

COURT FILE NUMBER 17012253

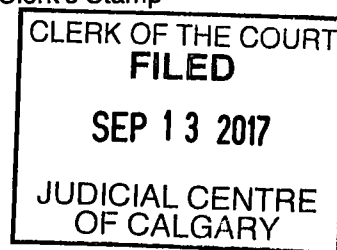
COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

PLAINTIFF ACMO S.À R.L.

DEFENDANTS US OIL SANDS INC. and US OIL SANDS (UTAH) INC.

Clerk's Stamp



DOCUMENT **STATEMENT OF CLAIM**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

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 Lawyers for ACMO S.À R.L.
 File no.: 01136205-0002

NOTICE TO DEFENDANT:

You are being sued. You are the defendant.

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

Note: State below only facts and not evidence (Rule 13.6)

Statement of facts relied on:

I. PARTIES

1. The Plaintiff, ACMO S.À R.L. (**ACMO**) is a private limited company, formed in accordance with the laws of Luxembourg.
2. The Defendant, US Oil Sands Inc. (**USOS**) is an Alberta registered company with a head office in Calgary, Alberta. USOS is a public company, but its shares were delisted from the TSX Venture exchange in or around June of 2017.
3. The Defendant, US Oil Sands (Utah) Inc. (**USOS(Utah)**), and together with USOS, the **Debtors**, is a company incorporated in accordance with the laws of the State of Utah, and among other things the owner of certain oil sands producing assets in Utah. USOS(Utah) is a wholly-owned subsidiary of USOS.

II. INDEBTEDNESS

4. The Debtors are in the business of oil sands exploration and production, chiefly through USOS(Utah)'s holdings in Utah.

5. ACMO is a shareholder of USOS, and a secured lender pursuant to various loan agreements entered into between ACMO and the Debtors, as set out further herein.
6. ACMO, as lender, provided a secured loan to USOS as borrower, and USOS(Utah) as guarantor, pursuant to two loan agreements: a Senior Secured Loan Agreement dated January 12, 2017, and a First Amending Agreement thereto dated June 30, 2017 (collectively, the **Loan Agreements**).
7. In accordance with the terms of the Loan Agreements, ACMO advanced at least US\$10,000,000 to the Debtors in two tranches: US\$7.5 million under the terms of the Senior Secured Loan Agreement dated January 12, 2017, and an additional US\$2.5 million under the terms of the First Amending Agreement dated June 30, 2017. No portion of those amounts has been repaid, with the result that the current total indebtedness owing to ACMO by the Debtors exceeds US\$10,000,000, plus associated interest, costs, and disbursements and other charges accruing thereon on the terms set out in the Loan Agreements, including legal fees on a solicitor-client basis (the **Indebtedness**).
8. It is an express term of the Loan Agreements that on the occurrence of certain events of default (among them the insolvency of the Debtors, or either of them), the Indebtedness shall immediately become due and payable without declaration, notice, or demand by ACMO.

III. SECURITY

9. As security for the amounts advanced pursuant to the Loan Agreements, the Debtors granted various security to ACMO including but not limited to:
 - (a) General Security Agreement;
 - (b) Stock Pledge Agreement;
 - (c) All Personal Property Assets Security Agreement granted by USOS(Utah); and
 - (d) Leasehold Deeds of Trust and Security Agreements, Financing Statements, and Assignments of Production, granted by USOS(Utah).
(collectively, the **Security**)

IV. EVENTS OF DEFAULT AND DEMAND FOR REPAYMENT

10. The Debtors are currently in default under the Loan Agreements and the Security, the particulars of which include, but are not limited to the fact that the Debtors are insolvent as that term is defined in the Loan Agreements.
11. As a result of this default, and in accordance with the express terms of the Loan Agreements, the Indebtedness is now due and owing immediately, without any requirement of declaration, notice, or demand by ACMO.
12. On default by the Debtors, ACMO is entitled to certain remedies under the Loan Agreements and Security, one of which is the appointment of a receiver and manager over the assets and undertakings of the Debtors.

V. CONCLUSION

13. ACMO proposes that the trial of this action be held at the Court Centre, in the City of Calgary, in the Province of Alberta and estimates that the time for trial of this action will be less than 25 days.

WHEREFORE the Plaintiff, ACMO, claims as against the Debtors the following relief:

- a. a declaration as to the amount owing to ACMO by the Debtors, and judgment in that amount;
- b. a declaration that the Security is valid and enforceable;
- c. the appointment of a receiver and manager or, alternatively, the appointment of a receiver over all of the assets of the Debtors, wherever situate;
- d. interest on outstanding amounts as set out in the Loan Agreements, or, alternatively, pursuant to the provisions of the Judgment Interest Act, RSA 2000, c J-8;
- e. costs on a solicitor and own client basis in accordance with the terms of the Loan Agreements and Security;
- f. an Order abridging notice periods required for the commencement of these proceedings and applications herein under Sections 244(1) and (2) of the *Bankruptcy and Insolvency Act*, RSC 1985, c. B-3, as amended; and
- g. such further and other relief as this Honourable Court may deem appropriate.

NOTICE TO THE DEFENDANTS

You only have a short time to do something to defend yourself against this claim:

- 20 days if you are served in Alberta
- 1 month if you are served outside Alberta but in Canada
- 2 months if you are served outside Canada.

You can respond by filing a statement of defence or a demand for notice in the office of the clerk of the Court of Queen's Bench at Calgary, Alberta, AND serving your statement of defence or a demand for notice on the plaintiff's address for service.

WARNING

If you do not file and serve a statement of defence or a demand for notice within your time period, you risk losing the law suit automatically. If you do not file, or do not serve, or are late in doing either of these things, a court may give a judgment to the plaintiff against you.