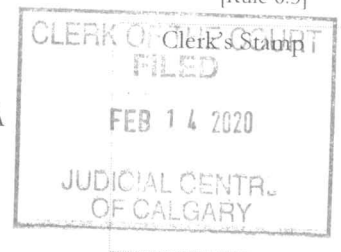


COURT FILE NO. 2001-01210
COURT COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY
PLAINTIFF GMT CAPITAL CORP.
DEFENDANTS STRATEGIC OIL & GAS LTD. and STRATEGIC
TRANSMISSION LTD.



IN THE MATTER OF THE RECEIVERSHIP OF
STRATEGIC OIL & GAS LTD. and STRATEGIC
TRANSMISSION LTD.

APPLICANT KPMG INC. in its capacity as Court-appointed Receiver
and Manager of the assets, undertakings and properties
of STRATEGIC OIL & GAS LTD. and STRATEGIC
TRANSMISSION LTD.

DOCUMENT **APPLICATION**
(Approval of SISP)

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT
Torys LLP
4600 Eighth Avenue Place East
525 - Eighth Ave SW
Calgary, AB T2P 1G1
Attention: Kyle Kashuba
Telephone: +1 403.776.3744
Fax: +1 403.776.3800
Email: kkashuba@torys.com
File No. 37099-2010

NOTICE TO RESPONDENT(S):

This Application is made against you. You are a Respondent.

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

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

Date: Thursday, February 27, 2020
Time: 10:00 a.m.

Where:	Calgary Courts Centre
Before Whom:	Madam Justice M.H. Hollins, of 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. Abridging, if necessary, the time for service of this Application and deeming service to be good and sufficient.
2. An Order in substantially the same form as that attached as Schedule “A” to this Application, providing the following relief and directions:
 - 2.1 approving the sale and investment solicitation process (the “**SISP**”) proposed by KPMG Inc. in its capacity as Court-appointed receiver and manager (the “**Receiver**”) over the assets, properties and undertakings (the “**Property**”) of Strategic Oil & Gas Ltd. and Strategic Transmission Ltd. (together, the “**Companies**” or the “**Debtors**”), to sell the Property of the Debtors, as set out and described in the First Report of the Receiver, filed February 14, 2020 (the “**First Report**”).
3. Such further and other relief, advice and directions as counsel may advise and this Honourable Court may deem just and appropriate.

Grounds for making this Application:

4. On January 28, 2020, following the Application of GMT Capital Corp. (“**GMT**”), KPMG Inc. was appointed Receiver over the Property of the Companies, by Order of the Honourable Madam Justice K.M. Horner (the “**Receivership Order**”).
5. Pursuant to the terms of the Receivership Order, and in particular subparagraph 3(k) thereof, the Receiver is empowered and authorized to market any or all of the Debtors’ Property, including advertising and soliciting offers in respect of the Debtors’ Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate.
6. Pursuant to subparagraph 3(l) of the Receivership Order, the Receiver is empowered and authorized to sell, convey, transfer, lease or assign the Debtors’ Property or any part or parts thereof out of the ordinary course of business, with or without approval of the Court, dependent on whether certain monetary thresholds are met.
7. Pursuant to subparagraph 3(d) of the Receivership Order, the Receiver is empowered and authorized to engage consultants, appraisers, agents, experts, auditors, accountants,

managers, counsel and such other persons from time to time and on whatever basis to assist with the exercise of the Receiver's powers and duties under the Receivership Order.

8. The Receiver has proposed the SISP, which will allow for the most efficient and expeditious marketing and sale of the Property of the Debtors to interested prospective purchasers.
9. The terms as set out in the proposed form of Order attached hereto as Schedule "A" are necessary to approve and establish the sale process contemplated by the Receiver, and the granting of the Order sought is in the best interests of the stakeholders of the receivership proceedings of the Debtors.
10. The actions, conduct, activities and fees of the Receiver and those of the Receiver's counsel to date in respect of the administration of the Debtors' receivership estate, as reported and described in the First Report, have been necessarily undertaken and incurred, and are fair and reasonable in the circumstances.
11. GMT supports the proposed form of Order.
12. Such further and other grounds as counsel may advise and this Honourable Court may permit.

Material or evidence to be relied on:

13. All pleadings, proceedings, orders, affidavits, reports and other materials filed in Alberta Court of Queen's Bench Action No. 2001-01210, and in particular the Receivership Order granted by Madam Justice K.M. Horner on January 28, 2020.
14. The First Report of the Receiver, filed February 14, 2020.
15. The proposed form of Order attached as Schedule "A" to this Application.
16. The inherent jurisdiction of this Honourable Court to control its own process.
17. Such further and other material and evidence as counsel may advise and this Honourable Court may permit.

Applicable rules:

18. Part 6, Division 7, and in particular Rules 3.2 and 6.47(e) and (f), and Part 6, Division 4, and in particular Rule 6.28(b), and such further and other Rules as counsel may advise and that this Honourable Court may permit.

Applicable Acts and Regulations:

19. *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, as amended, the *Judicature Act*, RSA 2000, c J-2, as amended, and such further and other Acts and Regulations as counsel may advise and that this Honourable Court may permit.

Any irregularity complained of or objection relied on:

20. None.

How the Application is proposed to be heard or considered:

21. Oral submissions by counsel at an Application in Justice Chambers as agreed and scheduled by counsel, scheduled to be heard on Thursday, February 27, 2020 at 10:00 a.m. before the Honourable Madam Justice M.H. Hollins of the Commercial List.

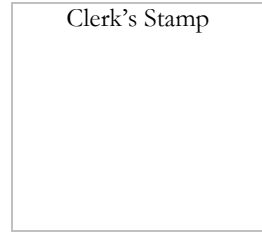
AFFIDAVIT EVIDENCE IS REQUIRED IF YOU WISH TO OBJECT.**WARNING**

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"

Form of Order (Approval of SISP)

COURT FILE NO. 2001-01210
COURT COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY



PLAINTIFF GMT CAPITAL CORP.
DEFENDANTS STRATEGIC OIL & GAS LTD. and STRATEGIC TRANSMISSION LTD.

IN THE MATTER OF THE RECEIVERSHIP OF
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Manager of the assets, undertakings and properties of
STRATEGIC OIL & GAS LTD. and STRATEGIC
TRANSMISSION LTD.

DOCUMENT **ORDER**
(Approval of SISP)

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT
Torys LLP
4600 Eighth Avenue Place East
525 - Eighth Ave SW
Calgary, AB T2P 1G1
Attention: Kyle Kashuba
Telephone: +1 403.776.3744
Fax: +1 403.776.3800
Email: kkashuba@torys.com
File No. 37099-2010

DATE UPON WHICH ORDER WAS PRONOUNCED: Thursday, February 27, 2020
NAME OF JUSTICE WHO MADE THIS ORDER: Madam Justice M.H. Hollins
LOCATION OF HEARING: Calgary, Alberta

UPON THE APPLICATION being made by KPMG Inc. in its capacity as the Court-appointed receiver and manager (the “**Receiver**”) of the assets, undertakings and properties (the “**Property**”) of Strategic Oil & Gas Ltd. and Strategic Transmission Ltd. (together, the “**Companies**”); **AND UPON** having read the First Report of the Receiver, filed February 14, 2020 (the “**First Report**”); **AND UPON** having read the Affidavit of Service of Jeline Nantes, to be filed (the “**Service Affidavit**”); **AND UPON** hearing counsel for the Receiver, counsel for GMT Capital Corp., counsel to the Companies and from any other interested parties who may be present; **AND UPON** it appearing that all interested and affected parties have been served with notice of this Application;

IT IS HEREBY ORDERED AND DECLARED THAT:

1. The time for service of notice of this Application is abridged to the time actually given and service of the Application and supporting materials as described in the Service Affidavit is good and sufficient, and this hearing is properly returnable before this Honourable Court today and further service thereof is hereby dispensed with.
2. The sale and investment solicitation process (the “**SISP**”) that has been proposed by the Receiver, as set out and described in the First Report and in particular at Appendix “B” thereof, in respect of the Property of the Companies, is hereby approved.
3. The Receiver is hereby authorized and empowered to implement the SISP and to proceed, carry out, and implement any corresponding sales, marketing, or tendering processes, including any and all actions related thereto, substantially in accordance with the proposed SISP, and, furthermore, the Receiver is hereby authorized to enter into any resulting agreement(s) or transaction(s) which may arise in connection thereto, as the Receiver determines are necessary or advisable in connection with or in order to complete any or all of the various steps, as contemplated by the SISP.
4. The actions, conduct and activities of the Receiver and of the Receiver’s counsel as reported in the First Report, are hereby authorized and approved.

5. The Receiver is hereby authorized and empowered to apply to this Honourable Court to amend, vary, or seek any advice, directions, or the approval or vesting of any transactions, in connection with the SISP.
6. This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada, to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals regulatory and administrative bodies are hereby respectfully requested to make such orders as to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.
7. This Order must be served only upon those interested parties attending or represented at the within Application and service may be effected by facsimile, electronic mail, personal delivery or courier. Service is deemed to be effected the next business day following the transmission or delivery of such documents.
8. Service of this Order on any party not attending this Application is hereby dispensed with.

Justice of the Alberta Court of Queen's Bench