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OF CALGARY

COURT FILE NUMBER	1501-00396
COURT	COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE	CALGARY
APPLICANTS	IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c.C-36, AS AMENDED AND IN THE MATTER OF THE *BUSINESS CORPORATIONS ACT*, R.S.A. 2000, c. B-9 AND IN THE MATTER OF GASFRAC ENERGY SERVICES INC., GASFRAC SERVICES GP INC., GASFRAC ENERGY SERVICES (US) INC., GASFRAC US HOLDINGS INC. and GASFRAC INC.
DOCUMENT	**THIRD REPORT OF THE MONITOR** **MARCH 11, 2015**
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	**<u>MONITOR</u>** ERNST & YOUNG INC. 1000, 440 - 2nd Avenue SW Calgary, Alberta T2P 5E9 Attention: Neil Narfason / Cassie Riglin Telephone: 403-206-5067 / 403-206-5106 Fax: 403-206-5075 Email: neil.narfason@ca.ey.com cassie.riglin@ca.ey.com **<u>COUNSEL</u>** Norton Rose Fulbright Canada LLP 3700, 400 - 3rd Avenue SW Calgary, Alberta T2P 4H2 Attention: Howard Gorman Q.C. Phone: 403-267-8144 Fax: 403-264-5973 Email: howard.gorman@nortonrosefulbright.com

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INTRODUCTION

1. On January 15, 2015 GASFRAC Energy Services Inc. ("GESI"), GASFRAC Services GP Inc. ("GSGP"), GASFRAC Energy Services Limited Partnership ("GES LP"), GASFRAC Energy Services (US) Inc. ("GESI US"), GASFRAC US Holdings Inc. ("Holdings"), and GASFRAC Inc. ("GI"), collectively the "Company" or "GASFRAC", sought and obtained protection pursuant to the *Companies' Creditors Arrangement Act, R.S.C. 1985, C-36*, as amended (the "CCAA") pursuant to an Order (the "Initial Order") of the Alberta Court of Queen's Bench (the "Court").

2. Ernst & Young Inc. was appointed as Monitor (the "Monitor") of the Company pursuant to the terms of the Initial Order.

3. On January 15, 2015, the Monitor filed on behalf of GASFRAC Chapter 15 Petitions for Recognition of a Foreign Proceeding with the United States Bankruptcy Court for the Western District of Texas, San Antonio Division ("US Court"), which cases are jointly administered under Case No. 15-50161. On January 16, 2015, GASFRAC sought and obtained a Temporary Restraining Order ("TRO") from the US Court pursuant to which the terms of the Initial Order are were given full force and effect in the United States on an interim basis.

4. On January 30, 2015, the Company sought and obtained a foreign recognition order of the Initial Order from the US Court, pursuant to which the terms of the Initial Order were given full force and effect in the United States and recognizing these CCAA proceedings as the foreign main proceedings.

5. On January 16, 2015, the Court approved the engagement of CIBC World Markets as financial advisor (the "Financial Advisor") to the Company.

6. On January 23, 2015, the Court approved a sale and investment solicitation process ("SISP") which had a bid deadline of February 24, 2015 (the "Bid Deadline"). The SISP was subsequently approved by the US Court on January 30, 2015.

7. The purpose of this third report of the Monitor (the "Third Report") is to provide the Court with the Monitor's comments with respect to the following:

   a) an update on the SISP;

   b) the proposed sale transaction;

c) the Company's forbearance agreement with its secured lender;

d) an operational update;

e) the proposed claims process in Canada;

f) the proposed claims process in the United States;

g) the Company's forecast to actual cash flow results for the period January 17, 2015 to March 6, 2015 (the "Reporting Period");

h) the Company's cash flow projection (the "Cash Flow Projection") for the period March 7, 2015 to May 15,2015 (the "Forecast Period");

i) the Company's request for an extension of the stay period; and

j) the Monitor's recommendations.

8. All references to dollars are in Canadian currency unless otherwise noted.

9. Capitalized terms not defined herein are as defined in the Initial Order or the proposed Claims Process Order (as defined below).

BACKGROUND

10. Background information on GASFRAC and these CCAA proceedings is available on the Monitor's website at www.ey.com/ca/gasfracenergy.

TERMS OF REFERENCE

11. In preparing this Third Report, the Monitor has relied upon unaudited financial information, Company records and discussions with management of the Company. The Monitor has not performed an audit, review or other verification of such information. An examination of the financial forecast as outlined in the Canadian Institute of Chartered Accountants Handbook has not been performed.

SISP UPDATE

12. The SISP commenced on or about January 23, 2015.

13. The following is a summary of the key details of the SISP:

a) the Financial Advisor contacted 120 potential counterparties, including both strategic buyers operating in similar industries as the Company and financial sponsors including private equity funds;

b) of the parties contacted, 34 potential bidders signed non-disclosure agreements and then became qualified bidders ("Qualified Bidders");

c) Qualified Bidders had access to a confidential information memorandum and a virtual data room, and asked and received responses from Company Management with respect to the business and assets of GASFRAC; and

d) Qualified Bidders also had access to management presentations, site visits of the Company's Canadian and US operating bases, and the opportunity to meet with the Monitor and the Company's legal counsel to discuss transaction structuring considerations

14. On the Bid Deadline, the Company received multiple bids. The bids received have been reviewed by the Company, the Financial Advisor, the Monitor and PNC Bank – Canada Branch ("PNC" or the "Secured Lender").

15. The Monitor considers the SISP to have been carried out in accordance with its terms and that a fulsome marketing of the GASFRAC business and GASFRAC's assets was undertaken.

16. The Company, with the assistance of the Monitor, has selected a bid which it believes will achieve the highest recoveries for all stakeholders in accordance with the Court directed SISP. Details of the bids received and the Monitor's analysis thereon are contained in the Confidential Supplement to the Third Report (the "Confidential Supplement").

PROPOSED SALE TRANSACTION

17. The Company, its counsel and Monitor worked to finalize and execute a definitive asset purchase agreement (the "APA") for the purchase of substantially all of the Company's assets (the "Transaction"), with the view of maximizing the recovery for its stakeholders and creditors.

18. The proceeds from the Transaction will result in full payment of amounts duly owing to PNC and will result in payments to other creditors of the Company.

19. A copy of the fully executed APA is attached to the Confidential Supplement.

20. It is the view of both the Monitor and the Company that these details should remain confidential until the closing of the Transaction in order to preserve the integrity of the SISP in the event that the Transaction does not close.

21. The Monitor notes that the Transaction is not subject to any material conditions other than approval by this Court and the US Court. As a result, should the Court approve the Transaction, the Monitor considers the closing risk associated with Transaction to be minimal.

22. The Monitor considers the Transaction to be fair, reasonable and in the best interests of the Company, its stakeholders and creditors, including PNC.

23. The Company has consulted with the Monitor to devise a mechanism that would provide comfort to stakeholders that the Transaction will be implemented in accordance with Article 7 of the APA. In that regard, the Company requests, and the Monitor agrees, that it is appropriate in the circumstances to expand the powers of the Monitor to authorize it to supervise and assist the Company with implementation of the Transaction as contemplated pursuant to Article 7 of the APA and, if the Company fails to take any steps required to implement the Transaction, to authorize the Monitor to take those steps on the Company's behalf (the "Monitor's Expanded Powers").

24. The approvals sought in respect of the Transaction as well as the Monitor's Expanded Powers are outlined in the draft sale approval and vesting order (the "Sale Approval and Vesting Order") filed as part of the sale approval motion.

25. In addition to the Sale Approval and Vesting Order being sought from the Court on March 16, 2015, on March 11, 2015 the Monitor and GASFRAC filed with the US Court a joint motion of the Monitor and the Company for an order approving sale of substantially all assets free and clear of liens, claims, encumbrances and interests and recognizing and giving full force and effect to the Sale Approval and Vesting Order of the Court, which is set for hearing before the US Court on March 18, 2015.

MONITOR'S ANALYSIS OF THE PROPOSED SALE TRANSACTION

26. The Monitor was actively involved with the Company in considering and approving the Transaction. The Monitor believes that approval of the Transaction is in the best interest of all stakeholders for the following reasons:

a) it arose from the SISP which was approved by the Court and the US Court;

b) in the fall and early winter of 2014 prior to these CCAA proceedings, the Company and the Financial Advisor had been working to generate interest in a sale of the Company under a previous process which allowed for a somewhat expedited SISP;

c) the Monitor believes that the Company and the Financial Advisor acted in good faith and with due diligence in meeting the milestones of the SISP and soliciting bids including the bid resulting in the Transaction;

d) the Monitor believes that the Transaction was negotiated between the parties at arm's length and in good faith and is commercially reasonable;

e) it will result in the repayment of the Company's secured debt, the validity and enforceability of which is currently being reviewed by the Monitor, and it is expected that all trade and unsecured payables of GASFRAC's operating subsidiaries will be paid in full with the balance paid to the holders' of the unsecured debentures of GESI (the "Bondholders"); and

f) the amount paid to the Bondholders is higher under the Transaction than under the other bids received.

OPERATIONAL UPDATE

27. Since the second report of the Monitor dated January 22, 2015 (the "Second Report"), the Company has continued to perform hydraulic fracturing services for its major customers and has continued to collect its accounts receivable balances.

28. The Company completed all scheduled work for its Canadian clients in February, 2015. The Company is currently working to return all equipment to its locations at Red Deer, Alberta or Edson, Alberta as specified under the APA.

29. The Company expects to complete all scheduled work for its US clients on or about March 18, 2015 and is currently working to return all equipment to its US premises as specified under the APA.

30. Following the approval of the Transaction, the Company will work to transfer ownership of substantially all of its assets to the purchaser. The Company's accounts receivable

are excluded from the Transaction and as such, the Company with the assistance of the Monitor will continue to collect its accounts receivable.

31. The Company may undertake the option to complete additional fracturing work post-closing of the APA for certain customers in both Canada and the US. Further arrangements would need to be undertaken to allow GASFRAC to complete this work and those arrangements are currently under negotiation.

FORBEARANCE AGREEMENT

32. In the Second Report, the Company's progress towards negotiating a mutually satisfactory Forbearance Agreement with PNC was outlined. Subsequent to the Second Report, on January 23, 2015, the Company and PNC entered into a forbearance extension.

33. On March 1, 2015, the Company and PNC entered into an amending agreement to the forbearance agreement which extended the forbearance period to April 3, 2015 to allow the Transaction to close.

34. The Monitor is of the view that the terms of the forbearance agreement, as amended, are reasonable and were approved by the Court pursuant to an Order dated March 2, 2015.

PROPOSED CANADIAN CLAIMS PROCESS

Claims Process

35. The Company's counsel has prepared a draft claims process order seeking approval of a Claims Process from the Court (the "Claims Process Order").

36. The claims process as set out in the Claims Process Order will establish the claims against GESI, GSGP and GES LP, as at the respective filing date of January 15, 2015 (the "Claims").

Notice to File Proofs of Claim

37. The Monitor shall cause a claims package (a "Claims Package") to be sent to each known creditor by regular prepaid mail, fax, courier or email on or before March 23, 2015.

38. In the case of creditors whose claim amounts are known by the Company and those claims have been assessed by the Company in consultation with the Monitor, the Claims Package shall include a notice to creditor, substantially in the form of Schedule "B" to the Claims Process Order, indicating the value of the claim to such creditors (the "Negative Claims Process").

39. All other potential creditors shall receive a Claims Package that shall include a notice to creditor, substantially in the form of Schedule "C" to the Claims Process Order.

40. The Monitor shall cause a newspaper notice to be published in the Calgary Herald on or before March 25, 2015.

41. The Monitor shall cause the Claims Package for the claims process to be posted on the website it has created in these proceedings.

42. The Company shall issue a press release outlining the existence of the Claims Process and may post notice of the Claims Process on its website, in both cases directing any creditor to the website.

43. Where a claim arises from disclaiming a lease or contract subsequent to the granting of the Initial Order, it will be considered a 'Subsequent Claim'. The Monitor shall cause the Claims Package to be sent to each Creditor with a Subsequent Claim by regular prepaid mail, fax, courier or email within 5 days of the date after the Subsequent Claim arises either by way of disclaimer or resiliation of agreement.

44. The Monitor shall cause a copy of the Claims Package in the Claims Process to be sent to any person requesting such material as soon as practicable.

45. In the event a creditor receives a Claims Package in the Negative Claims Process and the Creditor agrees with the assessment of the amount and classification of its Pre-Filing Claim or Subsequent Claim, as the case may be, it need not file a Proof of Claim or take any further action and upon no further action being taken, the Pre-Filing Claim or Subsequent Claim as the case may be shall be a Proven Claim

46. The Company may attempt to consensually resolve the classification and amount of any Pre-Filing Claim or Subsequent Claim with the creditor prior to the relevant company accepting, revising or disallowing such Pre-Filing Claim or Subsequent Claim with the consent of the Monitor.

47. If the Company, with the consent of the Monitor, accept the Pre-Filing Claim or Subsequent Claim, then such Pre-Filing Claim or Subsequent Claim shall be a Proven Claim.

Claims Bar Date

48. In the event the Creditor who receives a Claims Package and the Creditor disagrees with the assessment of either the amount or classification (or both) of its Pre-Filing Claim as set out in the Notice to Creditor, it must deliver a Proof of Claim setting out its Pre-Filing Claim so that it is received by the Monitor and the Applicants no later than 5:00 PM, MST, May 7, 2015 (the "Claims Bar Date"), or in the case of a Subsequent Claim, the later of the Claims Bar Date or 30 days following the date on which the relevant lease or agreement is disclaimed ("the Subsequent Claims Bar Date").

49. The Company shall review each proof of claim received by the Claims Bar Date or Subsequent Claims Bar Date, as applicable and shall revise or disallow the Pre-Filing Claim or Subsequent Claim with the overview and approval of the Monitor.

Disputed Claims

50. If the Company, with the consent of the Monitor, determines to revise or disallow a Pre-Filing Claim or Subsequent Claim, the Monitor shall send a notice of revision or disallowance to the creditor (a "Notice of Revision or Disallowance").

51. Any Creditor who disputes the classification or amount of its Pre-Filing Claim or Subsequent Claim as set forth in a Notice of Revision or Disallowance shall deliver a notice of dispute (a "Notice of Dispute") to the Monitor by 5:00 p.m. (Mountain Time) on the day that is fifteen (15) days after the date of the Notice of Revision or Disallowance (the "Deadline") and follow the process for filing an application with the Court supported by an affidavit as set out in the Notice of Dispute.

52. Any creditor who fails to deliver a Notice of Dispute by the Deadline shall be deemed to accept the classification and the amount of its Pre-Filing Claim or Subsequent Claim as set out in the Notice of Revision or Disallowance and such Pre-Filing Claim or Subsequent Claim as set out in the Notice of Revision or Disallowance shall constitute a Proven Claim.

53. Upon receipt of a Notice of Dispute, the Company may (i) with the consent of the Monitor, attempt to consensually resolve the classification and amount of the Pre-Filing Claim or Subsequent Claim with the Creditor, or (ii) bring an application before the Court if it deems appropriate in the circumstances and if the creditor does not file an application in these CCAA proceedings as required in the Notice of Dispute, to determine the classification and/or amount of the Pre-Filing Claim or Subsequent Claim.

54. If the Company and the creditor consensually resolve the classification and amount of the Pre-Filing Claim or Subsequent Claim, the Applicant may accept, with the consent of the Monitor, a revised Pre-Filing Claim or Subsequent Claim, and such Pre-Filing Claim or Subsequent Claim will constitute a Proven Claim.

PROPOSED UNITED STATES CLAIMS PROCESS

55. Most of the creditors of the US Companies will be creditors who are domiciled in the United States, whose claims will be based on state or federal US law, and who expect to be paid in US dollars. The Company and the Monitor do not wish to burden those creditors with the inconvenience and expense of traveling to the Canadian Court in the event of a claim objection. In addition, the Company and the Monitor contend that the US Court is better suited to hear any claims objections that will be based on state or federal US law.

56. In view of the foregoing, the Company and the Monitor are seeking an Order from the US Court providing for a claims process for creditors with claims against the US subsidiaries of GASFRAC. The Company's counsel and the Monitor's counsel have prepared a draft claims process order seeking approval of a claims process from the US Court (the "US Claims Process").

57. The US Claims Process will establish the claims against GESI US, Holdings, and GI, as at the filing date of January 15, 2015.

Notice to File Proofs of Claim

58. All notices in respect of the US Claims Process will be issued in accordance with the procedure established by the US Court.

Claims Bar Date

59. The proposed US Claims Bar Date will be May 7, 2015. For claims which arise from the disclaiming or resiliation of executory contracts, the US Claims Bar Date shall be the later of May 7, 2015 and 30 days following the date of the resiliation or disclaimer of said contract.

Filing Proofs of Claim

60. Proofs of Claim must be filed with the United States Bankruptcy Clerk for the Western District of Texas no later than the US Claims Bar Date. Proofs of Claim may be filed electronically by visiting the United States Bankruptcy Court for the Western District of Texas court's website at http://www.txwb.uscourts.gov/POC/online_poc.html.

61. A copy of the Proof of Claim shall also be served on the Monitor by registered mail, courier, email (in PDF), personal delivery or facsimile transmission so that the Monitor actually receives the Proof of Claim by the US Claims Bar Date.

MONITOR'S COMMENTS ON THE PROPOSED CLAIMS PROCESSES

62. As noted above, the Monitor believes that running two concurrent claims processes will be the most effective way to manage claims for the Canadian and US jurisdictions.

63. The Monitor further believes that both the Canadian Claims Process and the US Claims Process provide reasonable timelines for the claims of creditors to be submitted and considered.

COMPARISON OF CASH FLOW PROJECTION TO ACTUAL RESULTS

64. Attached as Appendix "A" to this Second Report is a summary of the Company's actual receipts and disbursements for the Reporting Period with an analysis of variances from the cash flow forecast previously provided to this Honourable Court in the Second Report. A summary budget to actual analysis is provided in the table below:

GASFRAC — **Table 1**

Forecast (Second Report) to Actual Results

For the Period of January 17 - March 6, 2015

$000 CAD, unaudited

	Forecast	Actuals	Variance ($)
Opening Net Cash Position	(31,364)	(31,364)	
Cash Receipts	11,495	12,651	1,157
Cash Disbursements	(22,128)	(15,706)	(6,422)
Effect of Foreign Exchange	-	(60)	
Net Cash Flows	(10,633)	(3,115)	
Ending Net Cash Position	(41,997)	(34,479)	

65. Opening net cash during the forecast period is comprised of the Company's cash balances and its revolving credit facility.

66. As set out in the table above, GASFRAC's total receipts for the Reporting Period were approximated $12.6 million, which is $1.15 million higher than forecasted. The variance is a result of Canadian work being completed and therefore paid earlier than forecast offset partially by projected US asset sales not being completed.

67. GASFRAC's disbursements were $15.7 million during the Reporting Period compared to forecasted disbursements of $22.1 million. The variance results primarily from the deferral of payments for operating costs as a result of changed work schedules.

68. The ending net cash balance, as described above, as at March 6, 2015, 2015 was $(34,478) million (i.e. the amount due to PNC net of cash held by the Company).

CASH FLOW PROJECTION

69. The Company, with the assistance of the Monitor, has prepared the Cash Flow Projection for the Forecast Period. Management has prepared the Cash Flow Projection based on the most current information available. The following is a summary of the Cash Flow Projection:

GASFRAC Revised Consolidated 10 Week Cash Flow For the Period of March 7 - May 15, 2015 $000 CAD, unaudited	Table 2
Opening Net Cash Position	(34,478)
Cash Receipts	
Canada	3,827
US	14,944
Total Cash Receipts	18,772
Cash Disbursements	
Canada	(8,204)
US	(5,028)
Total Cash Disbursements	(13,232)
Net Cash Flows	5,540
Ending Net Cash Position	(28,939)

70. As summarized above, GASFRAC is projecting $18.8 million in cash receipts against cash disbursements of $13.2 million, resulting in a net increase in cash of $5.5 million during the Forecast Period.

71. Significant assumptions made by GASFRAC's management with respect to the Cash Flow Projection are:

a) Cash receipts forecasted reflect collections from Customers for work that is either completed or near completion; and

b) Cash disbursements include costs to complete work which is currently in progress to the end of March and general and administrative costs.

72. The Monitor has reviewed the assumptions supporting the Cash Flow Projection and believes the assumptions to be reasonable.

THE COMPANY'S REQUEST FOR AN EXTENSION OF THE STAY PERIOD

73. Pursuant to the Initial Order, as amended, the Stay Period expires on March 18, 2015. GASFRAC is seeking an extension of the Stay Period up to and including May 14, 2015 (the "Stay Extension").

74. It is the Monitor's view that the Stay Extension is necessary to allow the Company to close the Transaction and to administer the Canadian Claims Process and the US Claims Process.

75. As shown in the Cash Flow Projection, the Company will have adequate financial resources to finance its limited operations during the Stay Extension.

76. In the Monitor’s view, GASFRAC is acting in good faith and with due diligence.

RECOMMENDATIONS

77. The Monitor respectfully recommends that the Court grant the:

a) Sale Approval and Vesting Order;

b) Claims Process Order; and

c) Stay Extension.

Dated at Calgary, this 11 day of March, 2015

ERNST & YOUNG INC.
in its capacity as Court-Appointed
Monitor of GASFRAC and not in
its personal or corporate capacity

Neil Narfason, CA•CIRP, CBV
Senior Vice-President

Cassie Riglin, CA
Manager

APPENDIX A

GASFRAC
Forecast (Second Report) to Actual Results
For the Period of January 17 - March 6, 2015
$000 CAD, unaudited

	Forecast	Actuals	Variance ($)	Notes
Opening Net Cash Position	(31,364)	(31,364)		
Cash Receipts				
Canada	2,574	5,918	3,344	1
US	8,921	6,734	(2,187)	2
Total Cash Receipts	11,495	12,651	1,157	
Cash Disbursements				
Canada	(8,557)	(7,595)	961	
US	(13,571)	(8,111)	5,461	
Total Cash Disbursements	(22,128)	(15,706)	(6,422)	3
Effect of Foreign Exchange		(60)		4
Net Cash Flows	(10,633)	(3,115)		
Ending Net Cash Position	(41,997)	(34,479)		

Notes

1 - Canadian cash receipts were higher than forecast by $3.3m CAD as a result timing of work during the Reporting Period.

2 - US cash receipts were lower than forecast by $2.2m CAD as a result of planned asset sales not being completed and the timing of collection of AR balances.

3 - Total disbursements were $6.4m lower as a result of the deferral of payments for operating costs as a result of changes in work schedules.

4 - As a result of the company holding certain of its cash balances in USD and with the increase in USD/CAD from 1.16 at the beginning of the forecast to 1.25 at the end of the forecast, the cash flows have been slightly impacted.

APPENDIX B

GASFRAC
Revised Consolidated 10 Week Cash Flow
For the Period of March 7 - May 15, 2015
$000 CAD, unaudited

	Notes	Week 9 13-Mar-15	Week 10 20-Mar-15	Week 11 27-Mar-15	Week 12 3-Apr-15	Week 13 10-Apr-15	Week 14 17-Apr-15	Week 15 24-Apr-15	Week 16 1-May-15	Week 17 8-May-15	Week 18 15-May-15	Total
Opening Net Cash Position	1	(34,478)	(34,024)	(35,482)	(30,265)	(31,639)	(32,249)	(32,774)	(27,642)	(28,662)	(28,862)	(34,478)
Cash Receipts	2											
Canada		-	265	1,872	1,690	-	-	-	-	-	-	3,827
US		2,851	680	4,305	-	410	-	6,699	-	-	-	14,944
Total Cash Receipts		2,851	945	6,177	1,690	410	-	6,699	-	-	-	18,772
Cash Disbursements	3											
Canada		(1,005)	(1,234)	(300)	(1,890)	(766)	(270)	(1,505)	(1,019)	(138)	(77)	(8,204)
US		(1,392)	(1,168)	(661)	(1,174)	(253)	(255)	(63)	-	(63)	-	(5,028)
Total Cash Disbursements		(2,397)	(2,402)	(961)	(3,065)	(1,019)	(525)	(1,567)	(1,019)	(201)	(77)	(13,232)
Net Cash Flows	4	455	(1,458)	5,217	(1,375)	(609)	(525)	5,131	(1,019)	(201)	(77)	5,540
Ending Net Cash Position	5 & 6	(34,024)	(35,482)	(30,265)	(31,639)	(32,249)	(32,774)	(27,642)	(28,662)	(28,862)	(28,939)	(28,939)
Accounts Receivable		9,946	15,701	7,525	6,135	5,725	5,725	-	-	-	-	
Available Credit	5	4,430	3,164	5,131	1,575	617	92	4,358	3,338	3,138	3,061	

Notes

1 The estimated FX rate for the reporting period was 1.25 which reflects the current Canadian dollar exchange rate.

2 Cash receipts are consistent with the prior week cash flow but do not reflect any new work completed after March.

3 Cash disbursements are consistent with the prior week in terms of administrative items; however, the majority of operating costs have been eliminated after March.

4 Net cash flows in the revised 10 Week Forecast show a positive net cash flow of approximately $5.5 million as a result of primarily incurring administration costs while collecting receivables.

5 This cash flow shows that there are no additional financing needs expected to close GASFRAC's sale transaction.

6 In addition to the 'Ending Net Cash Position' as shown above the following proposed charges are NOT captured within the Forecast Period and would be payable as a backstop if the expenses were incurred and not funded during the Forecast Period:

Administration	1,500,000	- note this amount includes CIBC
Critical Suppliers	1,100,000	
D&O	1,850,000	- note this is the company's estimate of the maximum exposure at any given time during the Forecast Period
	$4,450,000	

Note: The KERP amount of $825k and the Employee Bonus of $1m has been fully funded during the Forecast Period, therefore not shown in this analysis.