

Clerk's stamp:

COURT FILE NUMBER 1901-05089

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

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

IN THE MATTER OF THE BUSINESS CORPORATIONS  
ACT, R.S.A. 2000, c. B-9, as amended

AND IN THE MATTER OF THE PLAN OF COMPROMISE  
OR ARRANGEMENT OF STRATEGIC OIL & GAS LTD.  
and STRATEGIC TRANSMISSION LTD.

APPLICANTS STRATEGIC OIL & GAS LTD. and STRATEGIC  
TRANSMISSION LTD.

DOCUMENT AFFIDAVIT

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY  
FILING THIS DOCUMENT Dentons Canada LLP  
Bankers Court  
15th Floor, 850 - 2nd Street S.W.  
Calgary, Alberta T2P 0R8

Attention: David W. Mann and Afshan Naveed  
Ph. (403) 268-7097 / 403-268-7015 Fx. (403) 268-3100  
File No.: 575553-3

**AFFIDAVIT OF REMI ANTHONY BERTHELET**

**Sworn on September 11, 2019**

I, Remi Anthony (Tony) Berthelet, of Calgary, Alberta, SWEAR AND SAY THAT:

1. I have been the President & Chief Executive Officer of Strategic Oil & Gas Ltd. ("**Strategic**") since May 2018 and as such I have personal knowledge of the matters hereinafter deposed to, save where stated to be based on information and belief, in which case I have stated the source of the information and verily believe the same to be true.

2. Capitalized terms not otherwise defined herein shall have the meaning given to them in the Affidavit sworn by me on April 9, 2019 (the "**First Berthelet Affidavit**") or the Affidavit sworn by me on April 29, 2019 (the "**Second Berthelet Affidavit**"), as the context requires.
3. This Affidavit is made in support of an Application by the Applicants for an Order seeking, the following relief:
  - (a) an extension of the stay of proceedings, as ordered and defined in paragraph 13 of the Initial Order, granted on April 10, 2019, and as extended in the Orders granted by this Court on May 6, 2019 and May 9, 2019, to and including November 29, 2019; and
  - (b) if necessary, abridging the time for service of the Application and supporting materials and declaring service to be good and sufficient.

### ***Stay Extension***

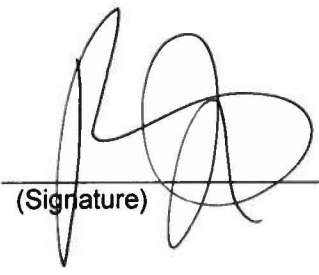
4. On April 10, 2019, the Honourable Madam Justice K.M. Horner of this Court granted the Initial Order in this Action granting, among other things, the Stay Period, up to and including May 6, 2019. On May 6, 2019, the Honourable Madam Justice M.H. Hollins granted an order extending the Stay Period to June 5, 2019. On May 9, 2016, the Honourable Madam Justice M.H. Hollins granted an order extending the Stay Period to September 30, 2019.
5. Since the granting of the Initial Order, the Applicants have been working diligently and in good faith towards restructuring their affairs for the benefit of their stakeholders. This work has taken place in conjunction with and under the supervision of the Monitor, and in consultation with stakeholders, including GMT Capital, being the main secured creditor of Strategic.
6. Among other things, Strategic and its counsel have:
  - (a) cooperated with the Monitor to facilitate its monitoring of Strategic's business and operations;
  - (b) communicated with various stakeholder groups and/or their advisors, including counsel for GMT Capital, AER, the Government of the NWT, trade creditors, employees, contractors and others;
  - (c) worked with KPMG Corporate Finance to implement the SISF; and
  - (d) continued to operate and manage the business and operations of Strategic.
7. I have reviewed a copy of the Monitor's Second Report (the "**Second Report**"), to be filed concurrently with this Affidavit, and confirm and agree with the Monitor's update to the Court.
8. As discussed in the Second Report, the forest fire in May 2019 near the Marlowe 9-17 plant (the "**Forest Fire**") required production at the plant to be shut down for 10 days. The impact of the temporary shut-down of the plant on operational cash flow is discussed in the Second Report.
9. Excluding the temporary shut down at the Marlowe plant as a result of the Forest Fire, Strategic's operations are continuing in the ordinary course of business with no material changes to its business and operations to report at this time.

- 10. Strategic is working with the Monitor to establish a claims process with respect to its creditors, which process is expected to be finalized shortly.
- 11. A copy of a cash flow forecast is appended to the Second Report and the Applicants are projected to have sufficient cash to fund operations during the proposed Stay Period, without requiring interim financing from a third party.
- 12. I am advised by the Monitor and do verily believe that the Monitor supports this application to extend the Stay Period.
- 13. I swear this Affidavit in support of an Application for the relief set out in paragraph 3 of this my Affidavit and for no other or improper purpose.

SWORN BEFORE ME at Calgary, Alberta, this )  
11<sup>th</sup> day of September, 2019. )  
)  
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\_\_\_\_\_  
A Commissioner for Oaths  
in and for the Province of Alberta



\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
PRINT NAME AND EXPIRY/LAWYER  
/STUDENT-AT-LAW

\_\_\_\_\_  
REMI ANTHONY BERTHELET

**Afshan Naveed**  
**Barrister & Solicitor**