Performance Assurance"** means collateral in the form of cash, letter(s) of credit, guarantee or other security acceptable to Greenfire, acting reasonably.
- (nn) **"Person"** means any individual, firm, corporation, partnership or other legal entity.

- (oo) **"Product"** means any one or more of crude oil, synthetic crude oil, condensate or bitumen blend consisting of a mixture of hydrocarbons that exists in liquid phase in natural underground reservoirs and remains liquid at atmospheric pressure after passing through surface separating facilities.
- (pp) **"Put Option Agreement"** means the Put Option Agreement dated as of the date hereof, between the Parties and Liberator Crude Trading, LLC.
- (qq) **"Records"** has the meaning set forth in Section 8.1(g).
- (rr) **"Renewal Term"** has the meaning set forth in Section 5.1(b).
- (ss) **"Representatives"** means the directors, officers, employees, contractors, consultants, agents and advisors of a Party, as applicable.
- (tt) **"Sales"** has the meaning set forth in Section 8.1(a)(i).
- (uu) **"Shortfall Production Volume"** has the meaning set forth in Section 7.3(a).
- (vv) **"Subscription Agreement"** means the Subscription Agreement for Common Shares dated as of the date hereof, between the Parties or their Affiliates, as applicable.
- (ww) **"Term"** has the meaning set forth in Section 5.1(b).
- (xx) **"Third Party"** means a Person other than a Party or an Affiliate of a Party.
- (yy) **"Third Party Claim"** means a claim and any associated Losses brought or asserted against a Party by a Third Party relating to a matter hereunder.
- (zz) **"Title Documents"** means collectively, the Leases, any and all certificates of title, reservations, permits, licenses, assignments, trust declarations, operating agreements, royalty agreements, unit agreements, gross overriding royalty agreements, participation agreements, farm-in agreements, sale and purchase agreements, pooling agreements and any other documents and agreements granting, reserving or otherwise conferring rights to: (i) explore for, drill for, produce, take, use or market Product; (ii) share in the production of Product; (iii) share in the proceeds from, or measured or calculated by reference to the value or quantity of, Product which are produced; and (iv) rights to acquire any of the rights described in items (i) to (iii) of this definition; but only to the extent the foregoing pertains to Product within, upon or under the Lands.
- (aaa) **"Transloading Facilities"** means Product terminalling facilities and railcar transloading terminals and related facilities, including facilities for storing, trim blending, loading and unloading Product with whom Warner Petroleum contracts for transloading and related services during the Term.
- (bbb) **"Unrecoverable Taxes or Fees"** means any taxes or fees, including any unrecoverable GST/HST, which are not subject to refund, credit, input tax credit, offset or other like mechanism and which result in such taxes or fees being unrecoverable as a cost to the payor.
- (ccc) **"US Banks"** has the meaning set forth in Section 8.1(d).

- (ddd) **"Warner Petroleum"** has the meaning set forth in the recitals hereto.
- (eee) **"Wilful Default"** means a breach of a material provision of this Agreement that results from a deliberate action in violation of the terms of this Agreement or from a deliberate failure to act in accordance with the terms of this Agreement. For greater certainty, Wilful Default does not include:
 - (i) an individual act or omission of a Representative of a Person that constitutes or results from an error in judgment or an honest mistake unless such act or omission in the context of the relevant facts and circumstances amounts to conduct of the nature described above;
 - (ii) an act or omission of ordinary negligence; or
 - (iii) an act or omission of a Party that was done or was omitted to be done at the direction or with the approval of, or in accordance with the instruction of, the other Party.
- (fff) **"Wind Down Costs"** means, if applicable, all costs incurred in connection with the wind down of Marketing Services, including termination and end of contract activities; railcar cleaning, storage and return logistics.

1.2 Interpretation

In this Agreement, unless the context otherwise requires:

- (a) words imparting the singular number include the plural and vice versa;
- (b) reference to any Party includes any successor or assign of such Party that is permitted under this agreement;
- (c) if a term is defined in this agreement, a derivative of that term shall have the corresponding meaning;
- (d) unless otherwise provided herein, reference to any agreement, document or instrument means such agreement, document or instrument as amended, restated or modified and in effect pursuant to the terms thereof;
- (e) reference to any Applicable Law means such Applicable Law as amended, modified, codified, replaced or re-enacted, in whole or in part, and in effect, including rules and Applicable Law promulgated thereunder and reference to any section or other provision of any Applicable Law means that provision of such Applicable Law in effect and constituting the substantive amendment, modification, codification, replacement or re-enactment of such section or other provision;
- (f) **"including"** means including without limiting the generality of any description preceding or succeeding such term and for purposes hereof the rule of *ejusdem generis* shall not be applicable to limit a general statement, followed by or referable to an enumeration of specific matters, to matters similar to those specifically mentioned;
- (g) payments and transfers of funds are to be made in immediately available funds;

- (h) references to time of day or date means the local time or date in Calgary, Alberta;
- (i) in the computation of periods of time from a specified date to a later specified date, unless otherwise expressly stated, the word "**from**" means "**from and including**" and the words "**to**" and "**until**" each mean "**to but excluding**";
- (j) Persons are deemed not to be dealing "at arm's length" with one another if they would not be dealing at arm's length with one another for the purposes of the *Income Tax Act* (Canada), as in effect on the date hereof; and
- (k) where any payment or calculation is to be made, or any other action is to be taken, on or as of a day that is not a Business Day, that payment or calculation is to be made, or that other action is to be taken, as applicable, on or as of the next following Business Day, unless such next following Business Day falls in the next month in which event the payment or calculation is to be made, or that other action is to be taken, as applicable, on or as of the immediately preceding Business Day.

1.3 Schedules

The following Schedules are incorporated herein and made part of this Agreement:

Schedule "A" –	Area of Dedication
Schedule "B" –	Product Specifications
Schedule "C" –	Wire Instructions

If there is any conflict or inconsistency between the body of this Agreement and any Schedule, the body of this Agreement shall prevail. If any provision in this Agreement conflicts with Applicable Laws this Agreement shall be conclusively deemed to be amended to the extent required to eliminate any such conflict.

ARTICLE 2 **COVENANTS**

2.1 Greenfire Covenants

Greenfire covenants and agrees to:

- (a) dedicate all Greenfire Product produced in the Area of Dedication during the Term to Warner Petroleum to market in accordance with the terms hereof;
- (b) use best efforts to produce at least one million (1,000,000) barrels of Product per calendar year from the Area of Dedication;
- (c) maintain all of the Leases, related Title Documents and regulatory approvals in good standing (including making payments such as annual rentals, continuation fees, extension fees, penalty payments or compensatory royalties);
- (d) conduct all operations on the Lands or in respect of the Leases diligently, in accordance with good oilfield practices, and in compliance with Applicable Laws;

- (e) provided that, at the relevant time Warner Petroleum (or its Affiliate) holds at least one million (1,000,000) shares in the capital of Greenfire, take all necessary actions to cause, the appointment of Harry Warner (or an alternate nominee of Harry Warner) to the board of directors of Greenfire in accordance with the Letter Agreement dated as of the date hereof, between the Parties or their Affiliates, as applicable;
- (f) hedge in a prudent manner for a minimum of 24 months using West Texas Intermediate as a benchmark, in amounts sufficient to assure coverage of all operating costs, including the WPC net revenue share, subject to Greenfire's senior debt covenants and Greenfire board approval of a prudent hedging strategy;
- (g) be, at all times during the Term, registered under subdivision d of Division V of Part IX of the Excise Tax Act (Canada) with registration number 778306712 RT 0001; and
- (h) have, at all times during the Term, required registrations, licenses and permits in order to sell and deliver Product to Warner Petroleum, including any registration required under the Fuel Tax Act (Alberta) and the Climate Leadership Act (Alberta).

2.2 Warner Petroleum Covenants

Warner Petroleum covenants and agrees to:

- (a) market and sell the Greenfire Product during the Term dedicated by Greenfire to Warner Petroleum in furtherance of the following activities:
 - (i) subject to Section 4.2(a)(i), ensure that Greenfire has access to either the Altex Lynton or Keyera South Cheecham terminals, or other reasonable alternative Transloading Facilities;
 - (ii) source and manage a fleet of rail cars to transport Product to Third Party customers and use reasonable commercial efforts to ensure it has sufficient rail cars to transport all the Greenfire Product at all times;
 - (iii) coordinated and efficient movement of Greenfire Product;
 - (iv) perform market analysis in support of wholesale pricing; and
 - (v) all activities that are generally associated with the foregoing,(collectively, the "**Marketing Services**")

2.3 Area of Dedication

Greenfire hereby dedicates exclusively, for marketing and sale under this Agreement, all Greenfire Product for the Term of this Agreement. Greenfire shall not sell, assign or otherwise convey its interest, or any portion thereof, in the Lands, Leases and reserves related thereto, unless the purchaser or assignee of such interest agrees to be bound by the provisions of this Agreement.

ARTICLE 3
PRICING AND DELIVERY

3.1 Pricing

- (a) Warner Petroleum shall use reasonable commercial efforts to obtain competitive pricing for Greenfire Product. All Product buy and sell pricing will be based on New York Mercantile Exchange (NYMEX) postings for West Texas Intermediate (WTI) crude oil posting, strike date, strip, etc., as mutually agreed by the Parties in writing prior to a transaction. Purchases and sales of Greenfire Product shall be conducted in US Dollars.
- (b) For pricing purposes only, Greenfire Product delivered during any given month hereunder shall be deemed to have been delivered in equal daily quantities during such month, unless otherwise specified in any transaction documentation.
- (c) Greenfire acknowledges that the markets for Greenfire Product are highly volatile and depend on a variety of global and local market, economic, political, geopolitical, weather, legal, labor, competition and other factors. In providing the Marketing Services, Warner Petroleum will rely upon information developed, assembled, or compiled by Warner Petroleum in the ordinary course of Warner Petroleum's business, for its own internal due diligence and evaluation purposes and information from Third Party sources which Warner Petroleum in good faith believes to be reliable.

3.2 Delivery and Title

- (a) Title, custody and possession to all Product delivered to Warner Petroleum under this Agreement shall pass from Greenfire to Warner Petroleum when the Product passes from Greenfire's delivery truck last connection flange into the designated Transloading Facility's first hard receiving manifold flange.
- (b) All Product quantities received or delivered shall be determined by calibrated - custody transfer grade meters and/or by gauging and computations from certified tank tables and/or by weighing rail cars or trucks on certified weigh scales adjusted to a temperature of 15.0 degrees Celsius (60 degrees Fahrenheit) and a pressure of one standard atmosphere (14.7 PSIA) in accordance with the latest revision of American Petroleum Institute ("API") MPMS Chapter 11 Table 54A. All measurements sampling, equipment, procedures, calculations and tests shall be performed in accordance with the latest applicable API or ASTM published methods and Applicable Laws. Either Party shall have the right to have a representative witness all gauges, tests and measurements. In the absence of the other Party's representative, such gauges, tests and measurements shall be deemed to be correct.
- (c) The Product delivered hereunder shall be in accordance with the specifications set out in Schedule "B". In the event pipeline transportation (origins or destinations) is involved, all Product delivered under the Agreement must also meet the quality requirements of the applicable transporting pipeline as set out in the applicable tariff/rules and regulations.
- (d) Greenfire warrants that the Product delivered hereunder shall not be contaminated by chemicals foreign to virgin Product including, chlorinated and/or oxygenated hydrocarbons and lead. Warner Petroleum may refuse to accept delivery of any quantities of Product which do not conform to the specifications set forth in Schedule "B", even

after delivery to Warner Petroleum. If Warner Petroleum rejects and returns any quantities of Product which do not conform to the specifications set forth in Schedule "B", Greenfire shall reimburse Warner Petroleum for all expenses incurred for the return thereof; including to full market value of the Product, transportation and handling fees, tariff fees, quality testing, etc.

- (e) Greenfire represents that it is sophisticated and knowledgeable in the storage, handling, transportation and use of Product. Greenfire shall provide Warner Petroleum with a Material Safety Data on a timely basis which details up to date properties and safe handling procedures for the Product. Warner Petroleum acknowledges that the Product is a hazardous material.

ARTICLE 4 **MARGIN SHARING**

4.1 Allocation

Margins shall be allocated between Greenfire and Warner Petroleum as follows:

- (a) seventy five percent (75%) to Greenfire; and
- (b) twenty five percent (25%) to Warner Petroleum.

Notwithstanding the foregoing, Warner Petroleum shall receive a minimum of three dollars and ten cents (USD \$3.10) and a maximum of ten dollars and ten cents (USD \$10.10) per barrel of oil sold under the terms of this Agreement. If Warner Petroleum exercises the put option pursuant to the terms of the Put Option Agreement during the Term (as defined herein), then notwithstanding the foregoing, Warner Petroleum shall receive a minimum of three dollars (USD \$3.00) and a maximum of seven dollars (USD \$7.00) per barrel of oil sold under the terms of this Agreement.

4.2 Deductions

- (a) Deductions shall be defined as the aggregate of:
 - (i) the actual freight charges to move the Product from the rail car loading terminal facilities to a customer's final destination. Only rail costs from CNR, which may include any CNR Affiliates, shall be used in calculating the Deductions. Other transportation options ("**Alternative Options**") may be utilized if first approved by the Parties. If Alternative Options are utilized, then only the actual charges would be included in the Deductions;
 - (ii) the actual monthly rail car rental cost for the total number of railcars required to market Greenfire Product. The Parties acknowledge that the transportation of the monthly production volume requires having spare railcars in the fleet to accommodate transportation ratability, availability, schedules, etc., and that all committed and contracted spares will be included in the actual monthly railcar rental charges. The total number of rail tank cars required may be adjusted from time to time if first approved by the Parties;
 - (iii) the actual cost of empty car moves charged by the rail carriers to position rail cars at loading terminal(s) for their first move;

- (iv) if the Altex Lynton and Keyera South Cheecham Transloading Facilities are not available, the difference between the actual cost of transportation from Greenfire to the available railhead and the quoted cost of delivery to Altex Lynton or Keyera South Cheecham shall be included in the Deductions; and
- (v) the actual costs incurred in respect of throughput fees and transloading fees, including load and unloading fees.
- (b) Warner Petroleum covenants that the Deductions referred in Section 4.2(a)(ii) and 4.2(a)(v) shall not in the aggregate exceed eight dollars (USD \$8.00) per barrel for rail car rental costs, transloading and throughput, unless otherwise agreed by the Parties.
- (c) Greenfire shall be solely responsible for rail car demurrage or storage costs incurred as a direct result of any production supply related issues. Warner Petroleum shall be responsible for any demurrage or storage costs related to transportation, car or market related issues.
- (d) Should a Governmental Authority assess or institute unrecoverable taxes or fees that pertains to the sale of the Product, then the actual cost of these charges will be included as a deduction including any amounts referred to in Section 9.3(c) that are unrecoverable taxes and fees.

ARTICLE 5

TERM

5.1 Term

- (a) This Agreement shall commence as of the Effective Date and, subject to earlier termination pursuant to Section 6.2, shall continue in effect until five (5) years following the Effective Date (the "**Initial Term**").
- (b) Subject to earlier termination pursuant to Sections 6.2, 11.1(e) or 11.2(b), this Agreement shall be automatically extended for successive one (1) year extension periods (each a "**Renewal Term**" and collectively with the Initial Term, the "**Term**") absent written notice by either Party delivered at least six (6) months prior to the relevant extension period communicating an election not to extend the term.

5.2 Wind Down and Wind Down Costs

- (a) In the event this Agreement is terminated early pursuant to Section 6.2, 11.1(e) or 11.2(b), the Parties will cooperate to orderly wind down all Marketing Services, including, if elected by Warner Petroleum within thirty (30) days following the date of such early termination, to terminate all existing terminalling contracts and other agreements related to or connected with the Marketing Services.
- (b) If this Agreement is terminated early by either Party pursuant to Section 6.2, 11.1(e) or 11.2(b), and provided Warner Petroleum has elected to terminate the existing contracts in accordance with Section 5.2(a), all Wind Down Costs shall be the sole and exclusive responsibility of Greenfire and further, Greenfire shall indemnify and hold Warner Petroleum and its Affiliates harmless from and against all Claims relating to Wind Down Costs.

ARTICLE 6
EVENTS OF DEFAULT

6.1 Occurrence of Event of Default

A party (a "**Defaulting Party**") shall be in default (each an "**Event of Default**") hereunder if:

- (a) a Party fails to pay any amount to the other Party when such payment is due and payable hereunder and such Party does not pay such amount with thirty (30) days a receipt of written notice of such default;
- (b) either Party breaches a non-financial obligation under this Agreement, which is reasonably capable of being cured and:
 - (i) if the breach is capable of being cured in thirty (30) days, such Party does not cure the breach within thirty (30) days of its receipt of written notice of the breach; or
 - (ii) if the breach is not capable of being cured within thirty (30) days, such Party does not:
 - (A) commence to cure the breach within thirty (30) days of its receipt of written notice of the breach; and
 - (B) thereafter diligently and continuously prosecute the cure of the breach;
- (c) a Party breaches a non-financial obligation under this Agreement which materially and adversely affects the other Party and which is not capable of being cured;
- (d) Party is subject to an Insolvency Event and such Insolvency Event is continuing in respect of such Party; or

If at any time during the term of this Agreement, Greenfire believes, acting reasonably, that Warner Petroleum: (i) may not be able to perform the Marketing Services in accordance with the terms and on the conditions contemplated in this Agreement; (ii) has failed to pay any amount when due, or will not be able to pay future amounts when due, or (iii) has suffered an Event of Default hereunder, Greenfire has the right to (A) require performance assurance in an amount equal to Greenfire's exposure to Warner Petroleum under this Agreement for up to seventy (70) days of volume of Product delivered or to be delivered hereunder, as determined by Greenfire in a commercially reasonable manner, or (B) in respect of (i) above or (iii) above to the extent the Event of Default prevents performance of the Marketing Services contemplated herein on the part of Warner Petroleum, source alternative marketing arrangements for its Product and Greenfire will be relieved hereunder from any obligation to dedicate all Greenfire Product to Warner Petroleum in accordance herewith. Performance under this Agreement by Greenfire may be withheld until Greenfire receives the required Performance Assurance from Warner Petroleum.

6.2 Rights in Respect of an Event of Default

The non-Defaulting Party may, without limitation to any other rights or remedies at law it may have:

- (a) if the Event of Default is a failure to pay pursuant to Section 6.1(a), elect to terminate this Agreement upon the provision of written notice;
- (b) if the Event of Default is of the type described in Section 6.1(b) and either: (i) the cure period described in Section 6.1(b)(i) has expired without the Event of Default being cured by the Defaulting Party; or (ii) the Event of Default is not capable of being cured in 30 consecutive days and the Defaulting Party has ceased to diligently and continuously prosecute the cure of the breach, then the non-Defaulting Party may elect to terminate this Agreement on providing an additional ten (10) days written notice to the Defaulting Party, to terminate this Agreement;
- (c) if the Event of Default is an Insolvency Event pursuant to Section 6.1(d), the non-Defaulting Party may elect to terminate this Agreement upon provision of written notice to the Defaulting Party; and
- (d) if the Event of Default is of the type described in Section 6.1(c), the non-Defaulting Party may elect to terminate this Agreement on providing an additional ten (10) days written notice to the Defaulting Party, to terminate this Agreement.

6.3 Remedies Not Exclusive and Limitation of Remedies

Each of the rights and remedies of a Party not in default under this Agreement in respect of the breach by any other Party under this Agreement are in addition to and not in substitution for any other rights or remedies in respect of such breach, whether under contract, under Applicable Law, or in equity. An exercise of one or more of such rights or remedies shall not bar or prejudice in any way the exercise of any other rights or remedies, subject to the limitations otherwise expressly set forth herein.

6.4 No Release

The exercise by a Party of any of the rights and remedies specified in this Article 6 inclusive shall not release the other Party from any of its liabilities and obligations under this Agreement. For certainty, the failure of a Party to perform its obligations hereunder shall not release the other Party from the performance of its obligations.

ARTICLE 7 **PRODUCTION FORECAST**

7.1 Annual Volume Forecast

At least sixty (60) days before the beginning of each contract year, Greenfire will provide Warner Petroleum with an estimate of volume of Product it will tender for Marketing Services herein for each month in such contract year (the "**Annual Production Volume**"), which, in any event, shall be no less than one million (1,000,000) barrels of Product per calendar year (the "**Minimum Annual Volume**"). Notwithstanding the foregoing, within thirty (30) days of the execution of this Agreement by the Parties, Greenfire will provide Warner Petroleum with its estimate of volume of Production it will tender for Marketing Services for each month remaining in the 2019 calendar year ("**2019 Calendar Year**"). For purposes hereof, the Minimum Annual Volume will be pro-rated for the balance of the 2019 Calendar Year.

7.2 Nomination Process

- (a) For planning purposes, at least five (5) days before the beginning of each calendar month, Greenfire shall nominate the amount of volume that will be delivered to Warner Petroleum in such calendar month (the "**Monthly Volume**").
- (b) Greenfire shall use reasonable commercial efforts to ensure Monthly Volumes are delivered to Warner Petroleum on a ratable basis.

7.3 Shortfall Amount

- (a) If during any calendar year, Greenfire tenders to Warner Petroleum a volume of Product that is less than the Annual Production Volume, for any reason other than Force Majeure (the "**Shortfall Production Volume**"), then Greenfire shall compensate Warner Petroleum for contract breakage costs and other Losses sustained as a result of the shortage as follows, in Warner Petroleum's sole discretion, acting reasonably:
 - (i) through the issuance of shares by Greenfire to Warner Petroleum (such shares to be valued based on the most recent issuance of shares by Greenfire) in an amount of shares equal to the value of the difference between the Annual Production Volume for such calendar year and the Shortfall Production Volume delivered in such calendar year;
 - (ii) through payment by Greenfire to Warner Petroleum in cash, of an amount equal to the average Margin per barrel over the preceding calendar year per barrels of Greenfire Product equal to the value of the difference between the Annual Production Volume for such calendar year and the Shortfall Production Volume delivered in such calendar year;
 - (iii) through payment by Greenfire to Warner Petroleum in Greenfire Product, in a volume equal to the difference between the Annual Production Volume for such calendar year and the Shortfall Production Volume delivered in such calendar year.

ARTICLE 8 **COMPENSATION**

8.1 Payment and Invoices

- (a) Within ten (10) days following the beginning of each calendar month during the Term, Warner Petroleum shall provide Greenfire with a sales report (the "**Report**") that outlines in reasonable detail the following:
 - (i) each sale and supporting details, including the volume delivered and the price of the Product sold (the "**Sales**");
 - (ii) a calculation of the Deductions;
 - (iii) a calculation of the Margins;

- (iv) subject to Section 4.1 hereof, Greenfire's share of the Margin calculated at seventy five percent (75%);
 - (v) subject to Section 4.1 hereof, Warner Petroleum's share of the Margin calculated at twenty five percent (25%);
 - (vi) a total of any payments Warner Petroleum has received for Sales included in the Report; and
 - (vii) all applicable GST/HST or other sales or commodity taxes required to be charged by Greenfire to Warner Petroleum, including any documentation necessary in order to zero-rate, exempt, or otherwise reduce such taxes on any supplies under this Agreement.
- (b) Concurrently with the delivery of the Report, Warner Petroleum shall pay to Greenfire by wire transfer Greenfire's applicable share of payments received for Sales included in the applicable Report. With respect to any other payments Warner Petroleum receives with respect to a Report after the date the applicable Report has been issued, Warner Petroleum shall pay to Greenfire by wire transfer, Greenfire's applicable share of payments received for Sales included in the applicable Report within forty eight (48) hours of receipt of funds.
- (c) For payments in CAD: If the relevant payment date under the Agreement falls on a Saturday or on a bank holiday other than a Monday during which the Bank of Canada ("**Bank of Canada**") is closed for business, then payment shall be due on the first previous day on which the Bank of Canada is open for business. If the relevant payment date falls on a Sunday or a Monday bank holiday, then payment shall be due on the next day which the Bank of Canada is open for business. Any payment hereunder not paid when due shall bear interest from the due date until the date payment is received at an annual rate (based on a 360-day year) equal to the rate of two (2) percentage points above the prime rate for Canadian dollar loans made in Canada by the Bank of Canada effective for the payment due date, but not more than the maximum rate of interest permitted under Applicable Law.
- (d) For payments in USD: If the relevant payment date under the Agreement falls on a Saturday or on a bank holiday other than a Monday during which U.S. Federal Reserve member banks in New York City ("**US Banks**") are closed for normal business transactions, then payment shall be due on the first previous day on which US Banks are open for normal business transactions. If the relevant payment date falls on a Sunday or a Monday bank holiday, then payment shall be due on the next day which US Banks are open for normal business transactions. Any payment hereunder not paid when due shall bear interest from the due date until the date payment is received at an annual rate (based on a 360-day year) equal to the rate of two (2) percentage points above the prime rate of interest effective for the payment due date as published in the *Wall Street Journal*, but not more than the maximum rate of interest permitted under Applicable Law.
- (e) Remittance of payments hereunder will be made to Greenfire by wire transfer in accordance with the wire instructions attached hereto as Schedule "C". Acceptance of payment made after relevant payment date shall not constitute a waiver of rights to interest and shall in no circumstance be considered as an agreement to provide extended credit.

- (f) In respect of any month where amounts are due and owing, or past due and owing, under two or more agreements entered into by the Parties for the purchase, sale or exchange of Product, the Parties may net Reports for such amounts. In that case, prior to the due date, the Parties shall confirm (telephone acceptable) the Report amounts and the amount remaining, if any, after net out. Any remaining balance shall be paid by the Party owing such amount to the other Party on the date the gross amounts were due. Any such net out shall be effective upon receipt of such balance due after net out to the Party owed such balance. Notwithstanding the above, payments for any quantity, quality or other claims shall not be included in such netting of Reports.
- (g) Warner Petroleum shall maintain books, accounts and records in reasonable detail that describe performance under this Agreement and relate to the Marketing Services hereunder (the "**Records**"), including, books, accounts and records relating to the calculation of the Deductions. Greenfire shall have the right, upon reasonable notice, to audit the Records. Each audit shall be conducted so as to cause minimum inconvenience to Warner Petroleum, be completed during normal business hours and be at the sole cost, risk and expense of Greenfire. This audit right shall extend from the date hereof until twelve (12) months following the Term or earlier termination of this Agreement.
- (h) Warner Petroleum shall provide reasonable assistance to Greenfire for such audits. Greenfire or its Representative, shall have access to all Records, and shall be provided adequate and appropriate workspace, in order to conduct inspections in compliance with this Agreement. Greenfire shall promptly notify Warner Petroleum of any discrepancies uncovered as a result of conducting any inspection in accordance herewith.
- (i) In the event that the Parties cannot resolve a dispute of an Report through good faith negotiations, subject to the terms herein, at any time up to (but not after) twenty-four (24) months following the month to which the Report relates, and upon thirty (30) days prior written notice, either Party shall have the right at its sole cost and expense to have a Third Party auditor, audit on that Party's behalf the relevant books, accounts and records of the other Party to verify the accuracy of any such Report. All information which an auditor acquires shall be kept strictly confidential. If, as a result of any audit, any adjustment to a payment is deemed necessary, then the Party against whom the adjustment was made shall promptly pay to the other Party the required amount.

ARTICLE 9

TAXES, DUTIES AND FEES

9.1 General

The Party that is the exporter of record of the Product received/delivered under the Agreement agrees to fulfill all requirements applicable to the exporter of record, including those of the US and Canadian Customs and shall pay any applicable import or export duty or any other applicable fees and fines, penalties or costs. The other Party shall provide all information necessary for such importation/exportation in a timely manner.

9.2 Warner Petroleum's Responsibilities

- (a) Warner Petroleum shall bear no responsibility for any income, franchise or other type of direct tax that may inure to Greenfire as a result of any transaction.

- (b) Greenfire will invoice Warner Petroleum for all applicable taxes for which Warner Petroleum is responsible and Warner Petroleum will pay Greenfire the invoiced amount for all such applicable taxes.
- (c) Warner Petroleum is responsible for the maintenance of all applicable documentation necessary to assure the appropriate Governmental Authority of Warner Petroleum's compliance with export or import requirements.
- (d) If Greenfire is required under Applicable Law to collect and remit Warner Petroleum's taxes, Warner Petroleum agrees to make a payment to Greenfire in respect of such taxes that Greenfire is obligated to pay on behalf of Warner Petroleum, including those taxes of Warner Petroleum which Greenfire discovers subsequent to the time of sale to have been payable at the time of sale, including taxes that are discovered to have been payable as a result of an audit by any taxing authority, but for greater certainty such amounts shall not include any amounts in respect of interest or penalties. If Greenfire receives a rebate on any taxes pursuant to this Section 9.2(d), then Greenfire shall promptly remit such rebate to Warner Petroleum.

9.3 Greenfire's Responsibilities

- (a) Greenfire shall bear no responsibility for any income, franchise or other type of direct tax that may inure to Warner Petroleum as a result of any transaction.
- (b) The amount of any taxes, duties, imposts, fees, charges and dues of every description imposed or levied by any Governmental Authority on the Product supplied hereunder, or on its export, delivery, transportation, ownership, sale or use, in respect of any stage prior to title in such Product passing to Warner Petroleum shall be for Greenfire's account.
- (c) Except where Greenfire, in its sole discretion, provides a NAFTA Certificate of Origin or equivalent: (a) Greenfire makes no representations or warranties for favourable treatment under NAFTA (or a replacement agreement); and (b) If Greenfire faces additional duties as a result of the Product not being considered eligible for NAFTA (or a replacement agreement) preferential duty treatment such costs shall be included in the Deductions.
- (d) If Warner Petroleum is required under Applicable Law to collect and remit Greenfire's taxes, Greenfire agrees to make payment to Warner Petroleum in respect of such taxes that Warner Petroleum is obligated to pay on behalf of Greenfire, including those taxes of Greenfire which Warner Petroleum discovers subsequent to the time of sale to have been payable at the time of sale, including taxes that are discovered to have been payable as a result of an audit by any taxing authority, but for greater certainty such amounts shall not include any amounts in respect of interest or penalties. If Warner Petroleum receives a rebate on any taxes pursuant to this subsection, then Warner Petroleum shall promptly remit such rebate to Greenfire.

9.4 Warranty of Title

Greenfire warrants that it has good, valid and marketable title to sell and deliver the Product to Warner Petroleum, and that it has the exclusive right to receive payment for all Product sold hereunder. Greenfire additionally warrants that all Product delivered hereunder is free from all royalties, charges, mortgages, liens, applicable taxes and other encumbrances of any kind. Greenfire agrees to notify Warner Petroleum promptly if any charge, mortgage, lien, applicable

tax or other encumbrance of any kind is incurred or created which encumbers or has priority over Greenfire's interest in the Product delivered hereunder. Warner Petroleum may pay or discharge the whole or any portion of any charge, mortgage, lien, applicable taxes or other encumbrance of any kind (unless there is a bona fide dispute as the validity thereof) that encumbers or has priority over Greenfire's interest in the Product delivered hereunder. In such an event, Warner Petroleum may reimburse itself by applying against the amount so paid by Warner Petroleum the sums accruing to Greenfire under the terms of this Agreement.

9.5 Confidential Information, Property and Ownership of Documentation

- (a) The non-disclosure agreement between Greenfire and Warner Petroleum made as of the 13th day of December, 2018 (the "NDA") remains in full force and effect, without limitation, and shall apply to any confidential information exchanged between Greenfire and Warner Petroleum in connection with or contemplated by this Agreement. Notwithstanding anything to the contrary in the NDA, the obligations of the NDA shall continue during the term of this Agreement.
- (b) Greenfire hereby covenants and agrees with Warner Petroleum that, commencing on the date the Term expires or terminates in accordance with the terms of this Agreement and ending on a date that is two (2) years from the date of termination or expiry, it will not, and it will not permit any of its Affiliates to, directly or indirectly, without the prior written consent of Warner Petroleum, solicit or entice, or attempt to solicit or entice any of the customers, buyers or suppliers of Warner Petroleum or any of their Affiliates that are known to Greenfire to be customers, buyers or suppliers of Warner Petroleum or any of their Affiliates, to cease doing any business with Warner Petroleum and do business with Greenfire instead.
- (c) Subject to Section 9.5(a), if a Party wishes to make any press release or other public disclosure, in either such case, related to this Agreement, then it shall first provide the other Party with a draft thereof in sufficient time prior to the release thereof so that the other Party may review the proposed press release disclosure to be released and advise the Party that proposes to make such release of any comments that the other Party may have in respect thereto. The foregoing shall not apply when the release or disclosure of any information that relates to this Agreement is required by Applicable Laws, provided that, in each such case, except where prohibited under Applicable Laws, the Party who is required to make such disclosure shall provide the other Party with details of the nature and substance of such release or disclosure as soon as practicable, but in all cases, prior to any public release thereof.

ARTICLE 10 **INDEMNITY**

10.1 Indemnity Obligations

Subject to the limitations of liability set forth in Section 10.3 or elsewhere in this Agreement, Greenfire shall be liable to Warner Petroleum, and as a separate covenant, shall indemnify and hold harmless Warner Petroleum and its Representatives and each of them, from and against:

- (a) all Third Party Claims that may be brought or asserted against Warner Petroleum or any its Representatives, where such Third Party Claim is the result of or is based upon allegations of:

- (i) delivering Product that does not conform to the specifications set forth in Section 3.2(c);
- (ii) relating to the ownership of or entitlement to the Product;
- (iii) a breach by Greenfire and its Representatives, or any of them, of Greenfire's obligations under this Agreement; or
- (iv) the negligence or wilful misconduct of Greenfire and its Representatives, or any of them, in the performance of its obligations under this Agreement,

(in each case, an "**Greenfire Third Party Claim**") except to the extent resulting from, arising out of, relating or attributable to, caused by or connected with the Gross Negligence or Wilful Default of Warner Petroleum and its Representatives, or any of them; and

- (b) any Losses that Warner Petroleum or any of its Representatives may suffer, sustain, pay or incur in connection with the performance, negligent performance or non-performance by Greenfire of its obligations under this Agreement, other than as a result of a Third Party Claim against Warner Petroleum and its Representatives, but only to the extent resulting from, arising out of, relating or attributable to, caused by or connected with the Gross Negligence or Wilful Default of Greenfire and its Representatives, or any of them.

10.2 Indemnity Obligations of Warner Petroleum

Subject to the limitations of liability set forth in Section 10.3 or elsewhere in this Agreement, Warner Petroleum shall be liable to Greenfire, and as a separate covenant, shall indemnify and hold harmless Greenfire and its Representatives and each of them, from and against:

- (a) any and all Third Party Claims that may be made or asserted against Greenfire or any of its Representatives in connection with any Greenfire Third Party Claims, but only to the extent resulting from, arising out of, relating or attributable to, caused by or connected with the Gross Negligence or Wilful Default of Warner Petroleum and its Representatives, or any of them;
- (b) any and all Third Party Claims, other than Greenfire Third Party Claims that may be made or asserted against Greenfire or any of its Representatives, to the extent resulting from, arising out of, relating or attributable to, caused by or connected with, (i) a breach by Warner Petroleum and its Representatives, or any of them, of Warner Petroleum's obligations under this Agreement, or (ii) the negligence or wilful misconduct of Warner Petroleum and its Representatives, or any of them, in the performance of the Marketing Services, except to the extent resulting from, arising out of, relating or attributable to, caused by or connected with the Gross Negligence or Wilful Default of Greenfire and its Representatives, or any of them; and
- (c) any Losses that Greenfire or any of its Representatives may suffer, sustain, pay or incur, in connection with the performance, negligent performance or non-performance by Warner Petroleum of its obligations under this Agreement, other than as a result of a Third Party Claim against Greenfire and its Representatives, but only to the extent resulting from, arising out of, relating or attributable to, caused by or connected with the

Gross Negligence or Wilful Default of Warner Petroleum and its Representatives, or any of them, in the performance of Warner Petroleum's obligations under this Agreement.

10.3 Limitations of Liability

- (a) Each Party acknowledges and agrees that in no event shall either Party's liability to the other Party for any and all Losses, Third Party Claims or claims of any kind under this Agreement, including economic loss, or any amounts payable as a result of a Warner Petroleum Event of Default or Greenfire Event of Default under Article 6, as applicable, exceed Five Million dollars (USD \$5,000,000).
- (b) Each Party acknowledges and agrees that the other Party shall have no liability under this Agreement to the other Party or the other Party's Representatives, for in respect of any claim made against the other Party arising out of or relating to this Agreement that is brought or filed by it after the expiry of the Applicable Limitations Period.
- (c) Notwithstanding any other provision of this Agreement, neither Party shall be liable to the other Party hereunder for any Consequential Losses which may be suffered or incurred by such other Party and which arise out of or in connection with this Agreement; provided that this Section 10.3(c) shall not apply in respect of claims made by Third Parties or Consequential Losses that are suffered or incurred by a Party in connection with a breach by the other Party of its confidentiality obligations under Section 9.5 of this Agreement.

ARTICLE 11

FORCE MAJEURE AND CHANGE IN LAW

11.1 Force Majeure

- (a) Except with regard to a Party's obligation to make payment due under this Agreement, neither Party shall be liable to the other for failure to perform to the extent such performance is prevented by Force Majeure.
- (b) Neither Party shall be entitled to claim Force Majeure to the extent performance is affected by any or all of the following circumstances: (i) the claiming Party having failed to mitigate its effect by the exercise of all commercially reasonably due diligence and commercially reasonably foresight; (ii) economic hardship, including, lack of finances, Greenfire's ability to sell the Product at a higher or more advantageous price than the agreement price, Warner Petroleum's ability to purchase Product at a lower or more advantageous price than the agreement price; (iii) scheduled maintenance by a transporter or storage operator, provided that notice of such scheduled maintenance has been provided by such transporter or storage operator at or prior to the time the Parties entered into the transaction; or (iv) a declaration of force majeure by a Third Party. The claiming Party shall make commercially reasonable efforts to avoid the adverse impacts of a Force Majeure and to resolve the event once it has occurred in order to resume performance; provided that the Parties agree that nothing contained herein shall require: (i) the settlement of strikes, lockouts or other industrial disturbances except in the sole discretion of the Party experiencing such disturbance; (ii) the extension of the delivery period of any transaction; (iii) the Parties to make up any quantity of Product they would otherwise have been obligated to sell and purchase during any period when Force Majeure was validly claimed; (iv) Greenfire to deliver, or Warner Petroleum to receive,

the Product at a point other than the agreed upon delivery point; or (v) Greenfire to purchase replacement Product at a price greater than the agreement price.

- (c) Any Party claiming Force Majeure and seeking the benefit of this Section 11.1 shall give written notice containing full particulars of such Force Majeure to the other Party forthwith. Failure to deliver or receive Product by reason of Force Majeure will not extend the term of this Agreement and the quantities of Product to be delivered under this Agreement will be reduced by the quantities affected by the Force Majeure event.
- (d) The Party claiming Force Majeure shall give notice to the other Party, as soon as reasonably possible after the Force Majeure condition has been remedied or ceased to apply, to the effect that the same has been remedied or ceased to apply and that such Party has resumed or is in a position to resume performance of the applicable covenants and obligations under this Agreement.
- (e) A Party may, on one (1) month's prior notice, immediately terminate this Agreement if this Agreement is suspended or materially adversely affected as a result of the occurrence of an event of Force Majeure and the length of such interruption exceeds six (6) months ("**Extended Force Majeure Event**"). Unless a Party has terminated this Agreement pursuant to this Section 11.1(e), the Parties' obligations hereunder will reconvene upon termination of the Force Majeure.

11.2 Change in Law

- (a) In the event of a change in Applicable Laws of general application, which, for certainty, shall not include the adoption, enactment, promulgation, modification, amendment, or revocation of any Applicable Law:
 - (i) the effect or effects of which are principally directed at or principally borne by transporters of Product by railcar in Alberta; or
 - (ii) that is otherwise reasonably anticipated as of the Effective Date, as evidenced by the public availability of any related documents issued by a Governmental Authority that propose such change along with details which are reasonably sufficient to enable the Parties to assess the impact thereof,that, after the Effective Date:
 - (iii) results in any material obligation of a Party becoming unlawful or unenforceable; or
 - (iv) requires, directs or mandates that any material term of this Agreement be amended or deleted,

Greenfire and Warner Petroleum shall, acting reasonably and in good faith, negotiate such amendments to this Agreement, including the Deductions and Margins, as may be required to comply with such general change in Applicable Law and mitigate the impact or effect of such change.

- (b) If such general amendment precludes the delivery of all or substantially all of the Marketing Services, or notwithstanding such reasonable and good faith negotiations the

Parties are unable to agree on an amendment to this Agreement, then, either Party shall, in its sole discretion, have the right to give notice of termination of this Agreement effective sixty (60) days from the date of such notice.

ARTICLE 12

MISCELLANEOUS

12.1 Apportionment or Curtailment

Should either Party, at any time during the term of this Agreement be required by governmental regulations or orders or by a shortage of transportation facilities to apportion or curtail the use of its facilities or acceptances and/or deliveries of Product, the quantity of Product required to be purchased or delivered under the terms of this Agreement shall be proportionately reduced, including the Annual Production Volume and the corresponding Shortfall Production Volume. The Party subject to the governmental regulations or orders or shortage of transportation facilities shall have the right to apportion or curtail its available transportation facilities and/or Product supplies in any manner it deems reasonable. Each Party shall use commercially reasonable efforts to notify the other Party of any potential or actual apportionment or curtailment.

12.2 Inspection

If the Parties agree that an independent inspector should be used to determine quantity of the Product, the Parties shall jointly appoint an independent inspector who is acceptable to both Parties, acting reasonably and the cost of the independent inspector shall be shared equally. The independent inspector's report shall be made available to both Parties. The independent inspector's determination will be conclusive and binding for all purposes, absent manifest error or fraud.

12.3 Notices

Notices and any other communications permitted or required under this Agreement shall be in writing or e-mail to:

TO GREENFIRE:

Greenfire Hangingstone Operating Corporation
Suite 1650, 444 5th Avenue SW
Calgary, Alberta, T2P 2T8
Attention: Albert Luong
Email: aluong@greenfireoilandgas.com

TO WARNER PETROLEUM:

Warner Petroleum Corporation
2480 S Clare Ave
Clare, MI 48617 USA
Attention: Byron Thomas
Email: bthomas@wpcgroup.us

with a copy to:

BENETT JONES LLP:

4500 Bankers Hall East
855 2nd Street SW
Calgary, AB T2P 4K7
Attention: Vivek Warriar
E-mail: WarriarV@bennettjones.com

Any notice or other communication given personally or by courier shall be deemed to have been given on the date delivered, any delivery by e-mail shall be deemed to be given at the commencement of the next following Business Day, and any notice or other communication given by prepaid mail shall be deemed to have been given on the fifth (5th) Business Day following deposit in the mail. In times of labour strikes or slow-downs affecting the mail delivery, notice shall be effective only if delivered. Any Party may change its address for service by notice served as set out above

12.4 Amendment

This Agreement and the NDA constitute the entire agreement between the Parties relating to the subject matter of this Agreement and this Agreement can only be amended by written agreement executed by both Parties.

12.5 Severance

If any part of this Agreement is held by a Court of competent jurisdiction to be invalid or unenforceable, then such ruling shall in no way affect the validity or enforceability of the balance of the Agreement, it being the intent of the Parties that the invalid or unenforceable portions are severable.

12.6 Waiver

No previous waiver or course of dealing shall affect either Party's right to restrict performance of other future obligations.

12.7 Assignment

Neither Party may assign this Agreement, or any part thereof, without the written consent of the other Party, which consent may not be unreasonably withheld. This Agreement and everything contained herein shall inure to the benefit of and be binding upon the Parties and their respective permitted successors and assigns.

12.8 Governing Law

This Agreement shall be interpreted and construed in accordance with the laws of Alberta, Canada.

If Greenfire starts a legal proceeding under this Agreement, then the Parties agree to attorn to the exclusive jurisdiction of the courts in Detroit, Michigan and the applicable courts of appeal. If Warner Petroleum starts a legal proceeding under this Agreement, then the Parties agree to attorn to the exclusive jurisdiction of the court in Calgary, Alberta and the applicable courts of appeal.

12.9 Prior Agreements

This Agreement supersedes and replaces any and all prior representations, proposals, negotiations, letters of understanding, agreements, contracts, or amendments thereto or any other communications, verbal or written between the Parties relating to the subject matter of this Agreement.

12.10 Survivorship

Upon termination of this Agreement, neither Party shall be relieved of its respective obligations and liabilities arising hereunder prior to termination and Sections 1.1, 8.1, 9.1, 9.3, 9.5, Article 10, 12.2, 12.3 and 12.8 shall survive termination, suspension or expiry of this Agreement.

12.11 Expenses

Each Party to this Agreement shall pay its respective legal and other professional advisory fees, costs and expenses incurred in connection with the negotiation, preparation and execution of this Agreement and all documents and instruments executed or delivered pursuant to this Agreement.

12.12 Index and Headings

The division of this Agreement into articles, paragraphs, clauses or other subdivisions, and the insertion of headings are for convenience of reference only.

12.13 Time of the Essence

Time shall be of the essence of all provisions of this Agreement.

12.14 Counterpart and Facsimile Execution

This Agreement may be executed in counterpart with the same effect as if both Parties had signed the same document. Both counterparts shall be construed together and shall constitute one and the same original Agreement as applicable. Each of the Parties understands and agrees that any counterpart execution of this Agreement may be delivered in the form of a copy of the executed original sent by facsimile (or email) transmission, and such copy shall have the same force and effect as the delivery of a hard copy original of such.

[Signature Page Follows – Remainder of Page Left Intentionally Blank]

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date and year first above written.

**GREENFIRE HANGINGSTONE
OPERATING CORPORATION**

 April 15, 2019
(Signature) (Date)

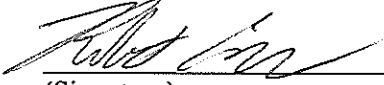
Robert Logan, President + CEO
(Name and Title)

WARNER PETROLEUM CORPORATION

(Signature) (Date)

(Name and Title)

GREENFIRE OIL AND GAS LTD.

 April 15, 2019
(Signature) (Date)

Robert Logan, President + CEO
(Name and Title)

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date and year first above written.

**GREENFIRE HANGINGSTONE
OPERATING CORPORATION**

WARNER PETROLEUM CORPORATION

(Signature) (Date)

(Signature)  04/15/2019
(Date)

(Name and Title)

Harry C. Warner, President
(Name and Title)

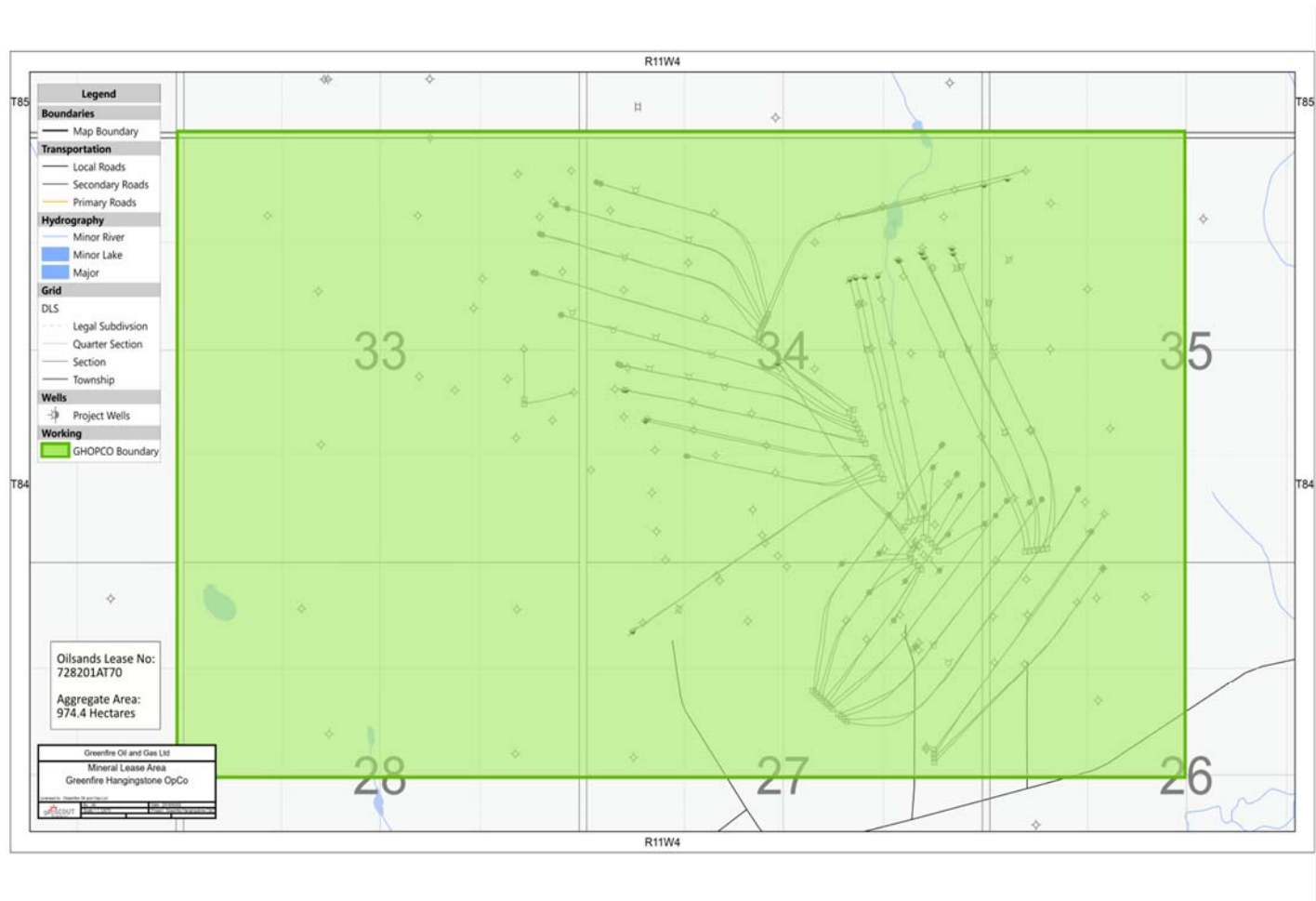
GREENFIRE OIL AND GAS LTD.

(Signature) (Date)

(Name and Title)

SCHEDULE "A"
AREA OF DEDICATION

See attached.



SCHEDULE "B"

PRODUCT SPECIFICATIONS

The Product specifications set forth below are typical of Greenfire's Product quality specifications produced through steam assisted gravity drainage processes at Greenfire's Hangingstone production facility.

Both Warner and Greenfire agree that there is a market for Product in this quality specification range going forward into future near market conditions.

Greenfire will use reasonable commercial efforts to continue production of a marketable Product that meets or exceeds the specifications set forth below.

Greenfire proposes that by implementing its HHF process at a later date, that the resulting Product will exhibit improved quality specifications including lower sulfur content and lower viscosity that are consistent with IMO/MARPOL commercial ship/vessel fuels specifications. Such improved quality may be potentially sold into higher end use markets that could provide improved financial returns for Warner and Greenfire.

See attached Product specification sheet.

REPORT OF ANALYSIS

Client: PBF Energy Ltd 1 Sylvan Way, 2nd Floor, Parsippany, NJ, 07054, United Job Location: Edmonton, AB Canada Our Reference Number: CA230-0000947	Client Reference Number: None
Sample ID: CA230-0000947 Sample Designated As: Bitumen Vessel/Location: Greenfire Hangingstone, AB Representing: Composite of Tanks 230 & 233 Attention: Jyoti Yadav	Date Taken: March 19, 2019 Date Submitted: March 20, 2019 Date Tested: March 21, 2019 Drawn By: Greenfire / Intertek

METHOD	TEST	SPECIFICATIONS	RESULTS	UNITS
ASTM D5002	Density @ 15°C	---	1.0088	Kg/L
ASTM D5002	API Gravity, Density, Relative Density	---	8.7	API @ 60°F
ASTM D5705MOD	H2S in Vapor Phase: 77 °F	---	<0.2	ppm
ASTM D97	Pour Point	---	69.8	°F
ASTM D4294	Sulfur Content (EDXRF Method)	---	4.95	% Wt
ASTM D4530	Carbon Residue (Micro Method)	---	15.30	% (m/m)
ASTM D5762	Nitrogen by Boat-Inlet Chemiluminescence	---	3944	ppm
ASTM D4007	Water and Sediment by Centrifuge	---	0.00	% (V/V)
ASTM D93B	Flash Point (PMCC)	---	>110	°C
ASTM D445	Kinematic Viscosity @ 100.0 °C	---	266.4	cSt



Ahmed Mohiuddin, Laboratory Supervisor

The information contained herein is based on laboratory tests and observations performed by Intertek. This sample (or these samples) was or were submitted by the client solely for testing. Intertek disclaims any and all liability for damage or injury which results in the use of the information contained herein; and nothing contained herein shall constitute a guarantee, warranty or representation by Intertek with respect to the accuracy of the information, the sample, products or items described, or their suitability for use for any specific purpose. This report is for the exclusive use of the client and may only be reproduced in full by written permission of Intertek. Unless otherwise instructed, all samples pertaining to this report will be discarded 90 days after the issuing date of this report.

Intertek
 14920-135 Avenue Edmonton, AB T5V 1R9 Canada
 Telephone 587 881 1916 e-mail ahmed.mohiuddin@intertek.com



SCHEDULE "C"

WIRE INSTRUCTIONS

FOR PAYMENTS IN \$USD:

☒ **USD** (if receiving USD currency)

Where is the wire coming from?

- 1) Within Canada - Requires SWIFT Code as per below
- 2) USA - Requires either SWIFT Code/Fed Wire (considered a domestic wire from USA)
- 3) Other - Requires SWIFT Code as per below

These wires must pay through BOFAUS3NXXX and include the Final Bank Details ATBRCA6EXXX with Final Beneficiary Name, Account and Address.

Pay to: (Intermediary) (56)

Bank of America N.A. New York

SWIFT Code for USD Wires:

BOFAUS3NXXX or ABA (Fedwire) - 026009593

ATB's Swift Code: (Receiving bank) (57)

ATBRCA6EXXX

Final Beneficiary: (Bank Code and Branch Transit No.)(59)

021907609

Final Beneficiary Account Number: Mandatory (59)

00251080479

Beneficiary Name: (59)
(Personal/Business Name) Mandatory

Greenfire Hangingstone Operating Corporation

Beneficiary Physical Address: (59)
(No P.O. Box Address) Mandatory

610, 324-8 Ave SW Calgary, AB T2P 2Z2

FOR PAYMENTS IN \$CAD:



Instructions to Receive a Wire (incoming to ATB Financial)

Via Customer Wire Transfer (MT103)

If you are **receiving** wire funds, provide the information below to the SENDER. This information is required, so that the money arrives properly, and is not misdirected. Wire fees apply for all wire transfers. **The sending customer is responsible to provide the full and correct details to the sending financial institution**

What currency is ATB receiving?

- CAD – Only provide section A
- AUD/CNY/EUR/HKD/JPY/MXN – Only provide section D
- USD – Only provide section B
- No other currencies can be accepted by ATB
- GBP – Only provide section C

Section A

CAD (if receiving Canadian currency) – Pay Thru Sending Banks CAD Correspondent

Where is the wire coming from?

- 1) Within Canada - Requires Bank Code and Branch Transit No.
- 2) USA - Requires SWIFT Code as per below
- 3) Other - Requires SWIFT Code as per below

SWIFT Code:	ATBRCA6EXXX
Bank Name:	ATB Financial
Bank Details: (57) (Bank Code and Branch Transit No.)	021907609
Beneficiary Account Number: Mandatory (59)	00229660879
Beneficiary Name: (59) (Personal/Business Name) Mandatory	Greenfire Hangingstone Operating Corporation
Beneficiary Physical Address: (59) (No P.O. Box Address) Mandatory	

Required information for all incoming wires: (to be completed by sending institution and Wire Originator)

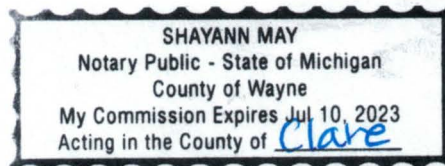
- Full Name and Address of Ordering Institution (52)
- Full Name of the Originator (50)
- Account Number of the Originator (50)
- Physical Address of the Originator (Do not use Bank Address) (50)

EXHIBIT 2

THIS IS EXHIBIT "2"
TO THE AFFIDAVIT OF HARRY WARNER
SWORN BEFORE ME THIS 4TH DAY OF NOVEMBER, 2020



A NOTARY PUBLIC
IN AND FOR THE STATE OF MICHIGAN



September 3, 2020

Warner Petroleum Corporation
2480 South Clare Ave
Clare, MI 48617
bthomas@wpcgroup.us

Attention: Byron Thomas

Dear Mr. Thomas:

Re: Notice of Termination of the Marketing Agreement

We have been retained by Greenfire Hangingstone Operating Corporation and Greenfire Oil & Gas Ltd., which are collectively referred to in this letter as **Greenfire**. On April 15, 2019, Greenfire and Warner Petroleum Corporation (**Warner**) entered into a Marketing Agreement. Due to Warner's defaults under the Marketing Agreement, which are set out in detail below, Greenfire is electing to terminate the Marketing Agreement.

Warner's defaults under the Marketing Agreement

Warner has committed the following defaults under the Marketing Agreement:

1. Under s. 2.2 of the Marketing Agreement, Warner covenanted to provide marketing services, including the coordinated and efficient movement, marketing and selling of Greenfire product. In or around December 2019, Warner failed to transport approximately 80,000 barrels of product to the sales point, and as a result the sale did not proceed. Warner ended up storing rather than selling the product, and Greenfire understands that Warner still has approximately 20,000 barrels of unsold product that is sitting idle in storage. Due to inexcusable delays and negligence on Warner's part, the barrels that were eventually sold were for sales prices that were vastly lower (even negative) than what they should have been sold for had Warner discharged its obligations under the Marketing Agreement. Warner's failure to efficiently transport, market and sell the product under the Marketing Agreement has materially and adversely affected Greenfire and is not capable of being cured. Based on this event of default, Greenfire is terminating the Marketing Agreement effective at noon on Monday September 14, 2020, which provides Warner with the additional ten (10) days written notice required under s. 6.2(b) of the Marketing Agreement.
2. In addition, Warner has failed to pay the amounts properly due and owing to Greenfire pursuant to sections 4.1 and 4.2 of the Marketing Agreement since March 27, 2020. Under section 4.2(c) of the Marketing Agreement, Warner is responsible for any demurrage or storage costs related to transportation, car, or market related issues. Further, Warner covenanted in

10518385.1



section 4.2(b) that the Deductions it would subtract from the delivered price of the product would not exceed USD \$8.00/barrel, unless otherwise agreed by the parties. The parties never agreed to allow Deductions to exceed USD \$8.00/barrel.

Notwithstanding these plain and obvious provisions in the Marketing Agreement, Warner charged Deductions to Greenfire that are related to transportation, car or market related issues and that dramatically exceed USD \$8.00/barrel. As a result of those improper and exorbitant Deductions, Warner now alleges that Greenfire owes money to Warner under the Marketing Agreement. Such an interpretation of the Marketing Agreement is entirely without merit.

Based on the proper interpretation of the Marketing Agreement, Warner owes Greenfire at least \$4,014,962.86. This letter constitutes formal notice of Warner's default for failing to pay \$4,014,962.86 to Greenfire when it was due and owing. Greenfire demands that Warner cures this default within 30 days, failing which Greenfire also terminates the Marketing Agreement based on Warner's failure to pay Greenfire the amounts properly owing under the Marketing Agreement.

Warner's allegation that Greenfire is in default is entirely without merit

In Harry C. Warner's letter dated April 20, 2020, Warner alleged that Greenfire was in default of the Marketing Agreement for two reasons, both of which are entirely without merit:

1. Warner alleged that Greenfire failed to pay its allocated share of Deductions pursuant to section 4.2 of the Marketing Agreement. However, as already discussed above Warner ignored its covenants under the Marketing Agreement and has charged improper and exorbitant Deductions that exceed USD \$8.00/barrel, and attempted to charge improper costs that the Marketing Agreement clearly stipulates are for Warner's sole account. Greenfire is not in default of an obligation to pay the improper Deductions or other costs charged by Warner.
2. Further, Warner alleged that Greenfire failed to hedge in a prudent manner and/or to maintain appropriate hedges as required under section 2.1(f) of the Marketing Agreement. Greenfire's obligation to hedge was subject to two conditions: (1) Greenfire's senior debt covenants, and (2) approval by the Greenfire Board of Directors of a prudent hedging strategy. As you know—since Harry C. Warner sat on Greenfire's Board of Directors—the Board approved the unwinding of the hedges so as to comply with and pay certain secured debt covenants, which nullifies the first condition and satisfies the second. As a result, Greenfire is not in breach of the covenant in section 2.1(f).

As a result of the foregoing, Greenfire is still a non-Defaulting Party, and it is entitled to terminate the Marketing Agreement based on Warner's defaults.

This issue also raises questions related to whether Harry C. Warner breached his fiduciary duties to Greenfire due to the clear conflict of interest between his position on Greenfire's Board and his role as the President of Warner. Mr. Warner was in an increasingly difficult position as he was privy to information material to Greenfire's business interests and that would effect the decisions of Greenfire's Board due to his role as Warner's President. As a director of Greenfire, Mr. Warner had a fiduciary duty to disclose any such material information to the other members of Greenfire's Board but Mr. Warner withheld this critical information from Greenfire's Board in order to benefit Warner and protect

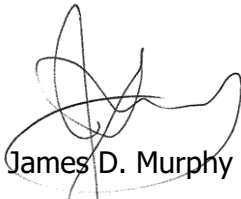
his own personal interest. Mr. Warner ultimately resigned from Greenfire's Board as a result of this tricky situation, but only after he had already failed to disclose material information to Greenfire's Board and failed to act in the best interests of Greenfire as required by his director role.

Greenfire terminates the Marketing Agreement

In short, Greenfire is terminating the Marketing Agreement effective at noon on Monday, September 14, 2020. After that time, Greenfire's obligations to Warner under the Marketing Agreement will cease to exist. If you have any questions or comments about this termination please feel free to contact me.

Yours truly,

BURNET, DUCKWORTH & PALMER LLP



James D. Murphy

JDM/blh

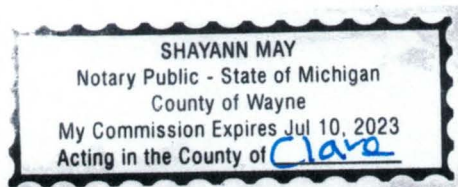
cc: Vivek Warrierv (warrierv@bennettjones.com)

EXHIBIT 3

THIS IS EXHIBIT "3"
TO THE AFFIDAVIT OF HARRY WARNER
SWORN BEFORE ME THIS 4TH DAY OF NOVEMBER, 2020



A NOTARY PUBLIC
IN AND FOR THE STATE OF MICHIGAN



[REDACTED]

[REDACTED]

[REDACTED]

From: Vivek Warriier
Sent: Wednesday, September 30, 2020 5:36 PM
To: James D. Murphy <jdm@bdplaw.com>
Cc: Ashley Weldon <aweldon@bdplaw.com>
Subject: RE: Greenfire v. Warner

James, thanks again for the discussion. [REDACTED]

[REDACTED] In addition, notwithstanding our ongoing discussions, I want to be clear that Warner views the purported termination by Greenfire of the Marketing Agreement as invalid and of no force and effect. In Warner's view the Marketing Agreement remains in full force and effect and is binding on Greenfire.

Best regards,
Vivek

From: Vivek Warriier <WarrierV@bennettjones.com>
Sent: Wednesday, September 30, 2020 2:29 PM
To: James D. Murphy <jdm@bdplaw.com>
Cc: Ashley Weldon <aweldon@bdplaw.com>
Subject: Re: Greenfire v. Warner

James, 4 pm works

From: James D. Murphy <jdm@bdplaw.com>
Date: September 30, 2020 at 1:33:25 PM MDT
To: Vivek Warriier <WarrierV@bennettjones.com>
Cc: Ashley Weldon <aweldon@bdplaw.com>
Subject: Greenfire v. Warner

Vivek,

Thanks again for the call this morning, and for your ongoing efforts to attempt to resolve the issues

between Greenfire and Warner.

[REDACTED]

Regards,

James D. Murphy
Partner

BD&P BURNET, DUCKWORTH & PALMER LLP Law Firm

Telephone 403.260.0152 **Fax** 403.260.0332 **Web** BDPLAW.COM **Address** Suite 2400, 525-8th Ave SW Calgary,
AB T2P 1G1



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EXHIBIT 4

THIS IS EXHIBIT "4"
TO THE AFFIDAVIT OF HARRY WARNER
SWORN BEFORE ME THIS 4TH DAY OF NOVEMBER, 2020



A NOTARY PUBLIC
IN AND FOR THE STATE OF MICHIGAN





Bennett Jones

Bennett Jones LLP

4500 Bankers Hall East, 855 - 2nd Street SW

Calgary, Alberta, Canada T2P 4K7

Tel: 403.298.3100 Fax: 403.265.7219

Kelsey Meyer

Partner

Direct Line: 403.298.3323

e-mail: meyerk@bennettjones.com

Our File No.: 87366-2

October 14, 2020

Via E-Mail

Mr. James D. Murphy
Burnet, Duckworth & Palmer LLP
Suite 2400
525 8th Ave SW
Calgary, AB T2P 1G1

Dear Mr. Murphy:

Re: Greenfire's Purported Termination of the Marketing Agreement dated April 15, 2019

As you know, we are legal counsel to Warner Petroleum Corporation ("**Warner**"). We write in response to your letter of September 3, 2020 (the "**Termination Notice**"), which purported to terminate the Marketing Agreement between Warner, Greenfire Oil & Gas Ltd. ("**GOGL**"), and GOGL's wholly-owned subsidiary, Greenfire Hangingstone Operating Corporation ("**GHOC**", and, together with GOGL, "**Greenfire**"). The acts of default alleged against Warner in the Termination Notice are meritless. Warner therefore continues to insist on strict performance of the Marketing Agreement and reserves all of its rights thereunder. While we stated as much to Greenfire through discussions on various dates and correspondence between counsel on September 30, 2020, this letter serves to explain Warner's position in further detail.

Warner's provision of marketing services

The Termination Notice alleges that Warner failed to provide marketing services for product that Greenfire produced in December 2019. However, Warner has consistently made reasonable commercial efforts to obtain competitive pricing for Greenfire product, as required by Section 3.1(a) of the Marketing Agreement. Warner denies any allegation that it failed to bring Greenfire product to market at any point during the Marketing Agreement's term. Moreover, Greenfire acknowledged in Section 3.1(c) of the Marketing Agreement that the markets for Greenfire product are highly volatile. Warner is therefore authorized to and indeed must rely on its own internal due diligence and evaluation to provide the marketing services. Warner was entitled to exercise its discretion to hold Greenfire's product in storage, and Greenfire approved any such decision made by Warner.

We also observe, in response to Greenfire's unfounded assertion that Warner's actions led to sales at negative prices, that Warner was forced to complete negative-priced sales of Greenfire product between March and May 2020 solely as a result of volatile market conditions, of which Greenfire was

intimately aware. Greenfire would not have faced exposure to these negative sales if it had maintained the hedging program required by Section 2.1(f) of the Marketing Agreement. Greenfire unilaterally unwound its hedges, however, without the knowledge or consent of Warner, on or about March 4, 2020.

In any event, Greenfire's complaint that Warner failed to market Greenfire product in a commercially reasonable manner (which Warner denies) could be cured by a monetary payment. Greenfire therefore has no basis for asserting that the truncated notice period provided by Section 6.2(d) of the Marketing Agreement applies to this alleged default. Further, any monetary amount owing from Warner to Greenfire (which Warner again denies) is more than offset by the substantial amounts that Greenfire owes to Warner, which amounts are described below.

Operating costs and deductions

Greenfire also alleges that Warner charged excess Deductions, as that term is defined in Section 4.2(a) of the Marketing Agreement. Greenfire's assertion is both inaccurate and unsupported by the terms of the Marketing Agreement.

Under Section 4.2(a), Greenfire and Warner proportionately share in the deduction of expenses for freight charges (4.2(a)(i)), rail car rental costs (4.2(a)(ii)), empty car moves charged by rail carriers (4.2(a)(iii)), and throughput fees and unloading fees (4.2(a)(v)). Warner's Deductions in respect of these expenses have been entirely appropriate throughout the Marketing Agreement's term. While Deductions made under Sections 4.2(a)(ii) and 4.2(a)(v) must not exceed USD \$8.00 per barrel, at no point have Warner's Deductions exceeded that amount. Further, under Section 4.2(c), Greenfire is solely responsible for rail car demurrage and storage costs resulting from production supply issues. Greenfire has consistently delivered far less than the amounts set out in its annual forecasts, causing Warner to incur rail car demurrage and storage costs that Greenfire is solely responsible for.

As of February 29, 2020, Greenfire was indebted to Warner in the amount of \$904,828.10, representing Greenfire's share of Deductions and all expenses incurred as result of production supply issues. This number has continued to grow, particularly given Greenfire's decision in May 2020 to shut-in production. Indeed, in March through September 2020, Warner incurred expenses totaling \$2,370,638.42, of which \$1,861,803.38 is attributable to Greenfire. Warner also incurred a \$316,239.48 supply reimbursement cost for the month of May 2020, of which \$237,176.61 is attributable to Greenfire. Even though Warner fully credited Greenfire for all sales of Greenfire product to date, which credit amounted to \$1,871,152.70 for the months of March through September 2020, Greenfire therefore remains indebted to Warner in the amount of \$1,132,655.39 for Deductions and expenses.

Moreover, Greenfire's lack of production caused Warner to incur contract breakage fees and suffer other losses totaling \$1,035,255.27 in March through September 2020. These amounts are also fully recoverable against Greenfire pursuant to Section 7.3 of the Marketing Agreement. After accounting for these costs, Greenfire's total liability to Warner as of September 2020 was \$2,167,913.66. Accordingly, in light of Greenfire's substantial indebtedness to Warner, there is no basis for Greenfire's assertion that Warner owes money to Greenfire and is therefore in default of the Marketing Agreement.



Finally, while Warner maintains that its Deductions are entirely appropriate and that it owes no adjustment to Greenfire, Section 8.1(i) of the Marketing Agreement establishes a resolution mechanism that applies if Greenfire disputes Warner's Deductions. Greenfire's first resort is to good faith negotiations, followed by appointment of a third-party auditor at Greenfire's sole expense. Warner owes no adjustment to Greenfire, and cannot be held in default of the Marketing Agreement, until such audit has been conducted.

Ongoing operation of the Marketing Agreement

In light of the foregoing, Warner rejects Greenfire's assertion that Warner is in default of the Marketing Agreement, and denies the validity of Greenfire's purported termination of the Marketing Agreement. Contrary to Greenfire's purported notice of termination, the Marketing Agreement remains in force and Warner continues to demand strict performance of Greenfire's obligations thereunder. Warner reserves all rights to file a proof of claim relating to payment for Greenfire's production shortfalls, pursuant to Section 7.3 of the Marketing Agreement, and any other amount owing from Greenfire to Warner, in the context of Greenfire's insolvency proceedings.

Further, we have reviewed the materials filed by Greenfire in its insolvency proceedings. In Exhibit "D" to the Affidavit of Robert Logan, sworn October 9, 2020 (the "**Logan Affidavit**"), GHOC's projected cash flow statement notes that GHOC "has connected with a third-party marketer." We have also been notified by clients of Warner that Robert Logan and a third-party marketer contacted those clients to suggest that Greenfire's production will return in November 2020. Warner has not been contacted by Greenfire about this development and can only infer that Greenfire intends to restore production without Warner's involvement. Greenfire covenanted, however, to dedicate *all* Greenfire product produced in the Area of Dedication (as defined in the Marketing Agreement) to Warner. If Greenfire continues with the course of action described in the Logan Affidavit, and intimated to Warner's clients, it will be in further breach of the Marketing Agreement and Warner will be entitled to damages.

Yours truly,

BENNETT JONES LLP



Kelsey Meyer

cc: Vivek Warriar, Bennett Jones LLP



EXHIBIT 5

THIS IS EXHIBIT "5"
TO THE AFFIDAVIT OF HARRY WARNER
SWORN BEFORE ME THIS 4TH DAY OF NOVEMBER, 2020



A NOTARY PUBLIC
IN AND FOR THE STATE OF MICHIGAN



From: Jared Layton <jared.layton01@gmail.com>

Sent: Wednesday, November 4, 2020 9:02 AM

To: Byron Thomas <bthomas@wpcgroup.us>

Subject: Market for Greenfire Production

Harry/Byron,

As discussed, should Greenfire be able to restart and return to production I have had discussions with all of our current customers and each is very interested in purchasing the product when it is available, (November, December etc.) Between all of them marketing a projected production rate of between 3,000 and 5,000 barrels per day is not a problem. Pricing would be similar as in the past where the product would be priced with a fixed differential to WTI with adjustments for Greenfire's quality, blending components etc.. Additionally, as in the past, Greenfire will be responsible for delivering the product to each customer's location. We will need to work with these customers to nominate deliveries of the product as required on a normal basis, but they will each take deliveries mid-month should the product come available. Given Greenfire's track record of non-performance on contractual obligations, these potential arrangements have not been derived without significant negotiation.

In addition, I have been in discussion with three additional counterparties. Each of these counterparties has expressed interest in 50 to 100% of Greenfire's production. Each of these new counterparties is interested in a term deal of 3-12 months and would pre-pay for the barrels before delivery. These new customers will provide the opportunity to move additional volume should Greenfire's production increase and also allow us to maximize the net back value received for the product.

Please let me know if you need any further information.

Regards,

Jared

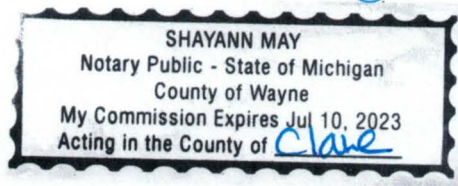
Jared Layton
JL Energy Corp
c 403-874-8726

EXHIBIT 6

THIS IS EXHIBIT "6"
TO THE AFFIDAVIT OF HARRY WARNER
SWORN BEFORE ME THIS 4TH DAY OF NOVEMBER, 2020



A NOTARY PUBLIC
IN AND FOR THE STATE OF MICHIGAN



From: [Allison Badger](#)
To: aweldon@bdplaw.com; jdm@bdplaw.com
Cc: [Kelsey Meyer](#); [Vivek Warriar](#)
Subject: Request for Information from Greenfire Oil & Gas Ltd. and Greenfire Hangingstone Operating Corporation [BJ-WSLegal.FID4680674]
Date: Wednesday, October 7, 2020 2:26:48 PM
Attachments: [image001.png](#)
[Oct 7 20 letter to Murphy and Weldon.PDF](#)
[Redacted email from Robert Logan to Harry Warner October 5, 2020.PDF](#)
[FW Greenfire information request.msg](#)

Good afternoon,

Please see the attached correspondence sent on behalf of Kelsey Meyer.

Best regards,



Allison Badger

Legal Assistant to Kelsey Meyer & Dylan Gibbs, Bennett Jones SLP

4500 Bankers Hall East, 855 - 2nd Street SW, Calgary, AB, T2P 4K7
T. [403 298 3145](tel:4032983145) | F. [403 265 7219](tel:4032657219)
E. badgera@bennettjones.com
BennettJones.com



Bennett Jones

Bennett Jones LLP
4500 Bankers Hall East, 855 - 2nd Street SW
Calgary, Alberta, Canada T2P 4K7
Tel: 403.298.3100 Fax: 403.265.7219

Kelsey Meyer
Partner
Direct Line: 403.298.3323
e-mail: meyerk@bennettjones.com
Our File No.: 87366-2

October 7, 2020

Via E-Mail

WITH PREJUDICE

Mr. James D. Murphy and Ms. Ashley Weldon
Burnet, Duckworth & Palmer LLP
Suite 2400
525 8th Ave SW
Calgary, AB T2P 1G1

Dear Mr. Murphy and Ms. Weldon:

Re: Requests for Information from Greenfire Oil & Gas Ltd. and Greenfire Hangingstone Operating Corporation

As you know, we are legal counsel to Warner Petroleum Corporation ("**Warner**") and Liberator Crude Trading, LLC ("**Liberator**"). We write in relation to recent communications between Warner and Greenfire Oil & Gas Ltd. ("**GOGL**") and its wholly-owned subsidiary, Greenfire Hangingstone Operating Corporation ("**GHOC**", and, together with GOGL, "**Greenfire**") and their respective legal counsel regarding offers made by Greenfire to resolve Warner's claims arising out of the Marketing Agreement between it and Greenfire dated April 2019, as well as claims alleged by Greenfire against Warner (the "**Settlement Proposal**"). Where Liberator is a shareholder of Greenfire, it has a direct interest in any settlement entered into between Greenfire and Warner.

Pursuant to an email dated October 5, 2020, a redacted copy of which is attached, Robert Logan of Greenfire advised our clients that "Greenfire has secured financing where the new lender will be taking over control of the company." You have also advised Vivek Warriar of our office that Greenfire has a new lender. Please clarify and provide details of this proposed (we assume) transaction with the new lender. In particular:

1. Who is the new lender?
2. What financing is being provided, when, and on what terms?
3. On what basis is the new lender "taking over control of the company"?
4. Please provide documentation in relation to this proposed transaction, including any letters of intent or other agreements.

October 7, 2020

Page 2

Mr. Warriar has requested information in this regard from you during discussions regarding the Settlement Proposal. We have not received any information in response to that request, nor in response to the attached email from Mr. Warriar to you dated September 22, 2020.

As you know, Liberator is a shareholder of GOGL, which in turn is the sole shareholder of GHOC. GHOC holds the oil and gas properties of Greenfire. To the extent that GOGL is entering into a sale, lease or exchange of all or substantially all of its property (which would include a sale of its shares in its wholly-owned subsidiary, GHOC), shareholder approval is required pursuant to section 190 of the *Business Corporations Act* (Alberta) (the "ABCA"). To date, Liberator has not received any request for shareholder approval.

Where Greenfire is apparently entering into a transaction with a new lender who will, in the words of Mr. Logan, "be taking over control of the company", Greenfire is required, by statute, to provide the requested information to Liberator. As a shareholder of GOGL, Liberator is also entitled to receive annual financial statements; please provide the most recent financial statements of Greenfire.

In addition to these statutory requirements, Warner and Liberator will need, at a minimum, the information requested in this letter and in the attached email in order to consider the Settlement Proposal. Considering that Warner has already requested this information through its counsel, Greenfire's apparent unwillingness to provide this very basic information about a significant transaction it claims to be entering into without the knowledge of its shareholders is alarming, and in apparent contravention of section 190 of the ABCA.

We trust that this information will be provided forthwith, so that Warner and Liberator may consider and respond to Greenfire's Settlement Proposal, including as set out in Mr. Logan's email of October 5, 2020. Indeed, Mr. Logan's email states there is urgency to this matter. Please provide the requested information by 5:30 p.m. MDT on October 8, 2020.

Finally, you and Mr. Logan have both referenced that Greenfire may initiate a "court process" if a settlement is not reached between the parties. Please ensure that Warner and Liberator (and our office as their counsel) are provided with notice of any such court process.

Yours truly,

BENNETT JONES LLP



Kelsey Meyer

cc: Vivek Warriar, Bennett Jones LLP



From: Robert Logan <rlogan@greenfireoilandgas.com>
Sent: Monday, October 5, 2020 3:04 PM
To: Harry Warner <hwarner@wpcgroup.us>; Byron Thomas <bthomas@wpcgroup.us>; Timothy Skillman <Tim.Skillman@m-theorygrp.com>
Cc: Allan Bezanson <abezanson@greenfireoilandgas.com>; David Phung <dphung@greenfireoilandgas.com>; Ken Morris <kmorris@imperialcapital.com>
Subject: Without Prejudice - [REDACTED]

Without Prejudice

Hi Harry,

Greenfire has secured financing where the new lender will be taking over control of the company.

[REDACTED]

Please give me a call to discuss.

Regards,

Robert B. Logan, MPBE, P.Eng, PE
Chairman
Greenfire Oil and Gas Ltd.
403-465-2321 (cell)
rlogan@greenfireoilandgas.com



This e-mail contains confidential information. If you are not the intended recipient, you should not distribute or copy this e-mail or any attachments, nor should you take any action in reliance on their contents. If you believe you have received this e-mail in error, please notify the sender immediately and delete the original message.

From: [Vivek Warriier](#)
To: [Kelsey Meyer](#)
Subject: FW: Greenfire information request
Date: Tuesday, October 6, 2020 1:43:16 PM

From: Vivek Warriier
Sent: Tuesday, September 22, 2020 1:15 PM
To: 'aweldon@bdplaw.com' <aweldon@bdplaw.com>; 'James D. Murphy' <jdm@bdplaw.com>
Subject: FW: Greenfire information request

Ashley and James,

As discussed yesterday, Warner asked me to pass on certain requests for information that would assist them in evaluating the proposed settlement offer. The objective is to develop a better understanding of Greenfire's overall position to enable Warner's board and management to assess whether the offer is fair and appropriate, taking into account all of the circumstances, including the fact that Greenfire is of the view that it is owed money. In short, Warner is of the view that any further colour you can provide on the background rationale for the offer currently on the table would be helpful.

Happy to discuss.

Best regards,
Vivek

From: Timothy Skillman
Sent: Monday, September 21, 2020 10:24 PM
To: Harry Warner - Warner Petroleum (hwarner@wpcgroup.us) <hwarner@wpcgroup.us>; Byron Thomas (bthomas@wpcgroup.us) <bthomas@wpcgroup.us>; Vivek Warriier <WarriierV@bennettjones.com>; Kelsey Meyer <MEYERK@bennettjones.com>
Subject: Greenfire information request

In order to consider the Greenfire proposal, please request the following information:

Balance Sheet Questions:

- Most recent balance sheet of Greenfire and subsidiaries on a consolidated and consolidating basis
- Most recent CPA prepared financial statement

Assets:

- Most recent reserve analysis.
- Most recent inventory position
- Most recent accounts receivable aged trial balance.

Liabilities:

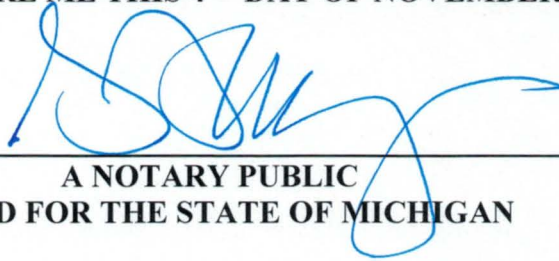
- Most recent Accounts Payable aged trial balance
- Most recent calculation of debt obligations, accrued interest and fees, and collateral pledges
- Description of any other accrued liabilities on the balance sheet
- carry over shortfall amounts owed to Flint Hills, Tervita, and Secure Energy

Proposal Rationale:

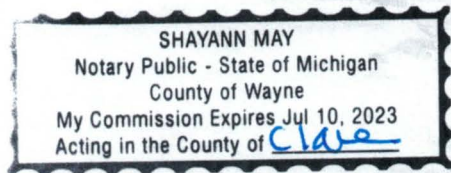
- Is there a financing or recap proposal in progress, if so this will have impact on Harry Warner's assessment of the offer given his share position
- Is the facility operating? If so, what is the current production
- If the facility is not operating, what is the plan to get it operational
- Management has stated that other creditors have agreed to a compromise of their claim. What creditors have agreed to compromise their claim? What are those arrangements.
- What assurance can Greenfire provide that the termed out portion of their proposal is a collectable note? What is the latest forecast of sources and uses of funds that demonstrates the ability to pay the obligation.

EXHIBIT 7

THIS IS EXHIBIT "7"
TO THE AFFIDAVIT OF HARRY WARNER
SWORN BEFORE ME THIS 4TH DAY OF NOVEMBER, 2020



A NOTARY PUBLIC
IN AND FOR THE STATE OF MICHIGAN



From: Harry Warner <hwarner@wpcgroup.us>

Sent: Tuesday, June 2, 2020 4:58 PM

To: Robert Logan <rlogan@greenfireoilandgas.com>; Allan Bezanson <abezanson@greenfireoilandgas.com>; Albert Luong <aluong@greenfireoilandgas.com>

Cc: Vivek Warriar <WarrierV@bennettjones.com>

Subject: Resignation of Harry Warner from Greenfire Oil and Gas Ltd Board of Directors

Gentlemen,

Please find attached my resignation as a director of Greenfire Oil and Gas Ltd. ("Greenfire"). This step is being taken on the advice of counsel. However, I wish to confirm my confidence in Greenfire's business going forward both as shareholder, through Liberator Crude Trading LLC and as exclusive marketer of product from the Hangingstone project, through Warner Petroleum Corporation. I look forward to continuing to work with Greenfire in both these capacities with a view to maximizing returns for all Greenfire's stakeholders"

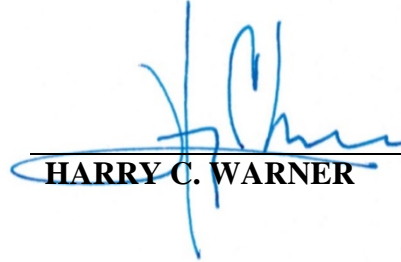
Regards,
Harry Warner
hwarner@wpcgroup.us

RESIGNATION

TO: Greenfire Oil and Gas Ltd. (the "Corporation")

I hereby resign from my position as Director of the Corporation, effective immediately.

DATED the 2nd day of June, 2020.



HARRY C. WARNER