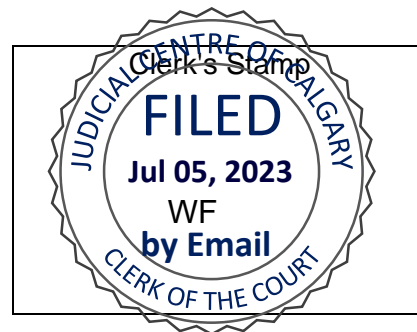


COURT FILE /  
ESTATE FILE NUMBERS 25-2954304  
B201954304

COURT COURT OF KING'S BENCH  
OF ALBERTA

JUDICIAL CENTRE CALGARY



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

AND IN THE MATTER OF THE NOTICE OF INTENTION TO  
MAKE A PROPOSAL OF FREE REIN RESOURCES LTD.

DOCUMENT **AFFIDAVIT NO. 1 OF TERRY MCCALLUM**

ADDRESS FOR SERVICE  
AND CONTACT  
INFORMATION OF PARTIES  
FILING THIS DOCUMENT

**Burnet, Duckworth & Palmer LLP**  
2400, 525 - 8 Avenue SW  
Calgary, Alberta T2P 1G1

COM  
July 11, 2023

Lawyer: David LeGeyt / Ryan Algar  
Phone Number: (403) 260-0120/ 0126  
Fax: (403) 260-0332  
Email: dlegeyt@bdplaw.com / ralgar@bdplaw.com  
File No. 77501-3



### **AFFIDAVIT NO. 1 OF TERRY MCCALLUM**

**Sworn July 4, 2023**

I, Terry McCallum of the City of Calgary in the Province of Alberta, SWEAR AND SAY THAT:

1. I am the Chairman and Chief Executive Officer ("**CEO**") of the Applicant, Free Rein Resources Ltd. ("**Free Rein**" or the "**Applicant**"). As such, I have personal knowledge of the facts and matters deposed to herein, except where any such facts and matters are stated to be from other sources, in which case I believe those facts and matters to be true.
2. I swear this Affidavit in support of Free Rein's application scheduled for July 11, 2023 (the "**Application**") seeking, among other things, the Administration Charge and the Stay Extension to the Proposal Period (each as defined below).
3. Unless otherwise stated, all references to currency in this Affidavit are to \$CAD. Unless otherwise defined herein, capitalized terms have the meaning given to them in the Application or

the First Report (the "**First Report**") of FTI Consulting Canada Inc. ("**FTI**") in its capacity as the proposal trustee of Free Rein (FTI in such capacity, the "**Proposal Trustee**").

### **Background**

4. Free Rein is a private corporation incorporated pursuant to the laws of Alberta, with its registered offices in Calgary, Alberta. Attached hereto and marked as **Exhibit "A"** is a copy of an Alberta Corporation/Non-Profit Search of Free Rein.

5. Free Rein has 47 shareholders, holding between approximately 0.15% and 35% of the issued and outstanding common shares.

6. Free Rein is an oil and gas company headquartered in Calgary, Alberta. Free Rein's core operations are located in Central Alberta in the Golden Spike area, focused on multi zone, light oil and gas plays (the "**Golden Spike Asset**").

7. Free Rein has 9 full-time employees and consultants working out of its offices in Calgary, Alberta.

### **History & Operations**

8. Until its recent financial difficulties, Free Rein has consistently grown its production and revenue since it commenced production in the fiscal year ending March 31, 2020:

	<b>For the year ended March 31</b>		
	<b>2020</b>	<b>2021</b>	<b>2022</b>
<b>Annual Average Production (BOE/D)</b>	60	156	370
<b>Revenue</b>	\$233,434	\$1,272,701	\$6,728,647

9. Until recently Free Rein's revenues have been sufficient to fund its ongoing operations, including drilling, completing and tying in wells, and meeting Free Rein's liabilities as they became due.

10. Unfortunately, due to a combination of operational overruns and unsuccessful well completions in 2022, Free Rein experienced an unanticipated decrease in production and free cash flow.

11. As a result of the foregoing, no new production was gained from the work and capital expenditures undertaken in 2022, and as a consequence of this Free Rein's board of directors (the "**Board**") terminated an officer in the fourth quarter of 2022 and the Chief Operating Officer resigned in early 2023.

12. Codeco-Vanoco Engineering Inc. ("**CVE**"), an engineering consulting firm that Free Rein retained in connection with the 2022 well program, exceeded its estimated costs by approximately 100%, resulting in the actual cost to Free Rein being double Free Rein's approved capital spend.

13. As a result of these cost overruns Free Rein has filed a Statement of Claim in Court of King's Bench of Alberta against CVE seeking damages in the amount of approximately \$2,100,000.

14. Despite these difficulties, in early 2023, certain of Free Rein's shareholders provided additional cash injections which Free Rein used to further enhance production. Free Rein anticipates implementing two additional well completions in the third quarter of this year (the "**2023 Wells**"). Free Rein estimates that, once completed, the 2023 Wells would result in an additional 200-250 boe/d, enhancing Free Rein's existing reservoir base and increasing cash flow for the benefit of Free Rein's stakeholders.

15. Notwithstanding these difficulties, Free Rein remains confident in its business model and the prospects of the Golden Spike Asset. Below is an excerpt from a March 2023 reserve report prepared by GLJ Ltd. (the "**Reserve Report**"):

Finalized GLJ March 2023 Reserve Report Summary	GLJ Limited as of March 31, 2023						
	Company Gross Reserves				NPV Before Tax		
	Oil Mbbbl	Natural Gas MMcf	NGL Mbbbl	Total MBoe	5%	10% M\$	15%
Proved Developed Producing	109	1,439	210	558	10,955	9,389	8,213
Proved Developed Non-Producing	409	1,105	171	763	20,967	17,653	15,201
Proved Undeveloped	1,505	1,824	331	2,140	39,239	26,488	18,410
<b>Total Proved</b>	<b>2,022</b>	<b>4,368</b>	<b>712</b>	<b>3,461</b>	<b>71,161</b>	<b>53,529</b>	<b>41,825</b>
Probable	1,740	2,948	503	2,734	63,438	45,880	35,035
<b>Total Proved Plus Probable</b>	<b>3,762</b>	<b>7,316</b>	<b>1,214</b>	<b>6,196</b>	<b>134,599</b>	<b>99,409</b>	<b>76,860</b>

16. As discussed in greater detail below, commencing in or around March 2023, Free Rein's shareholders, Board, and executive team have spent considerable time and effort holding discussions with potential investors in an effort to attract new debt and/or equity investments for the purpose of restructuring Free Rein's financial affairs and as part of a proposal in these proceedings. On the basis, of, among other things, the Reserve Report, Free Rein is confident that there is sufficient value in its business to support the refinancing of its existing secured credit facilities.

### **Secured Creditors**

17. Effective September 21, 2022, Free Rein as borrower and Invico Diversified Income Limited Partnership ("**Invico**") as lender entered into a loan agreement (as subsequently amended and restated, the "**Invico Loan Agreement**") pursuant to which Invico made certain credit facilities available to Free Rein (collectively, the "**Invico Loan**").

18. On June 2, 2023, Invico issued a demand for repayment of the Invico Loan in the amount of \$5,727,833.17 plus interest and costs and concurrently delivered a Notice of Intention to Enforce Security pursuant to section 244 of the *Bankruptcy and Insolvency Act* (the "**BIA**").

19. Additionally, pursuant to the terms of a master services agreement dated August 5, 2021, (as subsequently amended, the "**Tartan Loan Agreement**"), Free Rein is indebted to Tartan Energy Tech (Shanghai) Ltd. through its Canadian affiliated nominee, Tartan Energy Group (collectively, "**Tartan**"). As of the date of the NOI, Free Rein's books and records indicated that it is indebted to Tartan in the amount of \$1,919,952.00.

20. Pursuant to the terms of a September 21, 2022 Postponement, Subordination and Standstill Agreement, Tartan, among other things, subordinated its rights and the amounts owing under the Tartan Loan Agreement to the rights of Invico and the amounts owing under the Invico Loan Agreement.

### **NOI and Creditors**

21. On June 12, 2023, Free Rein commenced the within proceedings (the "**NOI Proceedings**") by filing a Notice of Intention to Make a Proposal (the "**NOI**") with the Official Receiver pursuant to section 50.4(1) of the *Bankruptcy and Insolvency Act* ("**BIA**"). FTI Consulting

Canada Inc. ("**FTI**") was appointed as the proposal trustee under the NOI (in such capacity, a "**Proposal Trustee**"). Attached hereto and marked as **Exhibit "B"** is a copy of the NOI.

22. Attached hereto and collectively marked as **Exhibit "C"** is the cash flow statement Free Rein prepared with the assistance of the Proposal Trustee (the "**Cash Flow Statement**") and the Proposal Trustee's Report on Cash-Flow Statement. I am informed by Free Rein's counsel, Burnet, Duckworth & Palmer LLP ("**BD&P**"), that the Proposal Trustee's Report and Cash-Flow Statement have already been provided, or will be provided, to the Official Receiver by the time the Application is heard.

23. As of the date of the NOI, Free Rein's books and records indicated that it owes its creditors approximately \$11,789,755.34.

24. Since the filing of the NOI, Free Rein has been in constant communications with its vendors and unsecured creditors. I estimate that 85% of the vendors and unsecured creditors that have been contacted are supportive of Free Rein in these proceedings, and are also supportive of Free Rein's efforts to refinance the Invico Loan, the Tartan Loan, and fund a proposal in these proceedings.

#### **Stay Extension and Restructuring Efforts**

25. Since the filing of the NOI, Free Rein has pursued numerous activities with a view to advancing these proceedings, restructuring its affairs, and working towards its goal of presenting a proposal to its creditors (a "**Proposal**"). These steps have included, but are not limited to:

- (a) preparing and analyzing a list of creditors and identifying issues specific to certain creditors;
- (b) providing FTI with access to Free Rein's books and records;
- (c) working with FTI and BD&P generally, and in particular with respect to:
  - (i) exploring and considering the various exit strategies available to Free Rein in the context of these proceedings, including the structure and financing of any Proposal; and

- (ii) preparing cash flow projections and identifying issues with respect to Free Rein's financial condition;
- (d) communicating and engaging with stakeholders, employees, contractors, vendors;
- (e) communicating with its secured creditors, namely:
  - (i) conducting weekly calls with Tartan to keep it informed of these NOI Proceedings and Free Rein's restructuring efforts. Tartan has introduced investors to Free Rein who would be willing to aid in a restructuring with Free Rein's existing management in place; and
  - (ii) through its counsel and the Proposal Trustee, maintaining communication with Invico in an effort to keep Invico updated it on the progress of a re-financing of the Invico Loan;
- (f) reviewing its operating expenses, pursuing the collection of accounts receivable and taking other steps to ensure Free Rein remains financially viable without recourse to interim financing during the NOI Proceedings; and
- (g) conducting discussions with prospective investors and/or lenders, including but not limited to:
  - (i) Enoch Cree Nation:
    - (A) Free Rein conducted meetings with Enoch Cree First Nation, including on June 26, 2023, in an effort to secure additional funds that Free Rein estimates would be sufficient to (i) repay its secured creditors (ii) provide a material distribution to its unsecured creditors under a proposal and (iii) provide significant working capital. Free Rein understands that the proposed transaction requires only the approval of Enoch Cree Nation's Finance and Audit Committee;
    - (B) From conversations I had with Chief Cody Thomas on July 2, 2023, I understand that he has requested Enoch Corp. to review our term sheet promptly so that it can go to council for a vote on an expedited basis;

- (C) Free Rein has already met with 7 of the 10 council members, and they have all expressed support for the investment; and
  - (D) Enoch Cree Nation has estimated a 30-90 day closing period following the completion of its due diligence and approvals;
- (ii) various companies and high net worth individuals, including but not limited to:
- (A) Daniel Nelson, the President of Semerra Ltd.;
  - (B) Garry Tether;
  - (C) James Kenneth Gray O.C., A.O.E.;
  - (D) Claus Sitzler;
  - (E) Inclusive Energy Ltd.;
  - (F) Lanark Capital;
  - (G) BTG Capital Inc.; and
  - (H) Climate Door; and
- (iii) certain of Free Rein's, shareholders, who have expressed the interest and ability to inject new capital into Free Rein on an immediate basis.

26. Free Rein requires an extension of the period of time within which it is required to file a Proposal (the "**Proposal Period**") up to and including August 25, 2023 (the "**Stay Extension**"). The Stay Extension will allow Free Rein to, among other things:

- (a) continue the restructuring of its business and affairs, and pursue strategic alternatives;
- (b) continue operations and generate revenue; and
- (c) preserve and enhance the value of Free Rein's business, for the benefit of all of Free Rein's stakeholders.

27. Free Rein's creditors will not be prejudiced by the Stay Extension. Rather, the Stay Extension is critical to ensure that Free Rein can continue its operations and maximize the value of its assets which will benefit its Proposal or restructuring to the benefit of Free Rein and all of its stakeholders.

28. As a result of, among other things, its discussions with BD&P and FTI, Free Rein understands that companies in NOI proceedings often implement a court-supervised solicitation process seeking offers for their assets, or a refinancing or recapitalization of the company. While Free Rein is not seeking to implement such a process at this time, it is prepared to do so on terms satisfactory to its primary stakeholders if it is unable to close any of the potential transactions discussed herein. In such circumstances, Free Rein would seek court-approval of a solicitation process at its next court appearance, anticipated to be no later than August of 2023.

### **Administration Charge**

29. Free Rein requires the assistance of BD&P and the Proposal Trustee (as the case may be) to prepare, present and implement a Proposal. Without the continued involvement of BD&P and the Proposal Trustee, Free Rein will not be able to restructure its affairs. Free Rein therefore requests a priority charge be granted in respect of the fees and disbursements of BD&P and Proposal Trustee (including the professional fees and disbursements of the Proposal Trustee's legal counsel), ranking ahead of all other creditors (the "**Administration Charge**").

30. Given the size and extent of Free Rein's business and the anticipated complexity of the proceedings, Free Rein believes that the Administration Charge as sought is reasonable, adequate and should rank in priority to all other encumbrances.

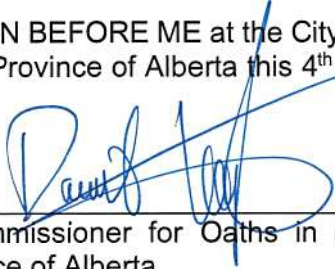
### **Relief Sought**

31. Free Rein has acted in accordance with the BIA, acted in good faith and with due diligence since filing the NOI and will continue to do so throughout the course of these proceedings. To the best of my knowledge, information and belief, none of the creditors of Free Rein will be materially prejudiced if this Honourable Court grants the relief sought.

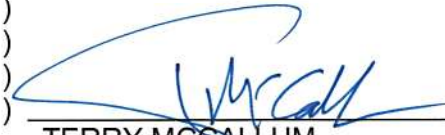


32. I make this Affidavit in support of the Extension Order, the Administration Charge, and for no improper purpose.

SWORN BEFORE ME at the City of Calgary, )  
in the Province of Alberta this 4<sup>th</sup> day of July, )  
2023 )



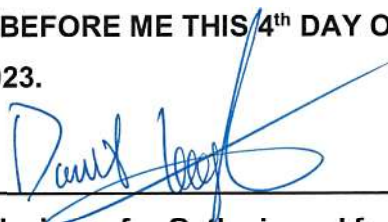
\_\_\_\_\_  
A Commissioner for Oaths in and for the  
Province of Alberta



\_\_\_\_\_  
TERRY MCCALLUM

**David LeGeyt**  
Barrister & Solicitor

THIS IS EXHIBIT "A" REFERRED TO IN  
AFFIDAVIT NO.1 OF TERRY MCCALLUM  
SWORN BEFORE ME THIS 4<sup>th</sup> DAY OF  
JULY, 2023.



A Commissioner for Oaths in and for the  
Province of Alberta

David LeGeyt  
Barrister & Solicitor

# Government Corporation/Non-Profit Search of Alberta ■ Corporate Registration System

Date of Search: 2023/07/04  
 Time of Search: 09:05 AM  
 Search provided by: ELDOR-WAL REGISTRATIONS (1987) LTD  
 Service Request Number: 40053849  
 Customer Reference Number:

**Corporate Access Number:** 203730445

**Business Number:**

**Legal Entity Name:** FREE REIN RESOURCES LTD.

## Name History:

Previous Legal Entity Name	Date of Name Change (YYYY/MM/DD)
GOLDEN LANE RESOURCES LTD.	1988/01/28
RIVER ROAD RESOURCES LTD.	1995/04/27

**Legal Entity Status:** Active  
**Alberta Corporation Type:** Named Alberta Corporation  
**Registration Date:** 1987/10/06 YYYY/MM/DD

## Registered Office:

**Street:** 3900, 350 - 7TH AVENUE SW  
**City:** CLAGARY  
**Province:** ALBERTA  
**Postal Code:** T2P3N9

## Records Address:

**Street:** 3900, 350 - 7TH AVENUE SW  
**City:** CLAGARY  
**Province:** ALBERTA  
**Postal Code:** T2P3N9

**Email Address:** BYRON@INNSLAW.CA

## Primary Agent for Service:

Last Name	First Name	Middle Name	Firm Name	Street	City	Province	Postal Code	Email
NELSON	BYRON	W.	INNS LAW	SUITE 3900, 350 -	CALGARY	ALBERTA	T2P3N9	BYRON@INNSLAW.CA

				7TH AVENUE SW				
--	--	--	--	---------------------	--	--	--	--

**Directors:**

**Last Name:** DUNNIGAN  
**First Name:** BRENT  
**Street/Box Number:** 3900, 350 - 7TH AVENUE SW  
**City:** CALGARY  
**Province:** ALBERTA  
**Postal Code:** T2P3N9

**Last Name:** HIRST  
**First Name:** TED  
**Street/Box Number:** 3900, 350 - 7TH AVENUE SW  
**City:** CALGARY  
**Province:** ALBERTA  
**Postal Code:** T2P3N9

**Last Name:** JAKUBOWSKY  
**First Name:** EDWARD  
**Street/Box Number:** 68 ALPINE CRESCENT S.E.  
**City:** AIRDRIE  
**Province:** ALBERTA  
**Postal Code:** T4B1K8

**Last Name:** LABELLE  
**First Name:** CURTIS  
**Street/Box Number:** 3900, 350 - 7TH AVENUE SW  
**City:** CALGARY  
**Province:** ALBERTA  
**Postal Code:** T2P3N9

**Last Name:** MCCALLUM  
**First Name:** TERRY  
**Street/Box Number:** 3900, 350 - 7TH AVENUE SW  
**City:** CALGARY  
**Province:** ALBERTA  
**Postal Code:** T2P3N9

**Voting Shareholders:**

**Last Name:** DUNNIGAN  
**First Name:** BRENT

**Street:** 3900, 350 - 7TH AVENUE SW  
**City:** CALGARY  
**Province:** ALBERTA  
**Postal Code:** T2P3N9  
**Percent Of Voting Shares:** 20

**Last Name:** HIRST  
**First Name:** TED  
**Street:** 3900, 350 - 7TH AVENUE SW  
**City:** CALGARY  
**Province:** ALBERTA  
**Postal Code:** T2P3N9  
**Percent Of Voting Shares:** 20

**Last Name:** JAKUBOWSKY  
**First Name:** EDWARD  
**Street:** 68 ALPINE CRESCENT S.E.  
**City:** AIRDRIE  
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**Postal Code:** T4B1K8  
**Percent Of Voting Shares:** 20

**Last Name:** LABELLE  
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**Province:** ALBERTA  
**Postal Code:** T2P3N9  
**Percent Of Voting Shares:** 20

**Last Name:** MCCALLUM  
**First Name:** TERRY  
**Street:** 3900, 350 - 7TH AVENUE SW  
**City:** CALGARY  
**Province:** ALBERTA  
**Postal Code:** T2P3N9  
**Percent Of Voting Shares:** 20

## **Other Information:**

**Last Annual Return Filed:**

<b>File Year</b>	<b>Date Filed (YYYY/MM/DD)</b>
2022	2022/09/29

**Filing History:**

<b>List Date (YYYY/MM/DD)</b>	<b>Type of Filing</b>
2019/10/02	Change Address
2019/10/02	Change Director / Shareholder
2022/09/29	Enter Annual Returns for Alberta and Extra-Provincial Corp.

**Attachments:**

<b>Attachment Type</b>	<b>Microfilm Bar Code</b>	<b>Date Recorded (YYYY/MM/DD)</b>
Letter - Spelling Error	10000107104239691	2008/10/01

The Registrar of Corporations certifies that, as of the date of this search, the above information is an accurate reproduction of data contained in the official public records of Corporate Registry.



THIS IS EXHIBIT "B" REFERRED TO IN  
AFFIDAVIT NO.1 OF TERRY MCCALLUM  
SWORN BEFORE ME THIS 4<sup>th</sup> DAY OF  
JULY, 2023.



\_\_\_\_\_  
A Commissioner for Oaths in and for the  
Province of Alberta

David LeGeyt  
Barrister & Solicitor

District of: Alberta  
Division No. 02 - Calgary  
Court No.  
Estate No.

- FORM 33 -  
Notice of Intention To Make a Proposal  
(Subsection 50.4(1) of the Act)

In the Matter of the Proposal of  
Free Rein Resources Ltd.  
of the city of Calgary  
in the Province of Alberta

Take notice that:

1. I, Free Rein Resources Ltd., an insolvent person, state, pursuant to subsection 50.4(1) of the Act, that I intend to make a proposal to my creditors.
2. FTI Consulting Canada Inc. of Suite 1610, 520 - 5th Ave S.W., Calgary, AB, T2P 3R7, a licensed trustee, has consented to act as trustee under the proposal. A copy of the consent is attached.
3. A list of the names of the known creditors with claims of \$250 or more and the amounts of their claims is also attached.
4. Pursuant to section 69 of the Act, all proceedings against me are stayed as of the date of filing of this notice with the official receiver in my locality.

Dated at the city of Calgary in the Province of Alberta, this 12th day of June 2023.



Free Rein Resources Ltd.  
Insolvent Person

To be completed by Official Receiver:

\_\_\_\_\_  
Filing Date

\_\_\_\_\_  
Official Receiver



District of: Alberta  
 Division No. 02 - Calgary  
 Court No.  
 Estate No.

- FORM 33 -

Notice of Intention To Make a Proposal  
 (Subsection 50.4(1) of the Act)

In the Matter of the Proposal of  
 Free Rein Resources Ltd.  
 of the city of Calgary  
 in the Province of Alberta

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
1788966 Alberta Ltd o/a Big Guns Wireline Services	Box 190 Redcliff AB T0J 2P0		22,030.08
2Com Consulting Inc	Box 576 Okotoks AB T1S 1A7		3,150.00
369957 Alberta Ltd. o/a Viking Wireline Services	Box 512 Eckville AB T0M 0X0		8,493.98
5 Star Propane	Box 679 Thorsby AB T0C 2P0		5,053.57
67 Supply Inc	PO Box 3900 Leduc AB T9E 6M8		13,209.38
Adrenaline Industries Ltd.	Box 9 Breton AB T0C 0P0		16,464.00
Alberta Boilers Safety Association	9410 - 20 Avenue Edmonton AB T6N 0A4		348.00
Alberta Energy Regulator	Finance Branch Calgary AB T2P 0R4		654.62
Alberta Tubular Products Ltd.	1100 - 500 4 Avenue SW Calgary AB T2P 2V6		97,981.30
Alliance Supply Ltd	104 - 1585 Broadway Street Port Coquitlam BC V3C 2M7		5,504.44
Al's Hotshot & Trucking Services Ltd.	Box 3329 Wainwright AB T9W 1T3		48,877.50
Altus Intervention Canada Inc	533, 71 Ave SE Calgary AB T2H 2Y2		30,745.84
Amped Energy Services Ltd.	PO Box 747 Sedgewick AB T0B 4C0		19,865.41
Apex Oilfield Services (2000) Inc.	5402 Blindman Drive Red Deer County AB T4S 2M4		40,922.18
ATB Mastercard	#2100 10020 100 St NW Edmonton AB T5J 0N3		644.99

District of: Alberta  
 Division No. 02 - Calgary  
 Court No.  
 Estate No.

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 (Subsection 50.4(1) of the Act)

In the Matter of the Proposal of  
 Free Rein Resources Ltd.  
 of the city of Calgary  
 in the Province of Alberta

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
B&B Power Rentals	6633 45 Street Leduc AB T9E 7E3		11,025.00
B&G Pump Jack Service Ltd	#19 Saskatchewan Avenue Devon AB T9G 1G1		5,292.38
Barracuda Wellsite Management Ltd.	10, 34 Wrangler Place Rocky View County AB T1X 0L7		13,369.44
Big Guns Energy Services	21 3030 Sunridge Way NE Calgary AB T1Y 7K4		4,989.30
Black Diamond Limited Partnership	Suite 1000, 440 2nd Ave SW Calgary AB T2P 5E9		13,711.32
Blackspur Oil Corp.	1000, 205 - 5th Avenue SW Calgary AB T2P 2V7		12,418.33
Brawler Heavy Haul Ltd	PO Box 785 Blackfalds AB T0M 0J0		9,180.16
Caliber Control Systems Ltd	Unit 108 Acheson AB T7X 6C9		44,711.15
Canadian Energy Group	1200, 101 - 6th Avenue SW Calgary AB T2P 3P4		6,158.25
Canadian Strategy Group	10103 - 97A Avenue Edmonton AB T5K 2T3		6,977.39
Canfish Services Inc.	1005 - 14 Avenue Nisku AB T9E 0G9		16,459.77
Canline Pipeline Solutions Ltd	PO Box 37 Breton AB T0C 0P0		3,063.56
CanStim	Canadian Energy Group Calgary AB T2P 3P4		20,027.12
CES LP	Canadian Energy Services LP Calgary AB T2P 0B2		385,094.53
Cheryl Treitz	55 Maryland Place SW Calgary AB T2V 2E6		2,314.52

District of: Alberta  
 Division No. 02 - Calgary  
 Court No.  
 Estate No.

- FORM 33 -

Notice of Intention To Make a Proposal  
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In the Matter of the Proposal of  
 Free Rein Resources Ltd.  
 of the city of Calgary  
 in the Province of Alberta

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
Claus Sitzler	52 Mt Alberta Green SE Calgary AB T2Z 3G8		578.63
Codeco-Vanoco Engineering Inc.	320, 717 - 7 Ave SW Calgary AB T2P 0Z3		62,331.28
Cory Treitz	149 Aspen Hills Way SW Calgary AB T3H 0G8		723.29
Cuttings Edge Oilfield Equipment Ltd.	4514 - 46 Avenue Lacombe AB T4L 2C6		24,505.00
CWC Well Services - Service Rigs	A division of CWC Energy Services Corp. Sylvan Lake AB T4S 2J9		69,650.37
David Busheikin	636 Woodpark Crescent SW Calgary AB T2W 2S2		1,880.56
Diamond Valley Pressure Services Ltd.	RR #3 Eckville AB T0M 0X0		4,472.58
Don Dewar	58 Sir Geroge Stouffville ON L4A 1P7		1,726.24
EC&M Electric 1934 Ltd.	1165 Unit J 44 Ave SE Calgary AB T2G 4X4		2,436.00
Eclipse E-Line Services Inc	410, 435-4th Ave SW Calgary AB T2P 3A8		15,948.89
Elite Line Locating Ltd	PO Box 7221 Drayton Valley AB T7A 1S5		530.25
ENMAX Energy Corporation	PO Box 2900 Calgary AB T2P 3A7		27,391.37
Ensign Drilling Inc.	1000, 400 - 5th Ave SW Calgary AB T2P 0L6		543,111.65
Epic Wireline Inc.	PO Box 12058 Sylvan Lake AB T4S 2K9		13,787.55
Exile Automation Corp.	30 - 3815 32 Street NE Calgary AB T1Y 7C1		2,157.75

District of: Alberta  
 Division No. 02 - Calgary  
 Court No.  
 Estate No.

- FORM 33 -  
 Notice of Intention To Make a Proposal  
 (Subsection 50.4(1) of the Act)

In the Matter of the Proposal of  
 Free Rein Resources Ltd.  
 of the city of Calgary  
 in the Province of Alberta

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
Explore Surveys Inc.	Box 62, Hanover Place Calgary AB T2P 3P4		2,514.49
Fanchem Ltd dba PVS Haulin Acid	150, 7750 - 79 Street Red Deer AB T4P 0W1		2,513.47
Fasken Martineau DuMoulin LLP	350 7th Avenue SW Calgary AB T2P 3N9		28,422.41
Firemaster Oilfield Services Inc.	257 27312 TWP RD 394 Lacombe County AB T4M 0R9		7,203.92
Flatland Oil Services Ltd.	Box 528 Redvers SK S0C 2H0		3,396.60
Flowmax Waste Management Solutions Ltd.	3740 33 Street Whitecourt AB T7S 0C9		8,468.25
Gallagher Energy Risk Services Inc	Lockbox #C9575C Calgary AB T2P 5L8		37,808.58
Gas Pro Compression Corp.	Box 24 Three Hills AB T0M 2A0		12,538.84
Get Torqued Pumpjack Services Ltd	PO Box 5466 Drayton Valley AB T7A 1R5		3,556.94
Greg Wilson Consulting Inc.	12 Morgans Ridge Calgary AB T3Z 0A5		1,928.76
GWL Realty Advisors Inc	ITF c/o GWL Realty Advisors Inc Calgary AB T2P 3N9		68,015.28
H2Safety Services Inc	Suite 210 Calgary AB T2H 2S5		971.25
Haley Young	519 - 11121 Young Street Richmond Hill ON L4C 0S7		2,314.52
Hellfire Suppression Services Inc.	Box 759 Rocky Mountain House AB T4T 1A6		1,254.75
Hot Rod Directional Boring Ltd.	32 Exploration Drive Devon AB T9G 2A5		13,762.50

District of: Alberta  
 Division No. 02 - Calgary  
 Court No.  
 Estate No.

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Notice of Intention To Make a Proposal  
 (Subsection 50.4(1) of the Act)

In the Matter of the Proposal of  
 Free Rein Resources Ltd.  
 of the city of Calgary  
 in the Province of Alberta

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
Inns Law	3900-350 7 Ave SW Calgary AB T2P 3N9		2,397.68
Invico Diversified Income Limited Partnership	600, 209 - 8th Avenue SW Calgary AB T2P 1B8		5,722,063.83
Invictus LLP	Atrium II Suite 230 Calgary AB T2P 3E5		5,136.13
Iron Horse Energy Services	1901 Dirkson Drive NE Redcliff AB T0J 2P0		42,487.82
Jacqueline Busheikin	636 Woodpark Crescent SW Calgary AB T2W 2S2		1,880.56
James Gray	Suite 1210 Calgary AB T2P 1N2		1,928.76
Jesse Herberman	Unit 811 Toronto ON M5N 2P3		694.35
Jodi Dewar	58 Sir George Stouffville ON L4A 1P7		1,726.24
Justin Lynch	Unit 807 Toronto ON M5R 0A4		578.63
Kieran Tether	6655 Gamba Drive Richmond BC V7C 2G4		1,639.44
Lamb's Trucking Ltd.	PO Box 6507 Drayton Valley AB T7A 1R9		3,729.60
Lawson Lundell LLP	Suite 1100 Calgary AB T2P 1N2		1,249.50
Leduc County	101, 1101 - 5th Street Nisku AB T9E 2X3		5,874.81
Legend Oilfield Services Ltd	PO Box 5450 Devon AB T9G 1Y2		11,340.97
Leslie Treitz	55 Maryland Place SW Calgary AB T2V 2E6		3,471.78

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Creditor	Address	Account#	Claim Amount
Liquids Transloading Ltd.	Box 238 Calmar AB T0C 0V0		129,541.11
Lisa Treitz	149 Aspen Hills Way SW Calgary AB T3H 0G8		723.29
Maga Energy Ltd	Suite 900, 900-6th Ave SW Calgary AB T2P 3K2		2,520.00
Magnum Cementing Services Operations Ltd LLC	PO Box 60010 Strathmore AB T1P 0C3		40,108.04
Martin Kluner	301 - 23 Burma Star Rd SW Calgary AB T3E 7Y9		723.29
Mavrek Specialties Inc.	4205 - 53 Street Red Deer AB T4N 2E1		5,103.00
Medicine River Oil Recyclers Ltd.	Box 58 Eckville AB T0M 0X0		1,016.40
Midwest Propane	a Division of Tidewater Propane Inc Wetaskiwin AB T9A 2C1		12,682.82
MNP LLP	1500, 640 - 5th Avenue SW Calgary AB T2P 3G4		19,100.00
Mud Creek Medics Ltd.	Box 76 Site 2 RR #3 Rocky Mountain House AB T4T 2A3		4,499.25
NCS Multistage, Inc.	PO Box 15280, Station A Toronto ON M5W 1C1		57,147.51
Nicole Treitz	Unit 807 Toronto ON M5R 0A4		867.94
NOV Canada ULC	Reed Hycalog Nisku AB T9E 7M9		39,091.50
NOV Canada ULC	TUBOSCOPE Nisku AB T9E 7Z7		9,584.63
Overskud Equipment	2624 - 24A Street SW Calgary AB T3E 1W3		9,450.00

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 (Subsection 50.4(1) of the Act)

In the Matter of the Proposal of  
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 of the city of Calgary  
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List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
Packers Plus Energy Services Inc.	525 - 8th Ave SW, East Tower Calgary AB T2P 1G1		40,297.95
Pacrim Steel ULC	PO Box 36063, RPO Lakeview Calgary AB T3E 7C6		2,991.96
Parkland County	53109 A HWY 779 Parkland County AB T7Z 1R1		63,978.49
Pason Systems Corp.	6130 - 3rd Street SE Calgary AB T2H 1K4		21,069.50
Petrus Resources Ltd	Suite 2400, 240 - 4th Ave SW Calgary AB T2P 4H4		14,176.53
Phoenix Technology Services LP	C/O CH3019 Calgary AB T2P 0E2		97,034.91
Prestige Oilfield Contracting Ltd	#15 Parkland County AB T7Y 1G2		210,559.30
Producers Equipment Co.	PO Box 6517 Drayton Valley AB T7A 1R9		4,753.99
Proflo Production Testing Ltd.	8006 Edgar Industrial Ave Red Deer AB T4P 3S2		43,284.15
PureChem Services	a division of Canadian Energy Services LP Calgary AB T2P 0B2		54,461.77
Q2 Artificial Lift Services ULC	7883 Edgar Industrial Way Red Deer AB T4P 3R2		72,314.23
Randy Chow	IT Fired Up. Com Calgary AB T3K 1K4		65,526.34
Raven Rentals (2022)	PO Box 429 Caroline AB T0M 0M0		5,976.18
Reesa Kluner	301 - 23 Burma Star Rd SW Calgary AB T3E 7Y9		723.29
Rush Energy Services Inc	Suite 200 Calgary AB T2P 3T1		625.80

District of: Alberta  
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 Notice of Intention To Make a Proposal  
 (Subsection 50.4(1) of the Act)

In the Matter of the Proposal of  
 Free Rein Resources Ltd.  
 of the city of Calgary  
 in the Province of Alberta

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
RWP Controls Ltd.	2036 Westerra Loop Stony Plain AB T7Z 0H8		3,997.03
Ryder Fluid Solutions Inc.	Box 3014 Clairmont AB T8X 0W0		5,021.63
Rysco Corrosion Services Inc.	PO Box 5089 Stn Main Lacombe AB T4L 1W7		1,427.24
Safety Supplies Canada	469C South Ave. Box 3612 Spruce Grove AB T7X 3A8		777.00
SCADACore Inc.	Bay 1 Calgary AB T2E 7C7		3,591.00
Secure Energy Services Inc	Suite 2300 Calgary AB T2P 1N2		58,978.92
Select Electrical Enterprises Ltd	Suite101 Stony Plain AB T7Z 0J2		85,124.74
Shawcor Composite Production Systems	a Division of Shawcor Ltd Calgary AB T2P 0T4		35,604.11
SLS Oilfield Trucking	Box 8 Erskine AB T0C 1G0		54,495.00
Step Energy Services	1200, 205 - 5th Ave SW Calgary AB T2P 2V7		69,962.77
Stream-Flo Industries Ltd	4505 - 74th Avenue Edmonton AB T6B 2H5		54,198.58
T.K.O. Rentals Ltd	Box 7285 Drayton Valley AB T7A 1S5		48,748.28
Tartan Energy Tech (Shanghai) Ltd	1520, 101 - 6th SW Calgary AB T2P 3P4		1,919,952.00
TerraPro Inc.	53345 Range Road 232 Sherwood Park AB T8A 4V2		221,687.03
Tether Family Trust	c/o Gary Tether Cochrane AB T4C 1L2		3,857.53



District of: Alberta  
 Division No. 02 - Calgary  
 Court No.  
 Estate No.

- FORM 33 -  
 Notice of Intention To Make a Proposal  
 (Subsection 50.4(1) of the Act)

In the Matter of the Proposal of  
 Free Rein Resources Ltd.  
 of the city of Calgary  
 in the Province of Alberta

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
The Haz Waste Company Inc.	PO Box 5013 Spruce Grove AB T7X 3A2		652.05
Three Bros. Site Services	6633 45 Street Leduc AB T9E 7E3		3,648.98
Thruster Energy Corp.	PO Box 72129 Glenmore Landing PO Calgary AB T2V 5H9		30,404.99
Tidewater Midstream and Infrastructure Inc	Suite 900 Calgary AB T2P 0B4		70,084.00
Titanium Tubing Technology Ltd.	Box 2062 Lloydminster AB T9V 3C3		12,215.70
Tryton Tool Services	6702-56 Street Lloydminster AB T9V 3A7		30,832.74
V.D.M. Trucking Service Ltd.	PO Box 3078 Sherwood Park AB T8H 2T1		115,986.78
Vela Software International d.b.a.	Omnira Software Inc., Suite 420, 211 11 Ave SW Calgary AB T2R 0C6		7,350.00
Weatherford Canada Ltd	#1200 Calgary AB T2P 3B6		91,842.52
Wilf Brandt Trucking	Box 135 Warburg AB T0C 2T0		124,971.85
Workers Compensation Board - Alberta	9912 - 107 Street Edmonton AB T5J 2S5		525.00
WSK Well Services Inc.	PO Box 1175 Nisku AB T9E 8A8		47,109.38
XI Technologies Inc.	1700 Life Plaza Calgary AB T2P 3P8		9,595.00
Zinger Oilfield Supplies Ltd.	PO Box 7193 Drayton Valley AB T7A 1S4		6,340.74
<b>Total</b>			<b>11,789,755.34</b>

District of: Alberta  
Division No. 02 - Calgary  
Court No.  
Estate No.

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Notice of Intention To Make a Proposal  
(Subsection 50.4(1) of the Act)

In the Matter of the Proposal of  
Free Rein Resources Ltd.  
of the city of Calgary  
in the Province of Alberta



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Free Rein Resources Ltd.  
Insolvent Person


**CONSENT TO ACT AS TRUSTEE UNDER A PROPOSAL  
SECTION 50.4(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT (CANADA)***

TO: Free Rein Resources Ltd. (the “Company”)

THE UNDERSIGNED, **FTI CONSULTING CANADA INC.**, consents to acting as trustee under a proposal to be filed by the Company, pursuant to Part III, Division I of the Bankruptcy and Insolvency Act (Canada).

**Dated this 9<sup>th</sup> day of June, 2023**

**FTI CONSULTING CANADA INC.**

Per:   
Dustin Olver  
Senior Managing Director



Industry Canada  
Office of the Superintendent  
of Bankruptcy Canada

Industrie Canada  
Bureau du surintendant  
des faillites Canada

District of Alberta  
Division No. 02 - Calgary  
Court No. 25-2954304  
Estate No. 25-2954304

In the Matter of the Notice of Intention to make a proposal of:

**Free Rein Resources Ltd.**

Insolvent Person

**FTI CONSULTING CANADA INC.**

Licensed Insolvency Trustee

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Date of the Notice of Intention:

June 12, 2023

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CERTIFICATE OF FILING OF A NOTICE OF INTENTION TO MAKE A PROPOSAL  
Subsection 50.4 (1)

-- AMENDED --

I, the undersigned, Official Receiver in and for this bankruptcy district, do hereby certify that the aforementioned insolvent person filed a Notice of Intention to Make a Proposal under subsection 50.4 (1) of the Bankruptcy and Insolvency Act;

Pursuant to subsection 69. (1) of the Act, all proceedings against the aforementioned insolvent person are stayed as of the date of filing of the Notice of Intention.

Date: June 13, 2023, 11:32

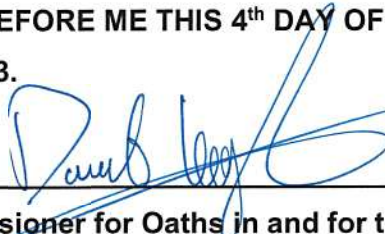
E-File/Dépôt Electronique

Official Receiver

Harry Hays Building, 220 - 4th Ave SE, Suite 478, Calgary, Alberta, Canada, T2G4X3, (877)376-9902

**Canada**

**THIS IS EXHIBIT "C" REFERRED TO IN  
AFFIDAVIT NO.1 OF TERRY MCCALLUM  
SWORN BEFORE ME THIS 4<sup>th</sup> DAY OF  
JULY, 2023.**



**A Commissioner for Oaths in and for the  
Province of Alberta**

**David LeGeyt  
Barrister & Solicitor**

Free Rein Resources Ltd.  
Projected Cash Flow Statement for the period of June 11, 2023 to July 29, 2023

Cash Flow Statement (C\$ 000s)	Week Ending 17-Jun	Week 1 24-Jun	Week 2 1-Jul	Week 3 8-Jul	Week 4 15-Jul	Week 5 22-Jul	Week 6 29-Jul	Week 7 5-Aug	Total	Notes
<b>Receipts</b>										
Net production revenue	\$ -	\$ 405	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 408	\$ 813	1
Other receipts	10	102	25	-	-	-	-	-	137	
<b>Total - Receipts</b>	<b>10</b>	<b>507</b>	<b>25</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>408</b>	<b>950</b>	
<b>Disbursements</b>										
Royalties	-	(70)	-	-	-	-	-	(61)	(131)	2
Transportation costs	-	-	(29)	-	-	-	-	-	(29)	3
Operating expenses	(30)	-	(186)	-	(90)	-	-	-	(246)	4
Capex	(20)	-	(18)	-	-	-	-	-	(38)	5
SG&A expense	(57)	-	(57)	-	(63)	-	-	-	(176)	6
Professional fees	(20)	-	(125)	-	-	-	-	-	(145)	7
<b>Total - Disbursements</b>	<b>(127)</b>	<b>(70)</b>	<b>(415)</b>	<b>(93)</b>	<b>(93)</b>	<b>-</b>	<b>(61)</b>	<b>(61)</b>	<b>(765)</b>	
<b>Net cash flow</b>	<b>(117)</b>	<b>437</b>	<b>(390)</b>	<b>(93)</b>	<b>(93)</b>	<b>-</b>	<b>347</b>	<b>185</b>	<b>185</b>	
Opening cash	225	109	546	156	156	64	64	64	225	
<b>Ending cash</b>	<b>\$ 109</b>	<b>\$ 546</b>	<b>\$ 156</b>	<b>\$ 156</b>	<b>\$ 64</b>	<b>\$ 64</b>	<b>\$ 64</b>	<b>\$ 410</b>	<b>\$ 410</b>	

  
 FTI CONSULTING CANADA INC., TRUSTEE UNDER THE NOTICE  
 OF INTENTION TO MAKE A PROPOSAL  
 Per: Dustin Oher, LT

FREE REIN RESOURCES LTD.  
 Per: Terry McCallum, CEO

**Notes:**

Management of Free Rein Resources Ltd. ("FRR") has prepared this Projected Cash Flow Statement solely for the purposes of determining the liquidity requirements of FRR during the period of June 11, 2023 to July 29, 2023. This Projected Cash Flow Statement is based on probable and hypothetical assumptions detailed in Notes 1-7. Consequently, actual results will likely vary from actual performance and such variances may be material.

- 1 Net production revenue relates to the sale of FRR's petroleum and natural gas production. Production is based on current forecast production adjusted for natural decline rates. The forecast sales prices are based on third party price forecasts and FRR's quality discount to benchmark pricing. Crown royalties for oil production are paid in kind.
- 2 Royalty expense relates to royalties paid to the crown and freehold land owners and are based on historical rates.
- 3 Transportation costs relate to transporting FRR's petroleum and natural gas production from well head to market and is based on projected production volumes and transportation rates.
- 4 Operating expenses are based on the FRR's annual operating budget and relates to the costs associated with the operation of oil and natural gas wells and facilities.
- 5 Capital expenditure based on planned capital projects and environmental spending.
- 6 SG&A expense includes costs associated with FRR's head office, employees, office lease and overhead based on its annual budget.
- 7 Professional fees includes estimates for the proposal trustee and FRR's legal counsel.

Free Rein Resources Ltd.  
 Projected Cash Flow Statement for the period of June 11, 2023 to July 29, 2023

Cash Flow Statement (CS 000s)	Week							Total	Notes
	Week Ending	Week 1 17-Jun	Week 2 24-Jun	Week 3 1-Jul	Week 4 8-Jul	Week 5 15-Jul	Week 6 22-Jul		
<b>Receipts</b>									
Net production revenue	\$ -	\$ 405	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 408	1
Other receipts	10	102	25	-	-	-	-	137	
<b>Total - Receipts</b>	<b>10</b>	<b>507</b>	<b>25</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>408</b>	<b>950</b>
<b>Disbursements</b>									
Royalties	-	(70)	-	-	-	-	-	(61)	2
Transportation costs	-	-	(29)	-	-	-	-	-	3
Operating expenses	(30)	-	(186)	-	(30)	-	-	-	4
Capex	(20)	-	(18)	-	-	-	-	-	5
SG&A expense	(57)	-	(57)	-	(63)	-	-	-	6
Professional fees	(20)	-	(125)	-	-	-	-	-	7
<b>Total - Disbursements</b>	<b>(127)</b>	<b>(70)</b>	<b>(415)</b>	<b>-</b>	<b>(93)</b>	<b>-</b>	<b>(61)</b>	<b>(61)</b>	<b>(765)</b>
<b>Net cash flow</b>	<b>(117)</b>	<b>437</b>	<b>(390)</b>	<b>-</b>	<b>(93)</b>	<b>-</b>	<b>347</b>	<b>185</b>	
Opening cash	225	109	546	156	156	64	64	225	
<b>Ending cash</b>	<b>\$ 109</b>	<b>\$ 546</b>	<b>\$ 156</b>	<b>\$ 156</b>	<b>\$ 64</b>	<b>\$ 64</b>	<b>\$ 64</b>	<b>\$ 410</b>	<b>\$ 410</b>



FREE REIN RESOURCES LTD.  
 Per: Terry McCallum, CEO

FTI CONSULTING CANADA INC., TRUSTEE UNDER THE NOTICE  
 OF INTENTION TO MAKE A PROPOSAL  
 Per: Dustin Oliver, LT

**Notes:**

Management of Free Rein Resources Ltd. ("FRR") has prepared this Projected Cash Flow Statement solely for the purposes of determining the liquidity requirements of FRR during the period of June 11, 2023 to July 29, 2023. This Projected Cash Flow Statement is based on probable and hypothetical assumptions detailed in Notes 1-7. Consequently, actual results will likely vary from actual performance and such variances may be material.

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