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COURT FILE / ESTATE 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 **APPLICATION**

Address for Service and Contact Information of Parties Filing this Document:

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 File No. 77501-3

NOTICE TO RESPONDENT(S)

This application is made against you. You are Respondents.

You have the right to state your side of this matter before the Master/Judge.

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

Date: October 5, 2023
 Time: 12:45pm
 Where: Calgary Courts Centre via Webex videoconference
 Before Whom: The Honourable Justice D.B. Nixon on the Commercial List

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

Remedy Claimed or Sought:

1. The Applicant, Free Rein Resources Ltd. ("**Free Rein**") respectfully seeks an Order substantially in the form attached hereto as **Schedule "A"**:
 - (a) abridging the time for service of this Application and the supporting materials and deeming service thereof to be good and sufficient;
 - (b) pursuant to section 50.4 of the *BIA*, extending the period of time within which Free Rein is required to file a proposal to its creditors (the "**Proposal Period**") up to and including November 23, 2023 (the "**Third Stay Extension**"); and
 - (c) such further and other relief as may be sought by Free Rein and this Honourable Court may deem appropriate.

Grounds for Making this Application:

2. On June 12, 2023, Free Rein filed a Notice of Intention to Make a Proposal (the "**NOI**") pursuant to section 50.4(1) of the *BIA* with the Office of the Superintendent of Bankruptcy. FTI is the Proposal Trustee of Free Rein.
3. On July 11, 2023, pursuant to the Order of Justice K. Feth, Free Rein obtained an extension to the Proposal Period up to and including August 25, 2023 (the "**First Stay Extension**").
4. On August 25, 2023, Free Rein sought and obtained a second extension to the Proposal Period up to and including October 9, 2023 (the "**Second Stay Extension**").
5. Also on August 25, 2023, Free Rein obtained an order approving its sale, refinancing, and investment solicitation process (the "**SISP**").

Extension of the Proposal Period

6. Free Rein requires the Third Stay Extension to continue the restructuring of its business and affairs and to continue implementing the SISP, with the ultimate goal of making a viable proposal to its creditors.
7. Since the Second Stay Extension, Free Rein has, among other things:

- (a) continued its discussions with FTI Consulting Canada Inc. ("**FTI**"), employees, contractors, vendors, secured creditors, and stakeholders; and
 - (b) commenced the SISP.
8. Free Rein anticipates that the following milestones will be met if the Third Stay Extension is granted:

Milestone	Deadline
Phase 1 Bid Deadline	October 2, 2023
Phase 2 Bid Deadline	November 6, 2023
Transaction Approval Application Hearing	November 17, 2023
Closing Date Deadline	December 11, 2023

9. The Third Stay Extension is appropriate for, among others, the following reasons:
- (a) Free Rein has acted, and continues to act in good faith and with due diligence;
 - (b) Free Rein will likely be able to make a viable proposal if the Third Stay Extension is granted; and
 - (c) no creditor will be materially prejudiced by the requested Third Stay Extension.
10. The Proposal Trustee supports the Third Stay Extension.

Material of Evidence to be Relied On:

- 11. Affidavit No. 3 of Terry McCallum, to be filed;
- 12. Bench Brief of Free Rein, to be filed;
- 13. Third Report of the Proposal Trustee, to be filed; and
- 14. Such further and other materials as counsel may advise and this Honourable Court may permit.

Applicable Rules:

- 15. The Alberta *Rules of Court*, AR 124/2010, as amended.
- 16. The *Bankruptcy and Insolvency General Rules* (CRC, c 368).

Applicable Acts and Regulations

17. The *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, as amended; and
18. Such further and other Acts and Regulations as counsel may advise and that this Honourable Court may permit.

WARNING

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

SCHEDULE "A"

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JUDICIAL CENTRE CALGARY

Clerk's Stamp

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 **ORDER (THIRD STAY EXTENSION TO FILE A PROPOSAL)**

ADDRESS FOR SERVICE AND CONTACT

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File No. 077501-3

DATE ON WHICH ORDER WAS PRONOUNCED: October 5, 2023

LOCATION WHERE ORDER WAS PRONOUNCED: Calgary, Alberta

JUSTICE WHO MADE THIS ORDER: The Honourable Justice D.B. Nixon

UPON THE APPLICATION of Free Rein Resources Ltd. ("**Free Rein**"; AND UPON reading Affidavit No. 3 of Terry McCallum sworn September 26, 2023 ("**McCallum Affidavit No. 3**"); AND UPON hearing submissions by counsel for Free Rein, counsel for FTI Consulting Canada Inc. in its capacity as the proposal trustee of Free Rein (the "**Proposal Trustee**"), and any other counsel or other interested parties present,

IT IS HEREBY ORDERED THAT:

SERVICE

1. The time for service of the notice of application for this order (the "**Order**") is hereby abridged and deemed good and sufficient and this application is properly returnable today, and no other than those persons served is entitled to service of the notice of application.

2. Capitalized terms not otherwise defined in this Order shall have the meaning set forth in McCallum Affidavit No. 3.

DEFINED TERMS

3. Capitalized terms not otherwise defined in this Order shall have the meanings set forth in McCallum Affidavit No.3 or the reports of the Proposal Trustee.

EXTENSION OF TIME TO FILE A PROPOSAL

4. The time within which Free Rein is required to file a proposal to its creditors with the Official Receiver under section 50.4 of the *Bankruptcy and Insolvency Act* (Canada) is hereby extended to November 23, 2023.
5. Service of this Order shall be deemed good and sufficient by:
 - (a) Serving the same on:
 - (i) the persons listed on the service list in these proceedings;
 - (ii) any other person served with notice of the application for this Order; and
 - (iii) any other parties attending or represented at the application for this Order;
and
 - (b) posting a copy of this Order on the Proposal Trustee's website Trustee's website at: <http://cfcanada.fticonsulting.com/freerein>.
6. Service of this Order may be effected by facsimile, electronic mail, personal delivery, recorded mail or courier. Service is deemed to be effected the next business day following transmission or delivery of this Order.

J.C.C.K.B.A