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Clerk's stamp:

COURT FILE NUMBERS

25-2679073

COURT

COURT OF QUEEN'S BENCH OF ALBERTA

ENTERED

JUDICIAL CENTRE

CALGARY

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

APPLICANTS

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

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

AND IN THE MATTER OF THE RECEIVERSHIP
OF GREENFIRE HANGINGSTONE OPERATING
CORPORATION

DOCUMENT

ORDER (ALLOCATION AND DISTRIBUTION)

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF PARTY
FILING THIS DOCUMENT

RECEIVER

ALVAREZ & MARSAL CANADA INC.
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COUNSEL TO RECEIVER

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File 277019

Date on which this order was pronounced: July 12, 2021
Location where order was pronounced: Calgary, Alberta
Name of judge who made this order: Justice K.M. Horner

UPON the application of Alvarez & Marsal Canada Inc., in its capacity as receiver (“**Receiver**”) of Greenfire Hangingstone Operating Corporation (“**OpCo**”) **AND UPON** having read the Notice of Application of the Receiver (“**Application**”), the First Report of the Receiver dated June 30, 2021 (the "**First Report**"), the Order granted on December 18, 2020 by Justice D.B. Nixon (the “**SAVO**”), the Order granted on March 12, 2021, by Justice D.B. Nixon, the Order granted on April 6, 2021, by Justice R.A. Graesser (the “**Receivership Order**”), and the Affidavit of Service of David Tsumagari, all filed, and such other material in the pleadings and proceedings as are deemed necessary; **AND UPON** hearing counsel for the Receiver, counsel for other interested parties and stakeholders present and from any other interested parties and stakeholders present;

IT IS HEREBY ORDERED AND DECLARED THAT:

Service of this Application

1. The time for service for this application is abridged to the time actually given and service of the application and supporting material is good and sufficient upon all interested parties and this hearing is properly returnable before this Court today and further service thereof is hereby dispensed with.
2. Capitalized terms used but not defined herein have the meanings ascribed to them in the First Report.

Secured Claimants

3. The Net Sale Proceeds shall be allocated in a manner that is consistent with the Purchase Price allocation agreed to by OpCo and Greenfire Acquisition Corporation pursuant to the APA as approved by this Honourable Court pursuant to the SAVO.

4. The Receiver is hereby authorized and directed to distribute the Net Sale Proceeds in the manner described in the First Report, resulting in the following distributions on account of each applicable Proven Secured Creditor's Secured Claim against OpCo:
 - (a) \$40,861.14 to Apex Distribution Inc. from the Oil Sands Proceeds;
 - (b) \$168,000 to Regional Municipality of Wood Buffalo from the Tangibles Proceeds; and
 - (c) \$0.00 to Alumasafway, Inc. from the Tangibles Proceeds.
5. The Receiver is hereby authorized and directed to instruct ATB Financial to draw upon the \$60,000 Deposit currently held by ATB Financial.
6. Following the making of the distributions referred to in paragraph 4 and the draw referred to in paragraph 5 above, no Secured Claimant or Secured Creditor shall have any claim against, or interest in, any of the Net Sale Proceeds.

Miscellaneous

7. Notwithstanding the deemed assignment in bankruptcy by OpCo pursuant to the *Bankruptcy and Insolvency Act* (Canada) (the "BIA"), the allocation and distributions approved, authorized and directed by this Order shall be binding upon the OpCo LIT and will not be void or voidable nor shall be deemed to be a settlement, unjust preference, assignment, fraudulent conveyance or reviewable transaction under the BIA or any other applicable federal or provincial legislation.

Sealing

8. Division 4 of Part 6 of the Alberta *Rules of Court* does not apply to this Application.
9. The Confidential Appendix "B" of the First Report shall, until July 12, 2022, be sealed and kept confidential, to be shown only to a Justice of the Court of Queen's Bench of Alberta, and accordingly, shall be filed with the Clerk of the Court who shall keep the Confidential Appendix "B" of the First Report in a sealed envelope, which shall clearly be marked "SEALED PURSUANT TO THE ORDER OF THE HONOURABLE JUSTICE HORNER DATED JULY 12, 2021"

Approval of Activities

10. The actions, activities and conduct and proposed courses of action of the Receiver and McMillan LLP, as counsel to the Receiver, to date in relation to the discharge of its duties and mandate as Receiver, and such actions and activities of the Receiver and McMillan LLP as are more particularly described in the First Report, are hereby ratified and approved.
11. The Receiver shall not be liable for any act or omission arising from, relating to or in connection with its role as Receiver to date, save and except for any liability arising out of fraud, gross negligence or wilful misconduct on the part of the Receiver.

Approval of Fees

12. The Receiver's fees and disbursements in the within proceedings from April 1, 2021 to May 31, 2021 in the amount of \$49,722.23 are hereby ratified and approved.
13. The fees and disbursements of McMillan LLP, as counsel to the Receiver, in the within proceedings from April 1, 2021 to May 31, 2021 in the amount of \$55,602.69 are hereby ratified and approved.

Service of this Order

14. Service of this Order shall be deemed good and sufficient by:
 - (a) Serving the same on:
 - (i) the persons listed on the service list created in these proceedings;
 - (ii) any other person served with notice of the application for this Order;
 - (iii) any other parties attending or represented at the application for this Order; and
 - (b) Posting a copy of this Order on the Receiver's website, established for these proceedings and service on any other person is hereby dispensed with.

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



Justice of the Court of Queen's Bench of Alberta