

IN THE MATTER OF THE BANKRUPTCY OF

CORINTHIAN OIL CORP.

**OF THE CITY OF CALGARY,
IN THE PROVINCE OF ALBERTA**

**REPORT ON THE TRUSTEE'S
PRELIMINARY ADMINISTRATION**

ESTATE NO. 25-2335351

On January 19, 2018, Corinthian Oil Corp. (“Corinthian”) filed a Notice of Intention to File a Proposal (“NOI”) pursuant to Part III, Division I of the Bankruptcy and Insolvency Act (“BIA”). On February 20, 2018, an Order from the Court of Queen’s Bench of Alberta (the “Court”) was granted terminating the NOI proceeding and Corinthian was deemed bankrupt. Alvarez & Marsal Canada Inc. (“A&M” or “Trustee”) was appointed as the trustee in bankruptcy of Corinthian in the bankruptcy proceeding under estate number 25-2335351.

Background

Corinthian was incorporated on September 19, 2017, in the Province of Alberta. Corinthian is a wholly owned subsidiary of Manito Energy Inc. and the guarantor of the National Bank of Canada Indebtedness owed by Manito Energy Inc. Manito Energy Inc. is a public company based in Calgary, Alberta, whose outstanding shares of common stock are listed on the TSX Venture Exchange under the symbol “MEI”.

On January 19, 2018 (the “Bankruptcy Event”), Corinthian sought protection from its creditors through filing a Notice of Intention to Make a Proposal (the “NOI”) under section 50.4 (1) of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, as amended (“BIA”) and a stay of proceedings was obtained on that date. FTI Consulting Canada Inc. (“FTI”) (the “Proposal Trustee”) was named as Proposal Trustee under the NOI.

On February 20, 2018 the Court ordered that the time within which Corinthian may file a proposal to their creditors was immediately terminated in accordance with section 50.4(11) of the BIA. As a result, Corinthian was deemed to have filed an assignment in bankruptcy on February 20, 2018 (the “Bankruptcy Date”) and A&M was substituted, in place of FTI, as the trustee in bankruptcy of Manito Energy Inc., Raimount, and Corinthian in the bankruptcy proceedings.

Additional details on the causes and events leading up to Corinthian’s insolvency can be found on the Receiver’s website located at www.alvarezandmarsal.com/manitok.

Conservatory & Protective Measures and Preliminary Evaluation of Assets and Details of Security Interests

Since the Bankruptcy Date, the Trustee has secured all material capital assets, which are detailed in the statement of affairs sent to all known creditors and took all necessary conservatory measures. The Trustee continues to operate the Company while it develops a plan to sell or disclaim assets. The operations and administrative employees have been retained to assist the Receiver with the ongoing operations.

The Trustee's preliminary review of the process and value of the assets indicates that realizations from Corinthian's assets will not likely be sufficient to satisfy the unsecured debt in full.

Books and records

The Receiver has taken possession of the books and records of Corinthian and the Trustee will have access as required to complete the administration of the bankruptcy estate. The records of the Company are currently being held at Corinthian's office in Calgary, AB.

Provable Claims and Secured Claims

The Trustee has received a number of proof of claims and while there are differences from that noted in the statement of affairs, differences are not material individually or in aggregate.

Legal Proceedings

No legal proceedings have been instituted by the Trustee to date.

The Trustee is not aware of any legal proceedings by or against the Company.

Reviewable Transactions and Preference Payments

The Trustee has conducted a preliminary review of the books and records of Corinthian with respect to reviewable transactions and preference payments and has not noted any transactions of significance.

Trustee's Intention to Act and Possible Conflict of Interest

A&M believes it has no potential conflicts of interest with acting in this administration.

Anticipated Realization and Projected Distribution

Based on the information received by the Trustee, it appears that Corinthian's assets are unencumbered. The estimated realizable value disclosed on Corinthian's statement of affairs indicates that the creditors of Corinthian may not see a recovery of amounts due to them as at the date of bankruptcy.

Consequently, the Trustee is uncertain of any range of recovery the creditors can expect after associated costs of its administration.

ALVAREZ & MARSAL CANADA INC.
Trustee for the Estate of
Corinthian Oil Corp.



Tim Reid, CPA, CA, CIRP, LIT
Senior Vice-President

March 20, 2018