



C5125



COURT FILE NUMBER 2001-10261

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

PROCEEDING IN THE MATTER OF THE COMPANIES'  
CREDITORS ARRANGEMENT ACT, R.S.C.  
1985, c. C-36, as amended

\$50  
COM  
May 12, 2022  
Justice Neilson

AND IN THE MATTER OF THE  
COMPROMISE OR ARRANGEMENT OF  
GLENOGLE ENERGY INC., 1651558  
ALBERTA LTD. and GLENOGLE ENERGY LP

DOCUMENT

**APPLICATION**  
**(Approval and Reverse Vesting Order and  
Restricting Court Access)**

ADDRESS FOR SERVICE AND  
CONTACT INFORMATION OF  
PARTY FILING THIS DOCUMENT

**BENNETT JONES LLP**  
Barristers & Solicitors  
4500, 855 – 2<sup>nd</sup> Street SW  
Calgary, AB T2P 4K7

Attention: Chris Simard / Katherine J. Fisher  
Telephone: (403) 298-4485 / (780) 917-4268  
Facsimile: (403) 265-7219 / (780) 421-7951  
Email: [simardc@bennettjones.com](mailto:simardc@bennettjones.com)  
[fisherka@bennettjones.com](mailto:fisherka@bennettjones.com)  
File Number: 61640.13

**NOTICE TO THE RESPONDENT**

This application is made against you. You are a respondent.

You have the right to state your side of this matter before the Court.

To do so, you must be in Court when the application is heard as shown below:

Date: May 12, 2022  
Time: 2:00 p.m. (Mountain time)  
Where: Edmonton Courts Centre (by WebEx)  
Before: The Honourable Justice J.T. Neilson

Go to the end of this document to see what you can do and when you must do it.

**Remedy claimed or sought:**

1. Glenogle Energy Inc. ("**GEI**"), Glenogle Energy LP ("**GELP**") and 1651558 Alberta Ltd. (collectively, "**Glenogle**" or the "**Applicants**") seek the following:
  - a) an order substantially in the form attached hereto as **Schedule "A"** (the "**ARVO**"):
    - i) declaring that the within Application is property returnable and that service of this Application on the service list established in these proceedings is good and sufficient;
    - ii) approving the transaction (the "**Transaction**") contemplated by the Acquisition Agreement between Astara Energy Corp., or its designee (the "**Purchaser**") and Glenogle dated April 21, 2022, as amended (the "**Agreement**"), appended to the Fourth Report of Ernst & Young Inc., the Court-appointed Monitor (the "**Monitor**") of Glenogle, dated May 2, 2022 (including the Confidential Supplement thereto, the "**Fourth Report**") and, among other things:
      - 1) vesting in the Purchaser the New Common Shares free and clear of all Claims and Encumbrance;
      - 2) approving the Articles of Reorganization; and
      - 3) vesting the Transferred Assets and the Transferred Liabilities to the Monitor in trust for the benefit of the creditors of Glenogle (the "**Creditor Trust**");
  - b) an order substantially in the form attached hereto as **Schedule "B"** (the "**Sealing Order**"), temporarily sealing the Confidential Supplement, as defined herein, notwithstanding Division 4 of Part 6 of the *Alberta Rules of Court*; and
  - c) such further and other relief as counsel may request and this Honourable Court may deem appropriate.
2. Capitalized terms used but not otherwise defined herein have the meanings given to such terms in the Agreement and the Articles of Reorganization.

**Grounds for making this application:**

***Background***

3. On May 14, 2020, GEI and GELP obtained protection from their creditors through the filing of a Notice of Intention to Make a Proposal (the "**NOI**").
4. Ernst & Young Inc. ("**E&Y**") was named as proposal trustee under the NOI. On July 23, 2020, GEI and GELP were granted a stay extension for 45 days to September 10, 2020.
5. On September 8, 2020, the Applicants were granted protection and permission to commence proceedings pursuant to the *Companies Creditors Arrangement Act*, RSC 1985, c-36. E&Y was appointed as Monitor. The Applicants were also granted a stay extension pursuant to an Amended and Restated Initial Order (the "**ARIO**") until and including March 31, 2021.
6. The Applicants were granted further stay extensions as follows:
  - a) on March 15, through November 30, 2021;
  - b) on November 29, 2021, through February 28, 2022; and
  - c) on February 15, 2022, through September 30, 2022.

### ***The Sales and Investment Solicitation Process***

7. Under the ARIO, the Applicants were authorized to initiate a Sales and Investment Solicitation Process (the "**SISP**") upon obtaining the prior consent of the Monitor and HSBC Bank Canada ("**HSBC**"), the first-ranking secured creditor, which consents were obtained. The Court approved the Applicant's retention of Stifel Nicolaus Canada Inc. (the "**Selling Agent**").
8. The Applicants, with the assistance of the Selling Agent and in consultation with the Monitor and HSBC, have conducted a thorough and comprehensive canvassing of the market, and all alternatives and expressions of interest for the business and assets and the Applicants were thoroughly pursued.
9. The Purchaser made a formal bid in the SISP (the "**Purchaser's Bid**"). The Purchaser's Bid:
  - a) offers fair and reasonable consideration; and
  - b) is the best overall bid received in the SISP, in terms of purchase price, certainty of the Purchaser's ability to close, and other material terms of the Transaction.

### ***The Transaction***

10. Pursuant to the Agreement, among other things:
  - a) the Purchase Price shall be paid by the Purchser in satisfaction of the aggregate subscription price for and the issuance of the New Common Shares;
  - b) the Applicants shall retain all of the Retained Assets and shall remain liable in respect of the Retained Contracts;
  - c) the Applicants shall retain all of the Retained Liabilies and shall remain liable in respect ot the Retained Liabilities; and
  - d) on the Closing Date, all of the Transferred Assets shall be transferred to and vested in the Credtior Trust immediately prior to the Closing Time, and all of the Transferred Liabilities shall be transferred to and assumed by the Creditor Trust immediately prior to the Closing Time.
11. The SISP undertaken by Glenogle, in consultation with the Selling Agent, the Monitor and HSBC, was reasonable in the circumstances.
12. The Monitor has expressed approval of the SISP.
13. The Transaction will achieve the highest recovery for all stakeholders.
14. HSCB, the first-ranking secured creditor who will suffer a shortfall under the Transaction, supports the Transaction.
15. The reverse vesting order (the "**RVO**") structure contemplated under the Transaction is appropriate in the circumstances:
  - a) the RVO is necessary;
  - b) the RVO structure will produce an economic result at least as favourable as other another viable alternative;
  - c) no stakeholder is worse off under the RVO structure than they would have been under another viable stucture; and
  - d) the consideration paid for the for the business and assets is reflective of the importance and value of the intangible assets being preserved under the RVO structure.

16. In all the circumstances, the approval of the Transaction is in the best interests of the Applicants and their stakeholders.

***Sealing of the Confidential Supplement***

17. The Confidential Supplement to the Fourth Report of the Monitor dated May 2, 2022 (the "**Confidential Supplement**") contains an un-redacted copy of the Agreement. The Confidential Supplement contains confidential information concerning the purchase price being paid in the Transaction. The publication or dissemination of such confidential information, before the closing of the Transaction, could negatively affect these proceedings. In particular, should the Court not approve the Transaction, or should the Transaction not close, Glenogle will need to solicit further offers or bids. As such, Glenogle is of the reasonable opinion that the Confidential Supplement should be temporarily sealed in order to preserve any further sales activity in the event that the Transaction is not concluded.
18. The order restricting court access sought by Glenogle is the least restrictive and least prejudicial alternative to prevent dissemination of commercially sensitive information.
19. It is just and appropriate in the circumstances to seal the Confidential Supplement temporarily.
20. Glenogle is not aware of any party that will be prejudiced if the information contained in the Confidential Supplement is sealed.

**Material and evidence to be relied on:**

21. The pleadings and proceedings in this matter;
22. The Affidavit of Jamie Blair, sworn on May 2, 2022;
23. The Fourth Report;
24. The Confidential Supplement; and
25. Such further another materials as counsel may advise and this Honourable Court may permit.

**Applicable rules:**

26. *Alberta Rules of Court*, Alta Reg 124/2010.

**Applicable Acts and Regulations:**

- 27. *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, as amended;
- 28. *Companies' Creditors Arrangement Act*, RSC 1985, c C-36;
- 29. *Business Corporations Act*, RSA 2000, c B-9.

**Any irregularity complained of or objection relied on:**

- 30. None.

**How application is proposed to be heard or considered:**

- 31. By WebEx video conference before the Honourable Justice J.T. Neilson at 2:00 p.m. (Mountain time) on May 12, 2022.

**WARNING**

If you do not come to Court either in person or by your lawyer, the Court may give the applicant(s) what they want in your absence. You will be bound by any order that the Court makes. If you want to take part in this application, you or your lawyer must attend in Court on the date and at the time shown at the beginning of the form. If you intend to give evidence in response to the application, you must reply by filing an affidavit or other evidence with the Court and serving a copy of that affidavit or other evidence on the applicant(s) a reasonable time before the application is to be heard or considered.

## **SCHEDULE "A"**

COURT FILE NUMBER 2001-10261

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

PROCEEDING IN THE MATTER OF THE COMPANIES'  
CREDITORS ARRANGEMENT ACT, R.S.C.  
1985, c. C-36, as amended

AND IN THE MATTER OF THE  
COMPROMISE OR ARRANGEMENT OF  
GLENOGLE ENERGY INC., 1651558  
ALBERTA LTD. and GLENOGLE ENERGY LP

DOCUMENT **APPROVAL AND REVERSE VESTING ORDER**

ADDRESS FOR  
SERVICE AND  
CONTACT  
INFORMATION OF  
PARTY FILING THIS  
DOCUMENT

**BENNETT JONES LLP**

Barristers & Solicitors  
4500, 855 – 2<sup>nd</sup> Street SW  
Calgary, AB T2P 4K7

Attention: Chris Simard / Katherine J. Fisher

Telephone: (403) 298-4485 / (780) 917-4268

Facsimile: (403) 265-7219 / (780) 421-7951

Email: [simardc@bennettjones.com](mailto:simardc@bennettjones.com)

[fisherka@bennettjones.com](mailto:fisherka@bennettjones.com)

File Number: 61640.13

**DATE ON WHICH ORDER WAS PRONOUNCED:** May 12, 2022

**NAME OF JUDGE WHO MADE THIS ORDER:** The Honourable Justice J.T. Neilson

**LOCATION OF HEARING:** Edmonton, Alberta (by WebEx)

**UPON** the application of Glenogle Energy Inc. ("**GEI**"), Glenogle Energy LP and 1651558 Alberta Ltd. (collectively, "**Glenogle**" or the "**Applicants**") for an Order approving the transaction (the "**Transaction**") contemplated by the Acquisition Agreement between Astara Energy Corp., or its designee (the "**Purchaser**") and Glenogle dated April 21, 2022 (as amended, the "**Agreement**"), a copy of which is appended to the Fourth Report of Ernst & Young Inc., the Court-appointed Monitor (the "**Monitor**") of Glenogle, dated May 2, 2022 (including the Confidential Supplement thereto, the "**Fourth Report**") and, among other things: (a) vesting in

Clerk's Stamp

the Purchaser the New Common Shares free and clear of all Claims and Encumbrances (as defined below); (b) approving the Articles of Reorganization; and (c) vesting the Transferred Assets and the Transferred Liabilities to the Monitor in trust for the benefit of the creditors of Glenogle (the "**Creditor Trust**"); **AND UPON** reviewing the Fourth Report; **AND UPON** hearing from counsel for Glenogle, the Monitor, the Purchaser and any other interested party appearing at the application; **AND UPON** noting that capitalized terms used but not otherwise defined in this Order shall have the meaning given to such terms in the Agreement; **IT IS HEREBY ORDERED AND DECLARED THAT:**

#### **SERVICE**

1. Service of notice of this application and supporting materials is hereby declared to be good and sufficient, no other person is required to have been served with notice of this application and time for service of this application is abridged to that actually given.

#### **DEFINITIONS**

2. All capitalized terms used but not defined in this Order shall bear their meanings as defined in the Agreement and the Articles of Reorganization.

#### **APPROVAL OF TRANSACTION**

3. The Transaction and the Agreement are hereby approved and the execution of the Agreement by Glenogle is hereby authorized and approved, with such minor amendments as Glenogle may deem necessary, with the consent of the Monitor. Glenogle is hereby authorized and directed to take such additional steps and execute such additional documents, with the consent of the Monitor, as may be necessary or desirable for the completion of the Transaction. In the event of any conflict between the terms of the Agreement and this Order, this Order shall govern.

#### **APPROVAL OF ARTICLES OF REORGANIZATION**

4. Pursuant to section 192 of the *Business Corporations Act*, RSA 2000, c. B-9, the Articles of Reorganization attached as **Schedule "A"** hereto (the "**Articles of Reorganization**") are hereby approved. Glenogle is hereby authorized to: file the Articles of Reorganization

with the Alberta Registrar of Corporations; to redeem the Existing Common Shares; and to issue the New Common Shares; all as contemplated in the Agreement.

## **VESTING OF ASSETS, LIABILITIES AND NEW COMMON SHARES**

5. Upon delivery of a Monitor's Certificate substantially in the form set out in **Schedule "B"** hereto (the "**Monitor's Certificate**"), the following shall occur and be deemed to occur commencing at the time of delivery of the Monitor's Certificate (the "**Closing Time**"), in the following sequence:
- (a) all right, title and interest of GEI in and to the Transferred Assets shall be transferred to and shall vest absolutely and exclusively in the Creditor Trust;
  - (b) all Transferred Liabilities, but specifically excluding the Retained Liabilities, shall be transferred to and shall be assumed by and shall vest absolutely and exclusively without recourse in the Creditor Trust, and (i) such Transferred Liabilities shall continue to attach to the Transferred Assets with the same nature and priority as they had immediately prior to the Closing Time; (ii) such Transferred Liabilities equal to the fair market value of the Transferred Assets shall be transferred to and assumed by the Creditor Trust in consideration for the transfer of the Transferred Assets; and (iii) the remaining Transferred Liabilities shall be transferred to and assumed by the Creditor Trust for no additional consideration as part of, and to facilitate, the implementation of the Transaction;
  - (c) all Transferred Liabilities shall be irrevocably and forever expunged, released and discharged as against the Purchaser, GEI, and the Retained Assets;
  - (d) the New Common Shares shall vest absolutely in the name of the Purchaser, free and clear of and from any and all Encumbrances, caveats, security interests, hypothecs, pledges, mortgages, liens, trusts or deemed trusts, reservations of ownership, royalties, options, rights of pre-emption, privileges, interests, assignments, actions, judgements, executions, levies, taxes, writs of enforcement, charges, or other claims, whether contractual, statutory, financial, monetary or otherwise, whether or not they have attached or been perfected, registered or filed

and whether secured, unsecured or otherwise (collectively, “**Claims**”) including, without limiting the generality of the foregoing:

- (i) any encumbrances or charges created by Orders granted in the NOI Proceedings commenced by the Glenogle Entities under Part II of the *Bankruptcy and Insolvency Act* (Canada) in the Court of Queen's Bench of Alberta in Action Nos. 25-2645392 and 25-2645473;
- (ii) any encumbrances or charges created by the Amended and Restated Initial Order (the “**ARIO**”) granted in the within proceeding on September 8, 2020 or granted in any other Orders granted in the within proceeding;
- (iii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Alberta) or any other personal property registry system; and
- (iv) all liens or claims of lien under the *Builders' Lien Act* (Alberta), including but not limited to Instrument Nos. 1902735 and 1902736 filed by CWC Energy Services Corp. with Alberta Energy against the interest of Glenogle (the “**CWC Lien Registrations**”);

(all of which are collectively referred to as the “**Encumbrances**”);

- (e) all Claims and Encumbrances affecting or relating to the New Common Shares shall be, and are hereby, expunged, discharged, and terminated as against the New Common Shares; and
- (f) without limiting subparagraphs 3(c), (d) and (e), any and all security registrations against GEI (other than any security registrations in respect of the Retained Liabilities) and/or claiming interests in the estate or interest of GEI in the New Common Shares shall be and are hereby forever released and discharged as against GEI and the New Common Shares, and all such security registrations shall attach to the Transferred Assets vested in the Creditor Trust (including the net proceeds realized from the sale of the New Common Shares) and maintain the same attributes, rights, nature, perfection and priority as they had immediately prior to the Closing Time, and no financing change statements in any applicable personal property or other registry system are required to reflect the transfer of and assumption by the Creditor Trust of such security registrations.

6. As of the Closing Time:
  - (a) GEI shall continue to hold all right, title and interest in and to the Retained Assets, free and clear of all Transferred Liabilities, other than the Retained Liabilities, and free and clear of all Claims and Encumbrances; and
  - (b) GEI shall be deemed to have disposed of the Transferred Assets and the Transferred Liabilities and shall have no right, title or interest in or to any of the Transferred Assets or Transferred Liabilities.
7. Notwithstanding anything in this Order or in the Agreement, none of the following assets and liabilities shall constitute Transferred Liabilities, Transferred Assets or Transferred Contracts, as applicable (and the Purchaser shall not be entitled to designate them as such):
  - (a) any of the Oil and Gas Assets;
  - (b) any of the Abandonment and Reclamation Obligations;
  - (c) any Liabilities arising from or in connection to the PNG Licenses or compliance with or the consequences of any non-compliance with, or violation or breach of Applicable Laws or any orders issued by any Governmental Authority (including by either the AER or BCOGC) respecting the PNG Licenses and the Oil and Gas Assets.
8. For greater certainty, any person that, prior to the Closing Time:
  - (a) had a Claim or Encumbrance in respect of the Transferred Liabilities or Transferred Assets (other than the Retained Liabilities or Retained Assets) against GEI or its assets, properties or undertakings shall, as of the Closing Time, no longer have any such Claim or Encumbrance in respect of the Transferred Liabilities or the Transferred Assets as against or in respect of GEI or the Retained Assets, but shall have an equivalent Claim or Encumbrance, as applicable, against the Transferred Assets and the Creditor Trust, to be administered by the Monitor from and after the Closing Time, with the same attributes, rights, security, nature and priority as such Claim or Encumbrance had immediately prior to its transfer to the Creditor Trust,

and nothing in this Order limits, lessens, modifies (other than by change in debtor) or extinguishes the Claim or Encumbrance of any person as against the Transferred Assets to be administered by the Creditor Trust; and

- (b) had a Claim or Encumbrance against the New Common Shares, shall, as of the Closing Time, no longer have any such Claim or Encumbrance as against the New Common Shares, but shall have an equivalent Claim or Encumbrance, as applicable, against the net proceeds from sale of the New Common Shares with the same priority as they had with respect to the New Common Shares immediately prior to the sale, as if the New Common Shares had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.
- 9. From and after the Closing Time, the Purchaser and/or GEI shall be authorized to take all steps as may be necessary to effect the discharge and release as against GEI and the Retained Assets, of the Transferred Liabilities that are transferred to and vested in the Creditor Trust pursuant to this Order.
- 10. Upon delivery of the Monitor's Certificate, and upon filing of a certified copy of this Order, together with any applicable registration fees, all governmental authorities and any other applicable registrar or government ministries or authorities exercising jurisdiction with respect to GEI, the Retained Assets, the Transferred Assets, or the New Common Shares (collectively, "**Governmental Authorities**") are hereby authorized, requested and directed to accept delivery of such Monitor's Certificate and certified copy of this Order as though they were originals and to register such transfers, interest authorizations, discharges and discharge statements of conveyance as may be required to convey to give effect to the terms of this Order and the completion of the Transaction and to discharge and release all Claims and Encumbrances other than Retained Liabilities against or in respect of GEI, the Retained Assets, and the New Common Shares, and presentment of this Order and the Monitor's Certificate shall be the sole and sufficient authority for Governmental Authorities to do so. Without limiting the generality of the foregoing, Alberta Energy is hereby authorized, requested and directed to, upon delivery of the Monitor's Certificate, cancel and discharge the CWC Lien Registrations.

## **CREDITOR TRUST**

11. The Creditor Trust created pursuant to this Order shall be named the “Glenogle Residual Asset Trust”. The Creditor Trust shall be instituted and administered in accordance with the Trust Settlement attached as **Schedule "C"** hereto.
12. GEI shall cease to be a party in this Action and the NOI Proceedings, and shall be released from the scope and effect of all orders of this Court granted in these proceedings or the NOI Proceedings. At the Closing Time, the style of cause in these proceedings shall be amended to:

IN THE MATTER OF THE COMPANIES'  
CREDITORS ARRANGEMENT ACT, R.S.C.  
1985, c. C-36, as amended

AND IN THE MATTER OF THE ADMINISTRATION OF THE  
GLENOGLE RESIDUAL ASSET TRUST

13. The administration of the Creditor Trust shall remain subject to the Court’s oversight and these proceedings. The ARIO shall apply *mutatis mutandis* to the Creditor Trust, the Transferred Assets and the Monitor.
14. In addition to and without limiting the rights and protections afforded to the Monitor pursuant to the CCAA and the ARIO, the Monitor and its employees and representatives shall not incur any liability as a result of acting in accordance with this Order or administering the Creditor Trust, save and except for any gross negligence or wilful misconduct on the part of any such parties.

## **MISCELLANEOUS MATTERS**

15. The Monitor is directed to file with the Court a copy of the Monitor's Certificate forthwith after delivery thereof to the Purchaser.
16. Notwithstanding:
  - (a) the pendency of these proceedings;

(b) the pendency of any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c.B-3, as amended (the “**BIA**”), and any bankruptcy order issued pursuant to any such applications; and

(d) the provisions of any federal or provincial statute,

the execution of the Agreement and the implementation of the Transaction shall be binding on any trustee in bankruptcy or receiver that may be appointed in respect of Glenogle and shall not be void or voidable by creditors of Glenogle, nor shall it constitute nor be deemed to be a transfer at undervalue, settlement, fraudulent preference, assignment, fraudulent conveyance or other reviewable transaction under the BIA or any other applicable federal or provincial legislation or at common law, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

17. Glenogle, the Monitor, the Purchaser and any other interested party, shall be at liberty to apply for further advice, assistance and direction as may be necessary in order to give full force and effect to the terms of this Order and to assist and aid the parties in closing the Transaction.
18. This Court shall retain exclusive jurisdiction to, among other things, interpret, implement and enforce the terms and provisions of this Order, the Agreement and all amendments thereto, in connection with any dispute involving GEI or Glenogle and to adjudicate, if necessary, any disputes concerning GEI or Glenogle related in any way to the Transaction.
19. This Honourable Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in any of its provinces or territories or in any foreign jurisdiction (including, but not limited to, the United States of America), to act in aid of and to be complimentary to this Court in carrying out the terms of this Order, to give effect to this Order and to assist Glenogle and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such order and to provide such assistance to Glenogle, and the Monitor (as an officer of the Court), as may be necessary or desirable to give effect to this Order or to assist the Monitor and its agents in carrying out the terms of this Order.

20. 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;
- (iv) the Purchaser or the Purchaser's solicitors; and

(b) Posting a copy of this Order on the Monitor's website at:

[www.ey.com/ca/glenogleenergy](http://www.ey.com/ca/glenogleenergy)

and service on any other person is hereby dispensed with.

21. 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

## SCHEDULE "A"



### Articles of Reorganization

Business Corporations Act

Section 192

This information is collected in accordance with the *Business Corporations Act*. It is required to update an Alberta corporation's articles for the purpose of issuing a certificate of amendment. Collection is authorized under s. 33(a) of the *Freedom of Information and Protection of Privacy Act*. Questions about the collection can be directed to Service Alberta Contact Centre staff at [cr@gov.ab.ca](mailto:cr@gov.ab.ca) or 780-427-7013 (toll-free 310-0000 within Alberta).

1. Name of Corporation

2. Corporate Access Number

GLENOGLE ENERGY INC.

2018687208

3. In accordance with the Order for Reorganization, the Articles of Incorporation are amended as follows:

In accordance with an Order of the Court of Queen's Bench of Alberta, dated \_\_\_\_\_, 2022, and pursuant to Section 192 of the Business Corporations Act (Alberta), the Articles of Amalgamation of the Corporation are hereby amended by:

(a) amending the existing rights of the Class A Common Shares by removing the rights, privileges, restrictions and conditions thereof in their entirety and replacing them with the rights, privileges, restrictions and conditions as set forth in the attached Schedule to Articles of Reorganization of Glenogle Energy Inc. and, after giving effect to these amendments, the Amended Schedule of Share Capital forming part of the Articles as attached hereto;

(b) canceling as a class all unissued Class B Common Shares, Class A Preferred Shares and Class B Preferred Shares of the Corporation, together with all rights, privileges, restrictions and conditions attached to such classes of shares;

(c) canceling all options, warrants, convertible instruments and any other rights or interests that are capable of being converted into Class A Common Shares, Class B Common Shares, Class A Preferred Shares or Class B Preferred Shares; and

(c) creating new classes of shares designated as Common Shares and Preferred Shares of the Corporation having the rights, privileges, restrictions and conditions as set forth in the attached Schedule to Articles of Reorganization of Glenogle Energy Inc. and, after giving effect to these amendments, the Amended Schedule of Share Capital forming part of the Articles as attached hereto.

4. Authorized Representative/Authorized Signing Authority for the Corporation

Last Name, First Name, Middle Name (optional)

Relationship to Corporation

Telephone Number (optional)

Email Address (optional)

Date of submission (yyyy-mm-dd)

Signature

REG3040 (2015/12)

[Reset Form](#)

[Save Form](#)

[Print Form](#)

Page 1 of 2

## Articles of Reorganization

*Business Corporations Act*

### INSTRUCTIONS

Use this form to collect information to submit to an authorized [Corporate Registry service provider](#). The information will be filed with the Registrar of Corporations in accordance with the *Business Corporations Act*.

Item 1. Enter the full legal name of the corporation.

Item 2. The corporate access number **must** be entered. It is printed at the top of the:

- Certificate of Incorporation.
- Certificate of Continuance.
- Certificate of Amalgamation.

Item 3. Enter the amendments to the Articles of Incorporation, Continuance or Amalgamation, in accordance with the court order pursuant to Section 192 of the Act. Any amendment must conform to and have continuity with the paragraph and subparagraph references in the existing articles.

Item 4.

- Enter the first and last name of the authorized individual. The middle name is optional.
- Select the appropriate relationship to the corporation.
- Enter the telephone number of the signing authority.
- Enter the email address of the signing authority.
- Enter the date of submission.
- Ensure the form is signed.

The articles **must** be submitted with:

- A copy of the court order.
- Notice of Change of Address, if applicable.
- Notice of Change of Directors, if applicable.

**Note:** The authorized representative of the corporation must present their identification to the Corporate Registry service provider in order to register this information.

## AMENDED SCHEDULE OF SHARE CAPITAL

The classes of shares and any maximum number of shares that Glenogle Energy Inc. (the "**Corporation**") is authorized to issue are:

1. An unlimited number of Class A Common Shares, with the following rights, restrictions and conditions attached thereto:
  - (a) the Class A Common Shares shall be redeemable by the Corporation at any time for an amount equal to one one-millionth of one dollar (\$0.000001) per Class A Common Share (the "**Redemption Amount**"), however, where the aggregate Redemption Amount payable by the Corporation for the repurchase of such shares is less than one cent (\$0.01), the aggregate amount payable to such holder of Class A Common Shares shall be one cent (\$0.01);
  - (b) upon notice in writing by the Corporation sent to the holders of Class A Common Shares (the "**Redemption Notice**"), the Corporation will pay, or cause to be paid, to the holders of Class A Common Shares the aggregate Redemption Amount payable to such holders in connection with the redemption of their Class A Common Shares, provided, however, that:
    - (i) the Redemption Notice may be sent by the Corporation to the holders of Class A Common Shares simultaneously with the aggregate Redemption Amount payable thereto;
    - (ii) the obligations of the Corporation to deliver the Redemption Notice and the aggregate Redemption Amount payable to each holder of Class A Common Shares (together, the "**Redemption Documents**") will be deemed satisfied by the Corporation sending the Redemption Documents by pre-paid first-class mail or courier to such the addresses set forth in the share register maintained by the Corporation;
  - (c) upon the Redemption Documents being sent to the Class A Shareholders in accordance with paragraph 1(b) above, the Class A Common Shares shall be redeemed;
  - (d) the holders of the Class A Common Shares shall not be entitled to receive notice of or attend any meeting of the shareholders of the Corporation;
  - (e) the holders of the Class A Common Shares shall not be entitled to receive dividends; and
  - (f) the holders of the Class A Common Shares shall not be entitled to receive any property or assets of the Corporation upon dissolution or winding up of the Corporation.
2. An unlimited number of Common Shares, with the following rights, restrictions and conditions attached thereto:

- (a) the holders of the Common Shares shall be entitled to receive notice of and to attend any meeting of the shareholders of the Corporation and shall be entitled to one vote for each Common Share held;
  - (b) the holders of the Common Shares shall be entitled to receive dividends at such times and in such amounts as the directors of the Corporation may in their discretion from time to time declare; and
  - (c) subject to the prior rights and privileges attaching to any other class of shares of the Corporation, the right to receive the remaining property and assets of the Corporation upon dissolution.
- 3. An unlimited number of Preferred Shares, issuable in series, with the following rights, restrictions and conditions attached thereto:
  - (a) the Preferred Shares may at any time and from time to time be issued in one or more series, each series to consist of such number of shares as may, before the issue thereof, be determined by resolution of the directors of the Corporation; and
  - (b) Subject to the provisions of the *Business Corporations Act* (Alberta), the directors of the Corporation may by resolution fix from time to time before the issue thereof the designation, rights, privileges, restrictions and conditions attaching to each series of the Preferred Shares.

## SCHEDULE "B"

### Monitor's Certificate

|                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                              |
|------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| COURT FILE NUMBER                                                                        | 2001-10261                                                                                                                                                                                                                                                                                                                                                                                                                   |
| COURT                                                                                    | COURT OF QUEEN'S BENCH OF ALBERTA                                                                                                                                                                                                                                                                                                                                                                                            |
| JUDICIAL CENTRE                                                                          | CALGARY                                                                                                                                                                                                                                                                                                                                                                                                                      |
| PROCEEDING                                                                               | IN THE MATTER OF THE COMPANIES'<br>CREDITORS ARRANGEMENT ACT, R.S.C.<br>1985, c. C-36, as amended<br><br>AND IN THE MATTER OF THE<br>COMPROMISE OR ARRANGEMENT OF<br>GLENOGLE ENERGY INC., 1651558<br>ALBERTA LTD. and GLENOGLE ENERGY LP                                                                                                                                                                                    |
| DOCUMENT                                                                                 | <b>MONITOR'S CERTIFICATE</b>                                                                                                                                                                                                                                                                                                                                                                                                 |
| ADDRESS FOR<br>SERVICE AND<br>CONTACT<br>INFORMATION OF<br>PARTY FILING THIS<br>DOCUMENT | <b>ERNST &amp; YOUNG INC.</b><br>Calgary City Centre<br>2200, 215 - 2nd Street SW<br>Calgary, Alberta T2P 1M4<br><br>Attention: Neil Narfason/Carolyn Parker<br>Telephone: (403) 206-5067 / (403) 206-5122<br>Facsimile: (403) 206-5075<br>Email: <a href="mailto:neil.narfason@parthenon.ey.com">neil.narfason@parthenon.ey.com</a><br><a href="mailto:carolyn.parker@parthenon.ey.com">carolyn.parker@parthenon.ey.com</a> |

### RECITALS

- A. Pursuant to an Order of the Honourable Madam Justice K.M. Horner of the Court of Queen's Bench of Alberta (the "**Court**"), dated September 8, 2020, Ernst & Young Inc. was appointed as the Monitor (the "**Monitor**") of the Applicants herein.
- B. On May 12, 2022, the Court granted an Approval and Reverse Vesting Order approving an Acquisition Agreement (the "**Agreement**") between Astara Energy Corp., or its designee (the "**Purchaser**") and GEI and the transaction contemplated therein (the "**Transaction**").

C. Capitalized terms not otherwise defined herein have the meanings given to those terms in the Agreement.

**THE MONITOR CERTIFIES THE FOLLOWING:**

1. The Monitor has received written confirmation in form and substance satisfactory to the Monitor from the Parties that all conditions of Closing have been satisfied or waived by the applicable Parties.
2. The Transaction has been completed to the satisfaction of the Monitor.
3. This Certificate was delivered by the Monitor at \_\_\_\_\_ on \_\_\_\_\_, 2022.

Ernst & Young Inc., in its capacity  
as Court-appointed Monitor of  
Glenogle Energy Inc, Glenogle  
Energy LP and 1651558 Alberta  
Ltd., and not in its personal or  
corporate capacity.

---

Name:

Title:

## SCHEDULE "C"

### CREDITOR TRUST SETTLEMENT

#### RECITALS

On September 8, 2020, the Court of Queen's Bench of Alberta (the "**CCAA Court**") granted an Initial Order (subsequently amended and restated, and hereinafter the "**ARIO**") under the *Companies' Creditors Arrangement Act* ("**CCAA**") in Action No. 2001-10261 (the "**CCAA Proceedings**") that, among other things, appointed Ernst & Young Inc. (the "**Monitor**") as the Monitor of Glenogle Energy Inc. ("**GEI**"), Glenogle Energy LP and 1651558 Alberta Ltd. (collectively, "**Glenogle**" or the "**Applicants**").

On May 12, 2022, the CCAA Court granted an Approval and Reverse Vesting Order (the "**RVO**") that, among other things, approved an Acquisition Agreement (the "**Agreement**") between Astara Energy Corp., or its designee (the "**Purchaser**") and GEI.

The Agreement contemplates a transaction (the "**Transaction**") which includes, among other things: (i) the establishment of a trust for the benefit of the creditors of Glenogle (the "**Creditor Trust**"); (ii) the transfer to the Creditor Trust of certain liabilities of Glenogle (the "**Transferred Liabilities**"); (iii) the payment by the Purchaser of the Purchase Price (as defined in the Agreement).

This Trust Settlement is intended to be appended to and form part of the RVO, for the purpose of furthering the Transaction, including but not limited to governing the manner in which the Creditor Trust shall be established, effective on the closing of the Transaction, and administered thereafter.

#### ARTICLE 1 ESTABLISHMENT OF THE CREDITOR TRUST

##### 1.1 Settling the Creditor Trust

The Creditor Trust shall be named the "Glenogle Residual Asset Trust" and shall be settled by the delivery to the Monitor of the Purchase Price (the "**Settlement Funds**"), on behalf of one or more of the Applicants.

##### 1.2 Appointment of the Trustee

The Monitor shall be the trustee of the Creditor Trust (the "**Trustee**") and shall hold the Settlement Funds in trust for the creditors of the Applicants (the "**Creditor Trust Beneficiaries**"), subject to the terms of this Trust Settlement. The Trustee shall have all the rights, powers and duties set forth herein and pursuant to applicable law for accomplishing the purposes of the Creditor Trust.

### **1.3 Purpose of the Creditor Trust**

The purpose of the Creditor Trust is for the Trustee to hold the Settlement Funds, assume the Transferred Liabilities, and to distribute the Settlement Funds to the Creditor Trust Beneficiaries, in accordance with their respective priorities, rights and entitlements as against the Applicants.

## **ARTICLE 2 THE TRUSTEE**

### **2.1 Authority of Trustee**

The Trustee shall have all powers and authorities necessary to carry out the purpose of the Creditor Trust as set out in Article 1.3. The Trustee may from time to time apply to the CCAA Court for advice and directions as to the discharge of its powers and duties hereunder.

### **2.2 Compensation of the Trustee**

The Trustee shall be compensated for its services, and reimbursed for its expenses, including the reasonable costs and expenses of its legal counsel, from the Settlement Funds.

### **2.3 Standard of Care; Exculpation**

In addition to the rights and protections afforded to the Trustee as Monitor in the CCAA Proceedings or as an Officer of this Court, the Trustee shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Trust Settlement, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Trust Settlement shall derogate from the protections afforded the Monitor by the CCAA or any applicable legislation, or the ARIO.

## **ARTICLE 3 INDEMNIFICATION**

### **3.1 Indemnification of Trustee and others**

To the fullest extent permitted by law, the Creditor Trust, to the extent of its assets legally available for that purpose, shall indemnify and hold harmless the Trustee, and each of its respective directors, members, shareholders, partners, officers, agents, employees, counsel and other professionals (collectively, the "**Indemnified Persons**") from and against any and all losses, costs, damages, reasonable and documented out-of-pocket expenses (including reasonable fees and expenses of counsel and other advisors and any court costs incurred by any Indemnified Person) or liability by reason of anything any Indemnified Person did, does, or refrains from doing for the business or affairs of the Creditor Trust, except to the extent that the loss, cost, damage, expense or liability resulted from the Indemnified Person's gross negligence or wilful misconduct.

## **ARTICLE 4**

### **TERM; TERMINATION OF THE CREDITOR TRUST**

#### **4.1 Term; Termination of the Creditor Trust**

- (a) The Creditor Trust shall commence on the date that the Transaction closes, and shall terminate no later than the first anniversary thereof; provided, however, that, on or prior to the date that is 90 days prior to such termination, the Trustee may extend the term of the Creditor Trust if it is necessary to the efficient and proper administration of the Creditor Trust in accordance with the purposes and terms of this Trust Settlement, by filing a notice of such extension with the CCAA Court, and serving such notice on interested parties.
- (b) The Creditor Trust may be terminated by the Trustee earlier than its scheduled termination if the Trustee has distributed all Settlement Funds and performed all other duties required by this Trust Settlement.

## **ARTICLE 5**

### **AMENDMENT AND WAIVER**

#### **5.1 Amendment and Waiver**

The Trustee may amend, supplement or waive any provision of this Trust Settlement, without notice to or the consent of the Creditor Trust Beneficiaries or the approval of the CCAA Court: (i) to cure any ambiguity, omission, defect or inconsistency in this Trust Settlement; (ii) to comply with any legal (including tax) requirements; and (iii) to achieve any other purpose that is not inconsistent with the purpose and intention of this Trust Settlement.

## **ARTICLE 6**

### **MISCELLANEOUS PROVISIONS**

#### **6.1 Laws as to Construction**

This Trust Settlement shall be governed by and construed in accordance with the laws of the Province of Alberta and the federal laws of Canada applicable therein, without regard to whether any conflicts of law would require the application of the law of another jurisdiction.

#### **6.2 Jurisdiction**

Without limiting any Person's right to appeal any order of the CCAA Court with regard to any matter, (i) the CCAA Court shall retain exclusive jurisdiction to enforce the terms of this Trust Settlement and to decide any claims or disputes which may arise or result from, or be connected with, this Trust Settlement, or the matters contemplated hereby, and (ii) any and all actions related to the foregoing shall be filed and maintained only in the CCAA Court.

#### **6.3 Irrevocability**

The Creditor Trust is irrevocable, but is subject to amendment and waiver as provided for in this Agreement.

## **SCHEDULE "B"**

COURT FILE NUMBER 2001-10261  
COURT COURT OF QUEEN'S BENCH OF ALBERTA  
JUDICIAL CENTRE CALGARY  
PROCEEDING IN THE MATTER OF THE COMPANIES'  
CREDITORS ARRANGEMENT ACT, R.S.C.  
1985, c. C-36, as amended

AND IN THE MATTER OF THE  
COMPROMISE OR ARRANGEMENT OF  
GLENOGLE ENERGY INC., 1651558  
ALBERTA LTD. and GLENOGLE ENERGY LP

## DOCUMENT

**ORDER RESTRICTING COURT ACCESS**

ADDRESS FOR SERVICE AND  
CONTACT INFORMATION OF  
PARTY FILING THIS  
DOCUMENT

**BENNETT JONES LLP**

Barristers and Solicitors  
4500 Bankers Hall East  
855 – 2<sup>nd</sup> Avenue S.W.  
Calgary, AB T2P 4K7

Attention: Chris Simard / Katherine J. Fisher  
Telephone No.: (403) 298-4485 / (780) 917-4268  
Fax No.: (403) 265-7219 / (780) 421-7951  
Email: [simardc@bennettjones.com](mailto:simardc@bennettjones.com)  
[fisherka@bennettjones.com](mailto:fisherka@bennettjones.com)

**DATE ON WHICH ORDER WAS PRONOUNCED:** May 12, 2022

**LOCATION OF HEARING:** Edmonton, Alberta

**NAME OF JUDGE WHO MADE THIS ORDER:** The Honourable Justice J.T. Neilson

**UPON THE APPLICATION** of Glenogle Energy Inc. ("GEI"), Glenogle Energy LP ("GELP") and 1651558 Alberta Ltd. (collectively, "Glenogle" or the "Applicants"); **AND UPON HAVING READ** the Fourth Report of Ernst & Young Inc., the Court-appointed Monitor (the "Monitor") of Glenogle, dated May 2, 2022 (the "Fourth Report") and the Confidential Supplement thereto, dated May 2, 2022 (the "Confidential Supplement"); **AND UPON HEARING** the submissions of counsel for Glenogle, the Monitor and other interested parties that

may be present, and no one appearing for any other person on the service list, although properly served as appears from the Affidavit of Service, filed;

**IT IS HEREBY ORDERED AND DECLARED THAT:**

**SERVICE**

1. Service of notice of this application and supporting materials is hereby declared to be good and sufficient, no other person is required to have been served with notice of this application, and time for service of this application is abridged to that actually given.

**SEALING ORDER**

1. The Confidential Supplement shall be sealed on the Court file, kept confidential and not form part of the public record, notwithstanding Division 4 of Part 6 of the *Alberta Rules of Court*, until the earlier of:
  - a) the Monitor filing a Monitor's Closing Certificate in the form appended to the Approval and Reverse Vesting Order granted in these proceedings by the Honourable Justice J.T. Neilson on May 12, 2022, confirming that the transaction contemplated by the April 21, 2022 Acquisition Agreement entered into between Glenogle and Astara Energy Corp. has closed; or
  - b) further order of this Honourable Court.
2. The Clerk of the Court shall file the Confidential Supplement in a sealed envelope attached to a notice that sets out the style of cause of these proceedings and states that:

THIS ENVELOPE CONTAINS CONFIDENTIAL MATERIALS FILED IN COURT FILE NO. 2001 10261. THE CONFIDENTIAL MATERIALS ARE SEALED PURSUANT TO THE ORDER RESTRICTING COURT ACCESS GRANTED BY THE HONOURABLE JUSTICE J.T. NEILSON ON MAY 12, 2022 AND ARE NOT TO BE PLACED ON THE PUBLIC RECORD OR MADE PUBLICALLY ACCESSIBLE UNTIL THE EARLIER OF:

- A) THE MONITOR FILING A MONITOR'S CERTIFICATE IN THE FORM APPENDED TO THE APPROVAL AND REVERSE VESTING ORDER GRANTED IN THESE PROCEEDINGS ON MAY 12, 2022, CONFIRMING THAT THE TRANSACTION CONTEMPLATED BY THE ACQUISITION AGREEMENT

DESCRIBED IN THE APPROVAL AND REVERSE VESTING  
ORDER HAS CLOSED; OR

B) FURTHER ORDER OF THIS HONOURABLE COURT.

3. Leave is hereby granted to any person or party affected by this Order to apply to this Honourable Court for a further order modifying or varying the terms of paragraphs 1 and 2 of this Order, with such application to be brought on no less than seven (7) days' notice to the Receiver and any other affected party pursuant to the *Alberta Rules of Court*.

---

Justice of the Court of Queen's Bench of Alberta