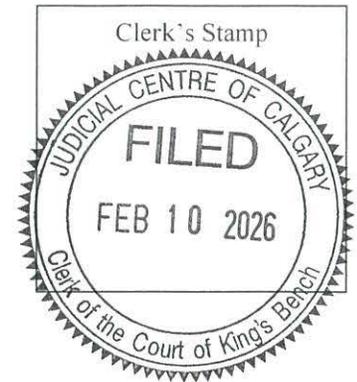


COURT FILE NUMBER 2601-01970  
COURT COURT OF KING'S BENCH OF ALBERTA  
JUDICIAL CENTRE CALGARY  
APPLICANT INVICO LENDING STRATEGIES LP, by its  
general partner, INVICO LENDING  
STRATEGIES GP INC.  
RESPONDENT HALO EXPLORATION LTD.  
DOCUMENT **ORDER: APPROVAL OF SALE AND  
INVESTMENT SOLICITATION PROCESS**



ADDRESS FOR  
SERVICE AND  
CONTACT  
INFORMATION OF  
PARTY FILING THIS  
DOCUMENT

**Fasken Martineau DuMoulin LLP**  
Barristers and Solicitors  
3400 First Canadian centre  
350 – 7<sup>th</sup> Avenue SW  
Calgary, AB, T2P 3N9

I hereby certify this to be a true copy of  
the original Approval of Sale  
Dated this 10 day of February 2026  
[Signature]  
for Clerk of the Court

**Attention: Robyn Gurofsky / Kaitlyn Wong**  
Tel: 403.261.9469 / 403.261.7388  
Email: rgurofsky@fasken.com / kwong@fasken.com  
File No.: 248426.01489

DATE ON WHICH ORDER WAS PRONOUNCED: **February 10, 2026**  
LOCATION OF HEARING: **Calgary Courts Centre, Calgary,  
Alberta**  
JUSTICE WHO GRANTED THIS ORDER: **The Honourable Justice C.C.J.  
Feasby**

**UPON** the application of Invico Lending Strategies LP, by its general partner, Invico Lending Strategies GP Inc. ("**Invico**" or the "**Applicant**") seeking, among other things, approval and authorization of a sale and investment solicitation process ("**SISP**") in respect of Halo Exploration Ltd. (the "**Debtor**"); **AND UPON** noting the receivership order granted on February 10, 2026, in these proceedings, appointing FTI Consulting Canada Inc. as receiver and manager (in such capacity, the "**Receiver**") of the assets, undertakings, and property of the Debtor (the "**Receivership Order**"); **AND UPON** having read the Application, the Affidavit of Adam Jenkins,

sworn January 30, 2026, the Supplemental Affidavit of Adam Jenkins, sworn February 4, 2026, and the Affidavit of Service of Devneet-Kaur Singh, to be filed in these proceedings; **AND UPON** hearing counsel for the Applicant, counsel for the Receiver, and any other counsel or other interested parties present;

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

1. Capitalized terms used but not otherwise defined herein have the meanings ascribed to them in the SISP attached as **Schedule “A”** to this Order.

**Approval of Sale and Investment Solicitation Process**

2. The SISP is hereby approved, and the Receiver is hereby authorized and directed to implement the SISP and do all things that are reasonably necessary to conduct and give full effect to the SISP and carry out their obligations thereunder, including seeking approval of this Court as soon as reasonably practicable following the selection of a Successful Bid(s) under the SISP, if applicable.
3. The Receiver and its respective affiliates, partners, directors and officers, employees, and agents shall incur no liability or obligation whatsoever to any person or party for any act or omission related to the SISP, except to the extent such act or omission is the result of gross negligence or wilful misconduct of the Receiver.
4. Service of this Order shall be deemed good and sufficient by serving same on:
  - (a) the persons listed on the service list created in these proceedings or otherwise served with notice of these proceedings;
  - (b) any other person served with notice of the application for this Order;
  - (c) any other parties attending or represented at the application for this Order; and
  - (d) posting a copy of this Order on the Receiver’s website at ‘<https://cfcanada.fticonsulting.com/Halo/>’,and service on any other person is hereby dispensed with.

5. 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 King's Bench of Alberta

**SCHEDULE "A"**  
**SALE AND INVESTMENT SOLICITATION PROCESS**

*(See attached)*

## SALE AND INVESTMENT SOLICITATION PROCEDURES

### Halo Exploration Ltd.

#### INTRODUCTION

On February 10, 2026, the Alberta Court of King's Bench (the "**Court**") granted a receivership order (the "**Receivership Order**") in Court Action No. 2601-01970 pursuant to the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3 ("**BIA**") and the *Judicature Act*, RSA 2000, c J-2, which, among other things, appointed FTI Consulting Canada Inc. as the receiver and manager (in such capacity, the "**Receiver**", and such proceedings being the "**Receivership Proceedings**") of Halo Exploration Ltd. ("**Halo**") and all of Halo's personal property (the "**Property**").

Also on February 10, 2026, the Court granted an order (the "**Sale Process Order**") directing and empowering the Receiver, in consultation with Invico (as defined below), to prepare and conduct a strategic sale and investment solicitation process (the "**SISP**") to solicit offers for the business or Property of Halo, in whole or in part, or investments related thereto.

The Sale Process Order and these SISP Procedures shall exclusively govern the process for soliciting and selecting bids for the sale of all, substantially all, or one or more portions of Halo's business or Property, the restructuring of Halo and Halo's business, or a combination thereof.

Invico Lending Strategies LP, by its general partner, Invico Lending Strategies GP Inc. ("**Invico**" or the "**Secured Party**") is currently a secured lender to Halo and, in that capacity, it will have certain consultation rights as specifically provided for below.

This document outlines the SISP Procedures, which is comprised principally of three stages: pre-marketing, marketing, and offering/evaluation.

#### OPPORTUNITY AND SISP SUMMARY

1. The SISP is intended to solicit interest in, and opportunities for a sale of, or investment in, all or part of Halo's business or Property (the "**Opportunity**"), which primarily consists of wells, facilities, and other oil and gas production assets located in the Greater Kaybob area of Alberta.
2. In order to maximize the number of participants that may have an interest in the Opportunity, the SISP will provide for the solicitation of interest for:
  - (a) the sale of Halo's interest in the Property. In particular, interested parties may submit proposals to acquire all, substantially all, or a portion of Halo's Property (a "**Sale Proposal**"); or
  - (b) an investment in the business of Halo, which may include one or more of the following: a restructuring, recapitalization, or other form of reorganization of the business and affairs of Halo as a going concern (an "**Investment Proposal**").

3. Except to the extent otherwise set forth in a definitive sale or investment agreement with a Successful Bidder (as defined below), any Sale Proposal or any Investment Proposal will be on an “as is, where is” basis and without surviving representations or warranties of any kind, nature, or description by the Receiver, or any of their respective affiliates, agents, advisors, or estates, and, in the event of a sale, all of the right, title, and interest of Halo in and to the Property to be acquired will be sold free and clear of all pledges, liens, security interests, encumbrances, claims, charges, options, and interests therein and thereon pursuant to Court orders, except as otherwise provided in such Court orders.
4. Solicitation of interest for Sale Proposals and Investment Proposals will be on an unpriced basis whereby no set asking price will be stipulated.
5. This SISP shall be conducted by the Receiver, with the assistance of Halo’s management.
6. As described more fully in this SISP, the major stages in the within procedure will be comprised of the following:
  - (a) Pre-Marketing: preparation of all marketing material, assembly of all relevant due diligence material, establishment of an electronic data room, and preparation of known and other potential buyer/investor lists;
  - (b) Marketing: advertising, contacting known and other potential buyers/investors, responding to requests for information, and disseminating marketing material to potential buyers and investors; and
  - (c) Offer Submission and Evaluation: solicitation, receipt of, evaluation, and negotiation of offers from potential buyers and investors, as described below.
7. The offer submission and evaluation stage of the SISP will be comprised of a two phase offering process: “**Phase 1**” being the submission of non-binding letters of intent (“**Non-Binding LOIs**”) from qualified bidders, and “**Phase 2**” being the submission of formal binding offers from those parties that submitted Non-Binding LOIs and that have been invited by the Receiver to participate in Phase 2 (defined below as Phase 1 Qualified Bidders).

## REGULATOR

8. Halo is the owner and, in some cases, the operator of the Property comprised of various wells, pipelines and facilities, some of which are licensed.
9. The Alberta Energy Regulator (the “**AER**”) regulates oil and gas and related activities in Alberta, including wells, facilities, oil refineries, natural gas processing plants, pipelines, and oil and gas roads, through licenses, authorizations, orders, and regulations.
10. The Regulator has the regulatory authority to transfer the licenses associated with the Property. Bidders interested in an asset sale will be required to be licensees in good standing with the Regulator, or to be otherwise eligible to obtain or hold Regulator licenses, permits, or approvals with respect to the Property upon closing an asset transaction.

## TIMELINE

11. The Receiver shall commence the SISP on or before February 24, 2026 (such time being referred to herein as the “**Commencement Date**”). As soon as reasonably practicable following the Commencement Date, the Receiver shall publish on its website established with respect to these Receivership Proceedings, a timeline of the key milestones set out below setting out the specific dates of the respective milestones. Furthermore, the Receiver shall publish the timeline in the Teaser Letter, referenced below.
12. The following table sets out the key milestones under the SISP:

<b>Milestone</b>	<b>Deadline</b>
Commencement Date	On or before February 24, 2026
Marketing Stage: Publication of Notice & Sending Teaser Letter to Known Potential Bidders	On or before March 3, 2026
Phase 1 Non-Binding LOI Deadline	March 27, 2026
Phase 2 Binding Bid Deadline	May 1, 2026

## PRE-MARKETING STAGE

13. Prior to the Commencement Date:
- (a) the Receiver will prepare: i) a process summary (the “**Teaser Letter**”) describing the Opportunity, outlining the process under the SISP, and inviting recipients of the Teaser Letter to express their interest pursuant to the SISP; ii) a non-disclosure agreement with the Receiver (an “**NDA**”); and iii) a confidential Information Memorandum (“**CIM**”). The CIM will specifically stipulate that the Receiver and each of their respective advisors make no representation or warranty as to the accuracy or completeness of the information contained in the CIM, the Data Room (as defined below), or made available pursuant to the SISP or otherwise, except to the extent expressly contemplated in any definitive sale or investment agreement with a Successful Bidder (as defined below) ultimately executed and delivered by the Receiver;
  - (b) the Receiver, will gather and review all required due diligence material to be provided to interested parties and shall establish a secure, electronic data room (the “**Data Room**”), which will be maintained and administered by the Receiver during the SISP; and
  - (c) the Receiver, will prepare a list of potential bidders, including: i) parties that participated in the strategic process conducted by Halo for its business and the Property prior to the commencement of these Receivership Proceedings; ii) parties that have approached the Receiver indicating an interest in the Opportunity; and iii)

local, national, and international strategic and financial parties who the Receiver believes may be interested in purchasing all or part of the business and Property or investing in Halo pursuant to the SISP (collectively, “**Known Potential Bidders**”).

## MARKETING STAGE

14. As soon as reasonably possible after the Commencement Date, the Receiver shall:
  - (a) arrange for a notice of the SISP (and such other relevant information as the Receiver, considers appropriate) (the “**Notice**”) to be published on the Receiver’s website, in the *Daily Oil Bulletin*, and any other newspaper or journals as the Receiver, considers appropriate, if any; and
  - (b) send the Teaser Letter and NDA to all Known Potential Bidders and to any other party who responds to the Notice as soon as reasonably practicable after such identification or request, as applicable.
15. The Receiver will send the CIM and grant access to the Data Room to those parties who have executed and delivered the NDA to the Receiver as soon as reasonably practicable after such execution and delivery.
16. Requests for information and access to the Data Room will be directed to the Receiver, to the attention of the persons listed in **Schedule “A”** hereto. All printed information shall remain the property of Halo and, if requested by the Receiver, shall be returned without further copies being made and/or destroyed with an acknowledgement that all such material has either been returned and/or destroyed and no electronic information has been retained.
17. Any party who expresses a desire to participate in the SISP (a “**Potential Bidder**”) must, prior to being given any additional information such as the CIM and access to the Data Room, provide to the Receiver:
  - (a) an NDA executed by it, and which shall inure to the benefit of any ultimate Successful Bidder; and
  - (b) a letter setting forth the identity of the Potential Bidder, the contact information for such Potential Bidder, and full disclosure of the direct and indirect principals and direct and indirect beneficial owners of the Potential Bidder (a “**Disclosure Letter**”).
18. If a Potential Bidder has delivered an NDA and a Disclosure Letter in accordance with paragraph 17 and satisfactory to the Receiver, acting reasonably, then such Potential Bidder will be deemed to be a “**Phase 1 Qualified Bidder**”. No Potential Bidder shall be deemed not to be a Phase 1 Qualified Bidder without the approval of the Receiver.

## OFFER SUBMISSION AND EVALUATION STAGE

### Phase 1

#### *Due Diligence*

19. The Receiver, and subject to competitive and other business considerations, will afford each Phase 1 Qualified Bidder such access to due diligence materials through the Data Room and information relating to the Property and business as it deems appropriate. Due diligence access may further include presentations by the Receiver with participation of Halo management where appropriate, on-site inspections, and other matters which a Phase 1 Qualified Bidder may reasonably request and to which the Receiver, in its reasonable business judgment, may agree. The Receiver will each designate a representative to coordinate all reasonable requests for additional information and due diligence access from Phase 1 Qualified Bidders and the manner in which such requests must be communicated. The Receiver will not be obligated to furnish any information relating to the Property or business to any person other than to Phase 1 Qualified Bidders. Further and for the avoidance of doubt, selected due diligence materials may be withheld from certain Phase 1 Qualified Bidders if the Receiver, determines such information to represent proprietary or sensitive competitive information.

#### *Non-Binding LOI Submission*

20. Potential Bidders must rely solely on their own independent review, investigation, and/or inspection of all information and of the Property and business in connection with their participation in the SISP and any transaction they ultimately enter into with the Receiver.
21. A Phase 1 Qualified Bidder who wishes to pursue the Opportunity further must deliver an executed Non-Binding LOI, identifying each specific Property or business the Phase 1 Qualified Bidder is interested in, to the Receiver at the addresses specified in Schedule "A" hereto (including by email or fax transmission), so as to be received by them not later than 12:00 PM (Calgary time) on or before March 27, 2026 (the "**Phase 1 Bid Deadline**").
22. A Non-Binding LOI so submitted will be considered a qualified LOI (a "**Qualified LOI**") only if:
  - (a) it is submitted on or before the relevant Phase 1 Bid Deadline by a Phase 1 Qualified Bidder;
  - (b) it contains an indication of whether the Phase 1 Qualified Bidder is making a:
    - (i) Sale Proposal; or
    - (ii) an Investment Proposal;
  - (c) in the case of a Sale Proposal, it identifies or contains the following:

- (i) the purchase price, in Canadian dollars, including details of any liabilities to be assumed by the Phase 1 Qualified Bidder and key assumptions supporting the valuation;
  - (ii) a description of each Property that is expected to be subject to the transaction and any of the Property or obligations for each Property expected to be excluded;
  - (iii) a specific indication of the financial capability, together with evidence of such capability, of the Phase I Qualified Bidder and the expected structure and financing of the transaction;
  - (iv) a description of the conditions and approvals required for a final and binding offer;
  - (v) a statement that the Phase 1 Qualified Bidder is a licensee in good standing with the Regulator, or is eligible to obtain or hold regulatory licenses, permits, or approvals with respect to the Property, and its current Licensee Liability Rating is 1.0 or greater; and
  - (vi) any other terms or conditions of the Sale Proposal that the Phase 1 Qualified Bidder believes are material to the transaction;
- (d) in the case of an Investment Proposal, it identifies the following:
- (i) a description of how the Phase 1 Qualified Bidder proposes to structure the proposed investment in the business;
  - (ii) the aggregate amount of the equity and/or debt investment to be made in the business or Halo in Canadian dollars;
  - (iii) the underlying assumptions regarding the *pro forma* capital structure;
  - (iv) a specific indication of the sources of capital for the Phase 1 Qualified Bidder and the structure and financing of the transaction;
  - (v) a description of the conditions and approvals required for a final and binding offer;
  - (vi) all conditions to closing that the Phase 1 Qualified Bidder may wish to impose; and
  - (vii) any other terms or conditions of the Investment Proposal that the Phase 1 Qualified Bidder believes are material to the transaction; and
- (e) in the case of either a Sale Proposal or an Investment Proposal:

- (i) it does not contain any requirement or provision for a break fee or reimbursement of expenses associated with submitting the Sale Proposal or Investment Proposal, conducting the due diligence in respect thereof, or otherwise; and
  - (ii) it contains such other information as reasonably requested by the Receiver from time to time.
23. The Receiver may waive compliance with any one or more of the requirements specified above and deem such non-compliant bids to be a Qualified LOI. For the avoidance of doubt, the completion of any Sale Proposal or Investment Proposal shall be subject to the approval of the Court and the requirement of approval of the Court may not be waived.

### ***Preliminary Assessment of Phase 1 Bids and Subsequent Process***

24. Following the Phase 1 Bid Deadline, the Receiver will assess the Qualified LOIs with respect to the Property or business, in consultation with Invico. If it is determined by the Receiver that a Phase 1 Qualified Bidder that has submitted a Qualified LOI: i) has a *bona fide* interest in completing a Sale Proposal or Investment Proposal (as the case may be); ii) has the financial capability (based on availability of financing, experience, and other considerations) to consummate such a transaction based on the financial information provided; and iii) the transaction(s) contemplated provides sufficient consideration to repay the Secured Party, then such Phase 1 Qualified Bidder will be deemed a “**Phase 2 Qualified Bidder**”, provided that the Receiver may, in its judgment, limit the number of Phase 2 Qualified Bidders (and thereby eliminate some Phase 1 Qualified Bidders from the process). Only Phase 2 Qualified Bidders shall be permitted to proceed to Phase 2 of the SISP.
25. In the event that no Qualified LOIs are submitted by the Phase 1 Bid Deadline that are sufficient to repay the Secured Party, then the Receiver, in consultation with Invico, may terminate the SISP.
26. The Receiver, will prepare a bid process letter for Phase 2 (the “**Bid Process Letter**”), which will include a Draft Purchase/Investment Agreement which will be made available in the Data Room, and the Bid Process Letter will be sent to all Phase 2 Qualified Bidders who are invited to participate in Phase 2.

### **Phase 2: Formal Offers and Selection of Successful Bidder**

#### ***Formal Binding Offers***

27. Phase 2 Qualified Bidders that wish to make a formal Sale Proposal or an Investment Proposal shall submit to the Receiver sealed binding offer that complies with all of the following requirements at the addresses specified in Schedule “A” hereto (including by email or fax transmission), so as to be received by the Receiver not later than 12:00 PM (Calgary time) on or before May 1, 2026, or such other date and time as may be modified in the Bid Process Letter (the “**Phase 2 Bid Deadline**”):

- (a) the bid shall comply with all of the requirements set forth in respect of Phase 1 Qualified LOIs;
- (b) cash is the preferred form of consideration, but if the bid utilizes other consideration, a description of the material terms of the consideration shall be provided;
- (c) the bid (either individually or in combination with other bids that make up one bid) is an offer to purchase or make an investment in some or all of the Property or business on terms and conditions reasonably acceptable to the Receiver;
- (d) unless otherwise agreed, the bid shall take the form of the Draft Purchase/Investment Agreement (with a blackline showing any changes) and shall include a letter stating that the Phase 2 Qualified Bidder's offer is irrevocable until Court approval of a Successful Bidder, provided that if such Phase 2 Qualified Bidder is selected as the Successful Bidder, its offer shall remain irrevocable until the closing of the transaction with such Successful Bidder;
- (e) the bid includes duly authorized and executed transaction agreements as listed in the Draft Purchase/Investment Agreement; including, but not limited to, the purchase price, investment amount, Credit Bid (as defined below) amount (where applicable), or a combination thereof and any other key economic terms expressed in Canadian dollars (the "**Purchase Price**"), together with all exhibits and schedules thereto, and the name or names of the ultimate direct or indirect beneficial owner(s) of the Phase 2 Qualified Bidder including their respective percentage interests;
- (f) to the extent that a bid is conditional upon new or amended agreements being entered into with other parties, or existing agreements terminated, the interested parties shall provide the proposed terms of such terminated, amended, or new agreements and identify how such agreements may differ from existing agreements to which Halo may be a party. A Phase 2 Qualified Bidder's willingness to proceed without such conditions and, where such conditions are included in the bid, the likelihood of satisfying such conditions shall be an important factor in evaluating the bid;
- (g) the bid includes written evidence of a firm, irrevocable commitment for financing or other evidence of ability to consummate the proposed transaction, including the timetable for obtaining financing and, if appropriate, the amount of senior debt, subordinated debt, equity, and other source of financing contemplated in the *pro forma* capital structure that will allow the Receiver to make a determination as to the Phase 2 Qualified Bidder's financial and other capabilities to consummate the proposed transaction;
- (h) the bid should not be conditional on the outcome of unperformed due diligence by the Phase 2 Qualified Bidder;

- (i) the bid fully discloses the identity of each entity that will be entering into the transaction or the financing, or that is participating or benefiting from such bid;
- (j) for a Sale Proposal, the bid, except in the case of a Credit Bid, includes a commitment by the Phase 2 Qualified Bidder to provide a refundable deposit in the amount of not less than 10% of the Purchase Price offered upon the Phase 2 Qualified Bidder being selected as the Successful Bidder, which shall be paid to “FTI Consulting Canada Inc. in trust” (the “**Deposit**”). One half of the Deposit shall be paid to “FTI Consulting Canada Inc. in trust” upon the submission of the Phase 2 Qualified Bidder’s Phase 2 bid. The second half of the Deposit shall be submitted upon the Phase 2 Qualified Bidder being selected as the Successful Bidder. The Successful Bidder’s Deposit shall be applied as against the Purchase Price and all other Deposits submitted by Phase 2 Qualified Bidders who are not selected as the Successful Bidder shall be returned within five (5) business days of obtaining Court approval of the Successful Bid;
- (k) for an Investment Proposal, the bid, except in the case of a Credit Bid, includes a commitment by the Phase 2 Qualified Bidder to provide a refundable deposit in the amount of not less than 10% of the total new investment contemplated in the bid upon the Phase 2 Qualified Bidder being selected as the Successful Bidder, which shall be paid to “FTI Consulting Canada Inc. in trust”. One half of the Deposit shall be paid to “FTI Consulting Canada Inc. in trust” upon the submission of the Phase 2 Qualified Bidder’s Phase 2 bid. The second half of the Deposit shall be submitted upon the Phase 2 Qualified Bidder being selected as the Successful Bidder. The Successful Bidder’s Deposit shall be applied as against the Purchase Price and all other Deposits submitted by Phase 2 Qualified Bidders who are not selected as the Successful Bidder shall be returned within five (5) business days of obtaining Court approval for the Successful Bid;
- (l) in the case of a Credit Bid, it is accompanied by a Deposit in the form of a wire transfer (to a bank account specified by the Receiver), or such other form acceptable to the Receiver, payable to the order of “FTI Consulting Canada Inc. in trust”, in an amount equal to 10% of the total cash consideration set out in its Phase 2 bid;
- (m) the bid includes acknowledgments and representations of the Phase 2 Qualified Bidder that: i) it has had an opportunity to conduct any and all due diligence regarding the Property, business, and Halo prior to making its offer; ii) it has relied solely upon its own independent review, investigation, and/or inspection of any documents and/or the Property in making its bid; and iii) it did not rely upon any written or oral statements, representations, warranties, or guarantees whatsoever made by the Receiver, whether express, implied, statutory, or otherwise, regarding the business, Property, or Halo, or the accuracy or completeness of any information provided in connection therewith, except as expressly stated in the definitive transaction agreement(s) signed by the Receiver;
- (n) all required corporate approvals of the Phase 2 Qualified Bidder will have been obtained prior to the submission of the bid;

- (o) the bid shall identify any material conditions in favour of the purchaser to be resolved prior to closing the transaction;
  - (p) the bid is received by the relevant Phase 2 Bid Deadline; and
  - (q) the bid contemplates Court approval.
28. Following the Phase 2 Bid Deadline, the Receiver will assess the Phase 2 Bids received with respect to the Property or business, in consultation with Invico. The Receiver will designate the most competitive bids that comply with the foregoing requirements to be “**Phase 2 Qualified Bids**”. Only Phase 2 Qualified Bidders whose bids have been designated as Phase 2 Qualified Bids are eligible to become the Successful Bidder(s).
29. The Receiver may waive strict compliance with any one or more of the requirements specified above and deem such non-compliant bids to be a Phase 2 Qualified Bid.
30. The Receiver, in consultation with Invico, shall notify each Phase 2 Qualified Bidder in writing as to whether its bid constituted a Phase 2 Qualified Bid within ten (10) business days of the Phase 2 Bid Deadline, or at such later time as the Receiver deems appropriate.
31. If the Receiver is not satisfied with the number or terms of the Phase 2 Qualified Bids, the Receiver, in consultation with Invico, may extend the Phase 2 Bid Deadline without Court approval.
32. The Receiver may terminate further participation in the Phase 2 bid process by any Phase 2 Qualified Bidder, or modify dates or procedures in this SISP as deemed appropriate or necessary, or terminate the process altogether.
33. The Receiver may aggregate separate bids from unaffiliated Phase 2 Qualified Bidders to create one or more Phase 2 Qualified Bids.

### ***Evaluation of Competing Bids***

34. A Phase 2 Qualified Bid will be evaluated based upon several factors, including, without limitation, items such as the Purchase Price and the net value and form of consideration to be paid pursuant to such bid (including the extent of value available to creditors of Halo), the identity, circumstances, and ability of the Phase 2 Qualified Bidder to successfully complete such transactions, including any conditions attached to the bid and the expected feasibility of such conditions, the proposed transaction documents, factors affecting the speed, certainty, and value of the transaction, the assets included or excluded from the bid, any related restructuring costs, compliance or eligibility with respect to the Regulator’s requirements, the likelihood and timing of consummating such transactions, and the ability of the bidder to finance and ultimately consummate the proposed transaction within the timeline established by the Receiver, in consultation with Invico.

*Selection of Successful Bid*

35. The Receiver may review and evaluate a Phase 2 Qualified Bid with the applicable Phase 2 Qualified Bidder, and such Phase 2 Qualified Bid may be amended, modified, or varied as a result of such negotiations.
36. The Receiver, in consultation with Invico, will identify the highest or otherwise best Phase 2 Qualified Bid or Bids (the “**Successful Bid**”), and the Phase 2 Qualified Bidder making such Successful Bid (the “**Successful Bidder**”) for any particular Property or the business in whole or in part. The determination of any Successful Bid by the Receiver, in consultation with Invico, shall be subject to approval by the Court.
37. The Receiver shall notify the Successful Bidder or Bidders, as the case may be, that their bids constituted the Successful Bid or Bids within ten (10) business days of the date they were notified that their bids constituted Phase 2 Qualified Bids, or at such later time as the Receiver deems appropriate, in consultation with Invico.
38. The Receiver shall have no obligation to select a Successful Bid, and the Receiver reserves the right to reject any or all Phase 2 Qualified Bids. Further, the Receiver shall have no obligation to enter into a definitive agreement with a Phase 2 Qualified Bidder.

*Credit Bidding by the Secured Party*

39. The Receiver will consider any bid on behalf of the Secured Party, under which all or a portion of the consideration being offered under the bid includes the compromise of all or a portion of indebtedness owing from Halo to the Secured Party (a “**Credit Bid**”), provided such Credit Bid does not exceed the amount of the outstanding debt owing by Halo to the Secured Party. For further clarity, a Credit Bid will not prohibit the Secured Party from becoming a Phase 1 Qualified Bidder, Phase 2 Qualified Bidder, or the Successful Bidder, provided such Credit Bid is submitted in accordance with this SISP, including but not limited to paragraphs 22 and 27 hereof.
40. The Secured Party may be granted access to information pertaining to bids received in the SISP provided that the Secured Party maintains the confidentiality of the information provided pursuant to an NDA and does not communicate, directly or indirectly, with other parties, including but not limited to, Potential Bidders regarding the SISP, any Credit Bid, or any other Sale Proposal or Investment Proposal submitted in this SISP.

*Sale Approval Hearing*

41. The Receiver shall apply to the Court (the “**Approval Motion**”) for orders approving any Successful Bid(s) and authorizing the Receiver to enter into any and all necessary agreements with respect to the Successful Bid(s) (the “**Approval Order(s)**”).
42. The Approval Motion will be held on a date to be scheduled by the Receiver with the Court, in consultation with Invico. The Approval Motion may be adjourned or rescheduled by the Receiver, in consultation with Invico, without further notice, by an announcement of the

adjourned date at the Approval Motion or in a notice to the service list prior to the Approval Motion.

43. All the Phase 2 Qualified Bids other than the Successful Bid(s), if any, shall be deemed rejected by the Receiver on and as of the date of approval of the Successful Bid(s) by the Court, but not before, and shall remain open for acceptance until that time.

#### ***Deposits***

44. All Deposits shall be retained by the Receiver in a non-interest bearing trust account. If there is a Successful Bid, the Deposit paid by the Successful Bidder whose bid is approved at the Approval Motion, shall be applied against the Purchase Price to be paid by the Successful Bidder upon closing of the approved transaction and will become non-refundable. The Deposits of Phase 2 Qualified Bidders not selected as a Successful Bidder shall be returned to such bidders within five (5) business days of the date upon which the Approval Order is granted by the Court. If there is no Successful Bid, all Deposits shall be returned to the bidders within five (5) business days of the date upon which this SISP terminates in accordance with these procedures.

#### ***Confidentiality and Access to Information***

45. Unless otherwise set out herein, participants and prospective participants in the SISP shall not be permitted to receive any information that is not made generally available to all participants relating to the number or identity of Potential Bidders, Phase 1 Qualified Bidders, Non-Binding LOIs, Phase 2 Qualified Bidders, Phase 2 Qualified Bids, the details of any bids submitted, or the details of any confidential discussions or correspondence between the Receiver, and such other bidders or Potential Bidders in connection with the SISP. The Receiver may however, with the consent of the applicable participants, disclose such information to other bidders for the purpose of seeking to combine separate bids from Phase 1 Qualified Bidders or Phase 2 Qualified Bidders. Further, the Receiver may disclose such information to the Secured Party in accordance with the terms of this SISP.

#### ***Supervision of the SISP***

46. The Receiver will participate in the SISP in the manner set out in this SISP procedure and the Sale Process Order and is entitled to receive all information in relation to the SISP.
47. This SISP does not, and will not be interpreted to create any contractual or other legal relationship between the Halo, or the Receiver and any Phase 1 Qualified Bidder, any Phase 2 Qualified Bidder, or any other party, other than as specifically set forth in a definitive agreement that may be signed with the Receiver and approved by the Court.
48. Without limiting the preceding paragraph, the Receiver shall not have any liability whatsoever to any person or party, including without limitation any Potential Bidder, Phase 1 Qualified Bidder, Phase 2 Qualified Bidder, the Successful Bidder, or any other creditor or other stakeholder of Halo, for any act or omission related to the process contemplated by this SISP procedure, except to the extent such act or omission is the result of gross negligence or willful misconduct of the Receiver, as applicable. By submitting a bid, each

Phase 1 Qualified Bidder, Phase 2 Qualified Bidder, or Successful Bidder shall be deemed to have agreed that it has no claim against the Halo, or the Receiver for any reason whatsoever, except to the extent such claim is the result of gross negligence or willful misconduct of the Receiver.

49. Participants in the SISP are responsible for all costs, expenses, and liabilities incurred by them in connection with the submission of any Non-Binding LOI, Phase 2 bid, due diligence activities, and any further negotiations or other actions whether or not they lead to the consummation of a transaction.
50. The Receiver shall have the right, in consultation with Invico, to modify the SISP and the deadlines set out herein (including, without limitation, pursuant to the Bid Process Letter) if, in its reasonable business judgment, such modification will enhance the process or better achieve the objectives of the SISP, including as it relates to the Receiver's discussions with the Regulator.
51. This SISP shall terminate in the event that: i) no Phase 1 Qualified Bidder submits a Non-Binding LOI by the Phase 1 Bid Deadline, and the Phase 1 Bid Deadline is not otherwise extended by the Receiver ; ii) no Phase 2 Qualified Bidder submits a Phase 2 Qualified Bid by the Phase 2 Bid Deadline, and the Phase 2 Bid Deadline is not otherwise extended by the Receiver ; or iii) the Receiver, in consultation with Invico, determines that none of the Phase 2 Qualified Bids should be accepted as a Successful Bid.
52. The approvals required pursuant to the terms of this SISP are in addition to, and not in substitution for, any other approvals required by applicable law in order to implement a Successful Bid.
53. At any time during the SISP, the Receiver may apply to the Court for advice and directions with respect to any aspect of this SISP or the discharge of its respective powers and duties hereunder.
54. In the event that there is disagreement as to the interpretation or application of the SISP, the Court will have jurisdiction to hear and resolve such dispute in the Receivership Proceedings.

**SCHEDULE "A"**

**The Receiver**

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