



COURT FILE NUMBER 25-2703459

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

DOCUMENT **FIRST REPORT OF THE PROPOSAL TRUSTEE IN THE
MATTER OF THE NOTICE OF INTENTION TO MAKE A
PROPOSAL OF SALT BUSH ENERGY LTD.**

DATED FEBRUARY 4, 2021

PREPARED BY DELOITTE RESTRUCTURING INC.

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
PARTY FILING THIS DOCUMENT

Proposal Trustee

Deloitte Restructuring Inc.
700, 850 – 2nd Street SW
Calgary, AB T2P 0R8

Attention: Robert J. Taylor

Telephone/Facsimile: 403-267-0501 / 403-718-3681
Email: bobtaylor@deloitte.ca

Table of Contents

Introduction	1
Purpose	1
Terms of reference	2
Background	2
Creditors	3
Secured Creditors	3
Unsecured Creditors	3
Purchase of Point Loma Assets	3
Restructuring Efforts	4
Cash Flow	5
Variance Analysis	6
The Interim Financing Facility and Interim Financing Charge	7
The Administrative Charge	8
Conclusions and Recommendations	8

Appendices

- Appendix "A" Certificate of filing a Notice of Intention to Make a Proposal
- Appendix "B" Notice to Creditors dated January 15, 2021
- Appendix "C" Statement of Projected Cash Flow of the period January 17, 2021 to April 18, 2021, Management's representation letter, and the Proposal Trustee's report on the Cash Flow
- Appendix "D" Alberta Personal Property Registry dated January 7, 2021
- Appendix "E" Point Loma Proposed Purchase Agreement dated January 20, 2021
- Appendix "F" Statement of Projected Cash Flow of the period February 7, 2021 to May 2, 2021

Introduction

1. On January 13, 2021 (the "**Date of Filing**") Salt Bush Energy Ltd. ("**SBE**" or the "**Company**") filed a Notice of Intention to Make a Proposal (the "**NOI**") pursuant to section 50.4(1) of the *Bankruptcy and Insolvency Act, RSC 1985, c B-3* (the "**BIA**"). Deloitte Restructuring Inc. ("**Deloitte**") consented to act as proposal trustee under the NOI (the "**Proposal Trustee**"). A copy of the Certificate of Filing a Notice of Intention to Make a Proposal issued by the Official Receiver (the "**Certificate of Filing**") is attached hereto as **Appendix "A"**.
2. On January 15, 2021, notice of the NOI filing was mailed to all known creditors (the "**Notice to Creditors**"). A copy of the Notice to Creditors is attached hereto as **Appendix "B"**.
3. On January 22, 2021, the statement of projected cash flow for the 13-week period ending April 18, 2021 (the "**First Cash Flow**") along with the report on the First Cash Flow by the person making a proposal and the Proposal Trustee's report on the First Cash Flow was filed by the Proposal Trustee on behalf of the Company, attached hereto as **Appendix "C"**.
4. On February 2, 2021, the Proposal Trustee received an updated cash flow for the 13-week period ending May 2, 2021 (the "**Second Cash Flow**").
5. The Company was granted an initial 30 day stay of proceedings pursuant to section 69(1) of the BIA until February 12, 2021 (the "**Initial Stay Period**"). The Company is required to file a proposal within the Initial Stay Period or within any further extension of that period granted by the Court of Queen's Bench of Alberta (the "**Court**").
6. The Certificate of Filing, together with the Notice to Creditors and this first report (the "**First Report**") have been posted on the Proposal Trustee's website (the "**Proposal Trustee's Website**") at www.insolvencies.deloitte.ca/en-ca/Pages/Salt-Bush-Energy-Ltd.
7. Capitalized terms not otherwise defined herein are defined in the Company's application materials. The First Report should be read in conjunction with the Affidavit of David Messina sworn February 3, 2021 (the "**Messina Affidavit**") as certain information contained in the Messina Affidavit has not been included herein to avoid unnecessary duplication.

Purpose

8. The purpose of this First Report is to provide this Honourable Court with information on the following matters:
 - a) A summary of certain background information of the Company;
 - b) The objectives of the NOI proceedings and the creditors of the Company;
 - c) Information on the Company's proposed acquisition of certain Point Loma Resources Ltd. assets;
 - d) Information on the Company's proposed sale and investment solicitation procedures ("**SISP**") and the stalking horse asset purchase agreement (the "**Stalking Horse APA**");
 - e) Information on the First Cash Flow and the Second Cash Flow;
 - f) Interim financing facility (the "**Interim Financing Facility**") in the maximum aggregate amount of \$150,000, to allow SBE to satisfy its future expenses in connection with its ongoing operations during the NOI proceedings;

- g) A charge in the amount of \$150,000 as security for the reasonable professional fees and disbursements of the Proposal Trustee, the Proposal Trustee's legal counsel, the Company's legal counsel and financial advisors (the "**Administrative Charge**") as described herein;
- h) A charge up to a maximum of \$150,000 as security for the lender of the Interim Financing Facility (the "**Interim Financing Charge**"). The Interim Financing Charge will form a second charge over SBE's current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the "**Property**"), ranking behind the Administrative Charge;
- i) A charge in the amount of \$75,000 as security for the reasonable expense and efforts undertaken by the Stalking Horse Purchaser in connection with the SISP and the Stalking Horse APA. (the "**Break Fee Charge**") as described is the Company's application materials. The Break Fee Charge will form a third charge over SBE's Property, ranking behind the Administrative Charge and the Interim Financing Charge; and
- j) A 45-day extension to the Initial Stay Period from February 12, 2021 to and including March 28, 2021 (the "**First Extension**"), as permitted under section 50.4(9) of the BIA.

Terms of reference

- 9. In preparing the First Report, the Proposal Trustee has relied on unaudited financial information, the books and records of the Company and discussions with the Company's employees, interested parties, and stakeholders.
- 10. The financial information of the Company has not been audited, reviewed or otherwise verified by the Proposal Trustee as to its accuracy or completeness, nor has it necessarily been prepared in accordance with generally accepted accounting principles and the reader is cautioned that this First Report may not disclose all significant matters about the Company. Additionally, none of the Proposal Trustee's procedures were intended to disclose defalcations or other irregularities. If the Proposal Trustee were to perform additional procedures or to undertake an audit examination of the financial statements in accordance with generally accepted auditing standards, additional matters may have to come to the Proposal Trustee's attention. Accordingly, the Proposal Trustee does not express an opinion nor does it provide any other form of assurance on the financial or other information presented herein. The Proposal Trustee may refine or alter its observations as further information is obtained or brought to its attention after the date of the First Report.
- 11. Some of the information referred to in this First Report consists of forecasts and projections, which were prepared based on management's estimates and assumptions. Such estimates and assumptions are, by their nature, not ascertainable and as a consequence no assurance can be provided regarding the projected results. The reader is cautioned that the actual results will likely vary from forecasts or projections, even if the assumptions materialize, and the variations could be significant.
- 12. The Proposal Trustee prepared the First Report in its capacity as a court appointed officer in support of the motion described herein. The reader is cautioned that the First Report may not be appropriate for any other purpose and consequently should not be used for any other purpose.
- 13. All dollar amounts in this First Report are in Canadian dollars, unless otherwise indicated.

Background

- 14. SBE is a private corporation incorporated in the Province of Alberta on April 5, 2017 and is the wholly owned subsidiary of Whitebark Energy Ltd. ("**Whitebark**"). SBE is a small Canadian resource company

engaged in the production and development of oil and natural gas assets primarily in the Wizard Lake Oilfield in the province of Alberta.

15. Whitebark is a public company listed on the Australian Security Exchange ("**ASX**"), under the symbol "WBE". Based in Perth, Australia, Whitebark holds production and exploration assets in Canada and Australia through its subsidiary companies, including SBE.
16. As further described in the Messina Affidavit, SBE's head office is located in Calgary, Alberta at Suite 600, 815 - 8th Avenue SW. SBE's primary assets are its working interest in three (3) wells in the Wizard Lake Oilfield.
17. SBE has had several factors contribute to its worsening liquidity, including declining oil prices. Over the course of the last three (3) years, SBE made significant capital expenditures in connection with its assets; however, production has not yet matched such expenditures. Low production volumes, decreased pricing, and large operating costs have all contributed to create what is now an urgent need to inject additional capital and liquidity into the Company's operations. In January 2021 Whitebark informed SBE that it was no longer willing to fund ongoing operations in the ordinary course.

Creditors

18. Summarized below are the secured and unsecured creditors of SBE that the Proposal Trustee was made aware of as at the Date of Filing:

SBE Creditors (As at January 13, 2021)	
Secured	16,546,869
Unsecured	3,343,279
Total	19,890,147

Secured Creditors

19. On January 7, 2021, in anticipation of its appointment as Proposal Trustee, Deloitte conducted an Alberta Personal Property Registry search of SBE, which is attached hereto as **Appendix "D"**. The search reflected various registrations on behalf of two (2) creditors: (i) Apex Distribution Inc., and (ii) Whitebark.
20. Whitebark has been the primary lender to SBE, by way of intercompany advances to SBE totalling approximately \$16.5 million.
21. As at the Date of Filing, based on SBE's books and records, there appears to be no amounts owing to Apex Distribution Inc.
22. The Proposal Trustee is in process of obtaining independent legal counsel to review all security agreements and registrations to assess the priority of claims against the proposal estate.

Unsecured Creditors

23. As at January 13, 2021, SBE owed approximately \$3.3 million to 126 third parties.

Purchase of Point Loma Assets

24. Subsequent to the Date of Filing, SBE entered into negotiations of a proposed purchase agreement with BDO Canada Limited ("**BDO**"), the Court-appointed Receiver of Point Loma Resources Ltd. ("**Point Loma**"), to acquire certain Point Loma assets in the Wizard Lake Oilfield, increasing SBE's ownership percentage in those assets by way of a Quit Claim Agreement, details of which are to be finalized in due course (the "**Proposed Purchase Agreement**"). Both, SBE and Whitebark are of the view that the Point Loma

acquisition will increase the value of SBE’s existing assets. A copy of the Proposed Purchase Agreement is attached hereto as **Appendix “E”**.

25. The Proposed Purchase Agreement contemplates certain key term and conditions, including but not limited to:
 - a) The effective date of transfer will be June 8, 2020, the date of the Point Loma receivership;
 - b) SBE shall acquire all of Point Loma’s interest in the assets, as set out in **Appendix “E”**, for \$10 and other good and valuable consideration, without regard to any calculation of the nature and extent of the interest of Point Loma;
 - c) SBE confirms that no further amount is owed by Point Loma to SBE and will release Point Loma for any claims it has, had, or may in the future have, whatsoever; and
 - d) SBE assumes the Point Loma assets on an “as is, where is” basis and assumes all associated liabilities and cure costs.
26. As at the date of this First Report the quantum of potential liabilities and cure costs were not confirmed; however, the Proposal Trustee understands that Whitebark, on behalf of SBE, would facilitate the payment of any such costs incurred at the time of closing this acquisition so as not to adversely change SBE’s cash flow or financial position.
27. The Proposal Trustee notes that it is required to report to the Official Receiver, the creditors, and the Court any material adverse change in the Debtor’s cash flow or financial position. In the event the Proposed Purchase Agreement causes such a change, it will be reported.

Restructuring Efforts

28. SBE believes there is value in its assets and is committed to ensuring that a transaction occurs through a SISP to maintain its business and maximize recoveries for its creditors and stakeholders. A copy of the proposed SISP and a copy of the Stalking Horse APA is attached as “Exhibit “C” and Exhibit “D” respectively to the Messina Affidavit.
29. The SISP contemplates a two-phase process to be conducted by the Proposal Trustee over a nine-week period: the first phase will consist of a marketing and bid solicitation phase (“**Phase 1**”) followed by a determination by the Proposal Trustee as to whether any Qualified Bids (as defined in the SISP) have been submitted. If there are any Qualified Bids at the conclusion of Phase 1, the Proposal Trustee shall extend invitations to the Qualified Bidders (as defined in the SISP) and Ironbark Energy Ltd. (the “**Stalking Horse Purchaser**”) to attend an auction process (the “**Phase 2 Auction**”). Upon completion of the Phase 2 Auction, the Proposal Trustee will determine whether a Superior Offer has been received.
30. A draft timeline for the SISP is summarized below:

Phase/ Event	Estimated Timing	Description of Activities
SISP Order	February 12, 2021	Court grants an Order approving the SISP.
SISP Commencement Date	February 15, 2021	Notice of the SISP will be published in the Globe and Mail and / or other agreed upon publications.

Phase I	To last for a period of 60 days following the SISP Commencement Date	Solicitation of either the: (i) Definitive Restructuring Agreement, (ii) Definitive Asset Stalking horse APA, or (iii) Definitive Hybrid Agreement as defined in the SISP (collectively the " Definitive Agreements ") to invest in the Companies or to purchase the Companies' assets.
Phase I Bid Deadline	April 16, 2021	Definitive Agreements must be submitted by the specified deadline.
Assessment of Definitive Agreements	Within 3 business days of the Phase I Bid Deadline	Definitive Agreements will be considered in regard to the requirements of the SISP and qualified bidders will be advanced to Phase II Auction.
Phase II Auction	To be held between April 21 and April 28, 2021	Qualified bidders will participate the Phase II Auction as contemplated in the SISP.
Closing of any successful bid / proposal	May 17, 2021	To occur on the agreed upon date subject to Court approval of a BIA Proposal or an asset purchase agreement.

31. The Stalking Horse Purchaser is a wholly owned Canadian subsidiary of Whitebark and is thus related to the Company. If the Stalking Horse APA, being approximately \$2 million plus a break fee of \$75,000 (the "**Break Fee Charge**"), as defined in the SISP be ultimately determined as the winning bid in accordance to the SISP, will constitute as a non-arm's length transaction.
32. The Proposal Trustee is of the view that the Break Fee Charge of \$75,000, approximately 4% of the Stalking Horse Bid, is fair and reasonable in light of the expense and efforts to be undertaken by the Stalking Horse Purchaser in connection with the SISP and the Stalking Horse APA.
33. The Proposal Trustee supports SBE's application to approve the SISP based on the following:
- SISP will allow SBE to evaluate opportunities for a potential restructuring in a timely manner; and
 - The timeline appears reasonable given the nature of SBE's assets and the Company's current financial constraints.

Cash Flow

34. The Company prepared the Second Cash Flow subsequent to the filing of the First Cash Flow. The Second Cash Flow forecasts receipts and disbursements for the period ending May 2, 2021. A copy of the Second Cash Flow is attached hereto as **Appendix "F"**.
35. The Proposal Trustee has reviewed the Second Cash Flow and noted that the assumptions used for the First Cash Flow are similar to the Second Cash Flow. Key differences between the First Cash Flow and the Second Cash Flow are as follows:

- a) The Second Cash Flow extends the period up to the week ending May 2, 2021 to cover the proposed extension period plus the SISP period;
- b) Increased production volumes in mainly natural gas and natural gas liquids; and
- c) Timing differences related to certain disbursements and additional insurance premiums.

36. The highlights of the Second Cash Flow are summarized below:

- a) The Company forecasts net receipts of \$375,000 from oil and gas production; and
- b) The Company forecasts total disbursements of \$556,000, which consists of the following:
 - i. Corporate G&A of \$117,000 including consulting fees and office rent. SBE currently contracts approximately eight (8) consultants, which includes both head office and field staff. SBE does not have any employees;
 - ii. Operating costs of \$24,000, which includes disposal water trucking, regular equipment maintenance, safety and environmental, small tools and equipment, and supplies used in day to day operations;
 - iii. Equipment rental of \$129,000;
 - iv. Other expenses of \$21,000, which includes property taxes, insurance, overhead costs and a contingency of \$45,000; and
 - v. Professional fees of \$220,000.

Variance Analysis

37. Below illustrates the variance between forecasted results from the First Cash Flow and actual results for the weeks ending January 24, 2021 and January 31, 2021 (the "Variance Period"):

Week Ending Week	24-Jan-21			31-Jan-21			Total		
	Forecast	Actual	Variance	Forecast	Actual	Variance	Forecast	Actual	Variance
<i>\$'000</i>									
Receipts									
Oil netback	-	-	-	124	122	(2)	124	122	(2)
Natural Gas netback	-	-	-	64	65	1	64	65	1
NGL netback	-	-	-	6	18	12	6	18	12
Other revenues	-	8	8	-	-	-	-	8	8
Total receipts	-	8	8	194	205	11	194	213	20
Disbursements									
Operating expenses	-	-	-	-	(3)	(3)	-	(3)	(3)
Equipment rental	-	-	-	-	(32)	(32)	-	(32)	(32)
Corporate G&A	-	(0)	(0)	(48)	(40)	8	(48)	(40)	8
Other expenses	-	-	-	-	(6)	(6)	-	(6)	(6)
Professional fees	-	-	-	-	-	-	-	-	-
Total disbursements	-	(0)	(0)	(48)	(81)	(33)	(48)	(81)	(33)
Projected Cash Flow	-	8	8	146	124	(22)	146	132	(13)

38. Key differences to the Variance Period are generally due to the following:

- a) Higher than expected production volumes totalling approximately \$54,000 which is partially offset by higher than projected processing fees and royalties of approximately \$43,000, which are both permanent differences resulting in a net receipts variance of approximately \$12,000;

- b) Higher than expected other revenues of approximately \$8,000 related to the sale of under-utilized equipment to a third party. This is a permanent change;
 - c) Higher than expected equipment lease payments of approximately \$32,000 as lessors requested accelerated payments for continued services, which is a timing difference;
 - d) Lower than projected Corporate G&A of \$8,000 related to a delay in payment to field consultants, with is a timing difference; and
 - e) Higher than projected insurance premiums of \$6,000, which is a permanent difference.
39. The Proposal Trustee reviewed the First Cash Flow and the Second Cash Flow to the standard required by section 50.4(2) of the BIA. Section 50.4(2) requires the Proposal Trustee to review the Company's cash flow statement as to its reasonableness and to file a report with the Office of Superintendent of Bankruptcy on the Proposal Trustee's findings. The Canadian Association of Insolvency and Restructuring Professional's Standards of Professional Practice include a standard for proposal trustees fulfilling their statutory responsibilities under the BIA in respect of a proposal trustee's report on the cash flow forecast.
40. The Proposal Trustee's review consists of inquiries, analytical procedures and discussions with management of SBE. Since hypothetical assumptions need not be supported, the Proposal Trustee's procedure with respect to them were limited to evaluating whether they were consistent with the purpose of the First Cash Flow and the Second Cash Flow. The Proposal Trustee also reviewed the support provided by management for the probable assumptions and the preparation and presentation of the First Cash Flow and the Second Cash Flow.
41. Based on the review, nothing has come to the Proposal Trustee's attention that causes it to believe that, in all material respects:
- a) The hypothetical assumptions are not consistent with the purpose of the cash flow statement;
 - b) As of the date of the First Report, the probable assumptions developed by management are not suitably supported and consistent with plans of the Company or do not provide a reasonable basis for the cash flow statement; or
 - c) The cash flow statements do not reflect the probable and hypothetical assumptions.

The Interim Financing Facility and Interim Financing Charge

42. The Second Cash Flow reflects borrowings of approximately \$69,000. As described in the Messina Affidavit, the Company has agreed to a term sheet with Whitebark to provide up to \$150,000 in Interim Financing Facility subject to an Interim Financing Charge. The Proposal Trustee has reviewed the term sheet and is supportive of the Interim Financing Facility on the basis that it will allow SBE to continue to operate during the NOI proceedings. The amount of the Interim Financing Facility and Interim Financing Charge appears reasonable based on the projected receipts and disbursements reflected in the Second Cash Flow. The Proposal Trustee is of the view that the factors set out in Section 50.6(5) of the BIA support the approval of the Interim Financing Facility and Interim Financing Charge.

The Administrative Charge

43. The Company is seeking approval of an Administrative Charge to form a first charge over the Property, in the amount not to exceed \$150,000, in favour of the Proposal Trustee, the Proposal Trustee's legal counsel, the Company's financial advisors and the Company's legal counsel.
44. The Proposal Trustee supports the Administrative Charge pursuant to Section 64.2(1) of the BIA on the basis that it adds certainty for the professionals involved that they will be paid such that they can effectively participate in the NOI proceedings.
45. In the event that the Company does not file a proposal or if the proposal filed is not approved by the creditors or the Court, then SBE will be deemed to have made an assignment in bankruptcy. Deloitte would be named trustee in bankruptcy and would have to comply with certain statutory duties. If the assets of the Company are fully encumbered by secured claims, then without the benefit of the Administrative Charge, the Proposal Trustee, the Proposal Trustee's legal counsel, the Company's financial advisors and the Company's legal counsel would be at risk of non-payment of its fees.
46. Whitebark, who is most directly impacted by the proposed Administrative Charge, supports the granting of the Administrative Charge.

Conclusions and Recommendations

47. Based on the Proposal Trustee's review of the Company's operations and restructuring efforts as of the date of the First Report, the Proposal Trustee is of the view that pursuant to section 50.4(9) of the BIA:
 - a) SBE appears to be acting in good faith and with due diligence;
 - b) SBE is cooperating with the Proposal Trustee and appears to be making efforts to present a viable proposal to their secured and unsecured creditors;
 - c) SBE requires the First Extension to develop its proposal; and
 - d) The Proposal Trustee is of the view that SBE's creditors will not be materially prejudiced by the extension.
48. The First Report has been prepared in support of the following relief, which is being sought by the Company:
 - a) The First Extension;
 - b) The SISP and Stalking Horse APA approval;
 - c) The Break Fee Charge;
 - d) Interim Financing Facility and the Interim Financing Charge; and
 - e) The Administrative Charge.

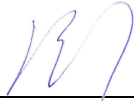
* * *

All of which is respectfully submitted at Calgary, Alberta this 4th day of February 2021.

DELOITTE RESTRUCTURING INC.,

solely in its capacity as Trustee under the proposal of
Salt Bush Energy Ltd.,
and not in its personal or corporate capacity

Per:



Bob Taylor, FCPA, FCA, CIRP, LIT
Senior Vice-President

APPENDIX "A"



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. 25-2703459
Estate No. 25-2703459

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

Salt Bush Energy Ltd.
Insolvent Person

**DELOITTE RESTRUCTURING INC/RESTRUCTURATION
DELOITT**
Licensed Insolvency Trustee

Date of the Notice of Intention: January 13, 2021

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

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: January 13, 2021, 19:52

E-File/Dépôt Electronique

Official Receiver

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

Canada

APPENDIX "B"



Deloitte Restructuring Inc.
700, 850 – 2 Street S.W.
Calgary AB T2P 0R8
Canada

Tel: 403-298-5955
Fax: 403-718-3681
www.deloitte.ca

January 15, 2021

Notice to the creditors of Salt Bush Energy Ltd. ("SBE" or the "Company")

Please take notice that on January 13, 2021 (the "**Filing Date**"), SBE filed a Notice of Intention to Make a Proposal (the "**NOI**") pursuant to Section 50.4(1) of the *Bankruptcy and Insolvency Act* (the "**BIA**") and Deloitte Restructuring Inc. has been appointed as proposal Trustee ("**Deloitte**" or "**Trustee**") under the NOI.

Enclosed with this letter are the following documents for your records:

- A copy of the NOI;
- A list of known creditors with debts greater than \$250 as at the Filing Date;
- A certificate of filing of NOI issued by the Official Receiver; and
- The consent of the Trustee.

The Company is not bankrupt but has availed itself of a procedure whereby an insolvent person, with creditor and approval from the Court of Queen's Bench of Alberta (the "**Court**"), restructures its financial affairs. The Company continues to operate and maintain its business in the ordinary course during the NOI proceedings. The role of the Trustee is to monitor the Company's business and affairs during the proceeding and to report any material adverse changes to the Office of the Superintendent of Bankruptcy and the Court.

Pursuant to Section 69(1) of the BIA, the effect of filing an NOI is an automatic stay of proceedings (the "**Stay**") against all creditors from continuing or commencing any actions against the Company. No creditor shall have any remedy against the Company or its property or shall commence or continue any action, execution or other proceedings for the recovery of a claim provable in bankruptcy until the filing of a Proposal under section 62(17) or the bankruptcy of the Company. You are advised to seek legal advice if you require further explanation as to the provisions of section 69(1) of the BIA.

The Company is now required to perform the following:

- File statements of projected cash flow within 10 days; and
- File a proposal within 30 days of filing of the NOI or within any further extension of that period that may be granted by the Court. A meeting of creditors to consider the proposal (the "**Meeting**") will be held within 21 days after the Company files its proposal.

Once the proposal is filed, the Trustee will issue further correspondence, including a copy of the proposal, the Trustee's report on the proposal, a proof of claim form, a voting letter, a proxy and a notice to creditors regarding the Meeting.

January 15, 2021
Page 2

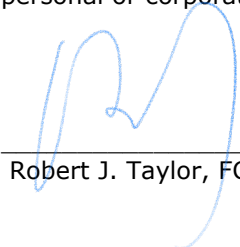
Information related to the NOI proceedings will be posted on Deloitte's website at www.insolvencies.deloitte.ca under the link entitled "Salt Bush Energy Ltd."

Should you have additional questions, please contact Naomi McGregor at +1-403-503-1423 or naomcgregor@deloitte.ca.

Yours truly,

DELOITTE RESTRUCTURING INC.,

In its capacity as the Proposal Trustee for
Salt Bush Energy Ltd. and not in its
personal or corporate capacity.



Robert J. Taylor, FCPA, FCA, CIRP, LIT, CFE

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
Salt Bush Energy Ltd.
of the City of Calgary, in the Province of Alberta

Take notice that:

1. I, Salt Bush Energy 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. Deloitte Restructuring Inc. of 700 Bankers Court, 850 - 2nd Street SW, Calgary, AB, T2P 0R8, 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 13th day of January 2021.



Salt Bush Energy 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
 Salt Bush Energy 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
1450462 ALBERTA LTD	111, 240 - 92 AVENUE SE Calgary AB T2J 3A6		457.62
ACADEMY RENTALS	955 SUNCASTLE DR SE CALGARY AB T2X 2L7		50,257.40
AL PICKERING	434 11A STREET NW CALGARY AB T2N 1Y1		465.63
ALPHABOW ENERGY LTD.	1700, 222 - 3RD AVENUE SW CALGARY AB T2P 0B4		473.93
ALTURA ENERGY INC.	2500, 605 - 5 AVENUE SW CALGARY AB T2P3H5		2,472.75
AMPED ENERGY SERVICES LTD	P O BOX 747 Sedgewick AB T0B 4C0		15,301.51
And 2 Energy Inc	Aggie Leibel 103 Kirton Close Red Deer AB T4P4E9		202,840.13
APEX OILFIELD SERVICES	5402 BLINDMAN DRIVE Red Deer County AB T4S 2M4		29,585.91
Apex Tank Lines Inc	Paul Peterson Suite 510, 736 6th Ave SW Calgary AB T2P2T7		39,806.25
ARC RESOURCES LTD.	1200, 308 - 4TH AVENUE SW CALGARY AB T2P 0H7		1,296.74
ASI OILFIELD INC.	SITE 2, COMP 43, RR4 Calmar AB T0C 0V0		65,139.50
BENOIT OILFIELD CONSTRUCTION	Box 277 Chauvin AB T0B0V0		18,111.48
Bernie Lublinkhof Welding Ltd	Hans van der Vlis Box 55 Alhambra AB T0M0C0		5,715.00
BizSign.ca	14314-129 Ave NW E Edmonton AB T5L 4N9		1,135.05

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
 Salt Bush Energy 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
BLACK GOLD HOT SHOT SERVICE INC	1653 - 91 Street SW E Edmonton AB T6X 0W8		391.73
Bluesteel Petroleum Services Ltd	Aggie Leibel Box 995 Red Deer AB T4N 5H3		6,646.50
BONAVISTA ENERGY CORPORATION	900, 207 - 9th Avenue SW CALGARY AB T2P 1K3		770.19
BRONCO SLICKLINE SERVICES	BOX 6937 5312 - 56TH AVE Drayton Valley AB T7A 1S3		3,621.20
BROZNY EXCAVATING LTD	BOX 85 Breton AB T0C0P0		1,524.07
Bulldog Protective Coatings	PO Box 857 Slave Lake AB T0G2A0		16,050.00
CAMPBELL OILFIELD RENTALS LTD.	9632 78 AVENUE Clairmont AB T8X 0M2		18,919.00
Canadian Energy Services	14th Floor Centrium Place 332 6th Avenue SW Calgary AB T2P 0B2		45,833.10
CAN-VAC OILFIELD SERVICE	BOX 6177 5209 - 62 STREET Drayton Valley AB T7A 1R7		36,075.42
CAS CORPORATE GOVERNANCE	600, 815-8th AVE SW Calgary AB T2P3P2		2,197.45
CENOVUS ENERGY INC.	PO BOX 766 225 6 AVE SW CALGARY AB T2P 0M5		3,819.33
CLEAR ENVIRONMENTAL SOLUTIONS DIVISION OF CES LP	720, 736 - 8TH AVE SW CALGARY AB T2P 1H4		19,269.59
Colter Energy LP	Alix Basso Box 868 Okotoks AB T1S1A9		126,560.01
CONA RESOURCES LTD	1900, 421 - 7 Avenue SW Calgary AB T2P 4K9		2,644.95

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

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 (Subsection 50.4(1) of the Act)
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 Salt Bush Energy 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
CONOCOPHILLIPS CANADA ENERGY PARTNERSHIP	401 - 9TH AVENUE SW PO BOX STATION "M" CALGARY AB T2P 2H7		3,360.55
CORE LABORATORIES CANADA LTD. C/O CX2464	P.O. BOX 2464 STATION "M" CALGARY AB T2P 3C1		18,733.53
Crossroad Energy Solutions INC	Megan Sundquist Bay #1, 137 Columbia Drive Claresholm AB T0L 0T0		1,945.12
CROW ENTERPRISES LTD.	Nicole Law RR # 1 Thorsby AB T0C 2P0		6,419.72
CSI Services	Christina Brown 7915 Edgar Industrial Way Red Deer AB T4P3R2		7,531.13
Cypris Transport	Melissa MacDougall Box 1438 Blackfalds AB T0M0J0		9,624.30
DFI CORPORATION	Claudia Schwarzenberg 2404 - 51 Ave NW Edmonton AB T6P0E4		14,896.03
DNOW CANADA ULC	San San Luen 5304 50 Avenue Drayton Valley AB T7A 1R5		56,810.77
Ecoquip Rentals & Sales Ltd	Chris Grabill 6235A 86 Ave SE Calgary AB T2C2S4		21,661.50
Element Environmental	Jessica Becker c/- C25017, PO Box 2532 Station M Calgary AB T2P5P9		5,020.90
Emerson Electric Canada Ltd	Solomon Amente 200-110 Quarry Park Blvd SE Calgary AB T2C 3G3		3,481.42
Epic Wireline Inc	PO Box 12058 Sylvan Lake AB T4S 2K9		15,495.90

District of: Alberta
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 Estate No.

- FORM 33 -
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 In the matter of the proposal of
 Salt Bush Energy 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
Essential Energy Services	Rey Weale Suite 1110, 250 2nd Street SW Calgary AB T2P 0C1		4,000.00
Evergreen Energy Tank Rentals Ltd	Nancy Poole Box 580 Red Deer AB T4N 5G1		10,122.00
FIRST INSURANCE FUNDING OF CANADA	20 TORONTO ST SUITE 700 Toronto ON M5C2B8		23,507.12
G&R PICKER SERVICES LTD.	BOX 26, SITE 6, RR 1 Okotoks AB T1S 1A1		2,504.25
GEOLOGIC SYSTEMS	1500, 401 - 9TH AVENUE SW CALGARY AB T2P 3C5		13,972.87
GIBSON ENERGY PARTNERSHIP	1700, 440 2ND AVE SW CALGARY AB T2P 5E9		4,896.36
GREAT NORTH EQUIPMENT INC.	8743 - 50 AVE NW Edmonton AB T6E 5H4		5,295.03
GS EQUIPMENT LTD.	Robin Lagrange Box 25117 Deer Park PO Red Deer AB T4R 2M2		38,808.00
G-UNIT STEAM LTD	Greg Van Someren RR#5 Wetaskiwin AB T9A 1X2		1,029.00
HARVEST OPERATIONS CORP	1500, 700 - 2 ST SW CALGARY AB T2P 0C1		2,796.57
HAYDUK PICKER SERVICE LTD.	Debbie Linton BOX 7915 DRAYTON Drayton Valley AB T7A 1S9		5,250.27
Heating Solutions International Inc	3902 - 52 Street Close Lloydminster SK S9V 2G9		2,677.50
Heavy Crude Hauling	6601- 62 Street Lloydminster AB T9V 3T6		27,173.49

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

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 Salt Bush Energy 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
HOPKINS HEAVY HAUL LTD.	4740 - 45 STREET Lacombe AB T4L 2C4		12,111.75
HUBS INC.	#139, 23020 TWP ROAD 522 Sherwood Park AB T8B 1H1		525.00
HUSKY ENERGY	707 8TH AVE S.W. Box 6525, Station D CALGARY AB T2P 3G7		8,342.98
Ideal Completion Services	Suite 2500, 333 - 7th Avenue Calgary AB T2P 2Z1		4,177.28
Integrity Audit & Accounting Ltd	519 Panora Way NW Calgary AB T3K 0S1		4,145.93
IRON HORSE ENERGY SERVICES	1901 DIRKSON DRIVE NE Redcliff AB T0J 2P0		330,057.73
ISH ENERGY	810, 640-5th AVE SW Calgary AB T2P3G4		1,014.93
JACC's Oilfield Services Ltd	PO Box 848 Breton AB T0C 0P0		7,394.68
KAITARA RESOURCES LTD.	2015 COMOX AVENUE Comox BC V9M 3M5		1,380.86
KONAN OILFIELD SERVICES LTD.	R. R. 2, SITE 3, BOX 25 Westerose AB T0C 2V0		3,843.00
LAMB'S TRUCKING LTD	PO BOX 6507 Drayton Valley AB T7A 1R9		2,844.45
LANDVAC SERVICES LTD.	4737 44 STREET Drayton Valley AB T7A 1H2		9,408.00
Latco Picker & Oilfield Services Ltd	PO Box 5307 Devon AB T9G 1Y1		1,341.38
Lawson Lundell LLP	Paul Negenman Suite 1100, 225 - 6th Ave SW Brookfield Place Calgary AB T2P1N2		2,133.08
LCC LEN-CAR CONTRACTING LTD.	BOX 7020 Drayton Valley AB T7A 1S3		12,227.25

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

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In the matter of the proposal of
 Salt Bush Energy 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
Leduc Co-op Ltd	Annie 5403 50th Street Leduc AB T9E6Z7		22,382.59
LEDUC COUNTY	101, 1101 - 5TH STREET Nisku AB T9E 2X3		20,000.00
Legend Oilfield Services Ltd	Rosemarie Cardinal PO Box 5450 Devon AB T9G 1Y2		857.06
LIQUIDS TRANSLOADING LTD.	BOX 238 Calmar AB T0C 0V0		9,387.67
LV ENERGY SERVICES LTD.	Darla Smith BOX 1140 Rimbey AB T0C 2J0		6,134.63
MAGUS ENGINEERING LIMITED	Lisa McKennie 1200, 444 5TH AVENUE SW CALGARY AB T2P 2T8		80,594.51
Mantl Canada Inc	Denise Brewer 1600 - 144, 4th Ae SW Sun Life Plaza West Tower Calgary AB T2P 3N4		8,691.20
MAXIMUM CONTROLS INC.	Craig Knight BOX 103 Tees AB T0C 2N0		289,427.50
Millenium Heat Boiler Rentals	38326 Range Road 281 Red Deer AB T4E1X8		4,126.50
MILLENNIUM LAND (AB) LTD.	Suite 225, 5925 - 12 Street SE Calgary AB T2H 2M3		7,973.91
Mothers Energy Services Ltd	1-5635 Wolf Creek Drive Lacombe AB T2P 3N9		13,846.76
N. S. OILFIELD SERVICES INC	Clifton Benesocky 366 Norland Close Sherwood Park AB T8A5T9		24,072.30

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

- FORM 33 -

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 (Subsection 50.4(1) of the Act)

In the matter of the proposal of
 Salt Bush Energy 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
National Energy Equipment Inc	Joanne Gabriele Hi Flo Oilfield Services Division Box 763 Eckville AB T0M0X0		808.50
NELSON BROS OILFIELD SERVICES (1997) LTD.	BOX 6487 Drayton Valley AB T7A 1R9		39,252.55
OPTIMUM TALENT	300 Leo-Pariseau, Bureau 2600 Montreal QC H2X 4B8		21,630.00
OUTLAW OILFIELD SERVICES LTD.	BOX 209 Rocky Rapids AB T0E 1Z0		2,548.88
PANDELL TECHNOLOGY CORP.	#400 - 4954 RICHARD ROAD SW CALGARY AB T3E 6L1		10,596.60
PARAMOUNT RESOURCES LTD.	2800, 421 - 7 AVE SW CALGARY AB T2P 4K9		12,416.22
PERFORMANCE HOT OIL SERVICES LTD.	#9 26503 TWP RD 511 Spruce Grove AB T7Y 1G4		1,045.00
Phoenix Technology Services LP	Tanja Prcic Suite 1400, 250 2nd Street SW Calgary AB T2P 0C1		27,354.84
POINT LOMA RESOURCES LTD.	Lorry Fritsche 110, 5800-2 Street SW Calgary AB T2H0H2		337,024.56
Precision Well Servicing	800, 525 - 8 Avenue SW Calgary AB T2P 1G1		111,492.46
PRESSURE SERVICES INC.	P.O. BOX 132 Alder Flats AB T0C 0A0		2,996.70
Providence Trucking Inc	Jennifer Thompson Box 25042 RPO Deer Park Red Deer AB T4R 2M2		2,623.75
Q2 ARTIFICIAL LIFT SERVICES	7883 EDGAR INDUSTRIAL WAY Red Deer AB T4P 3R2		47,786.79
REAL PRODUCTION MANAGEMENT INC.	BOX 6215, 5642 56 Street Drayton Valley AB T7A 1R7		2,357.78

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
 Salt Bush Energy 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
Rebel Energy Services Ltd	Stan Riengnette Box 996 Red Deer AB T4N5H3		2,142.50
RIVERA RESOURCES LTD	240 PARK VISTA CRESCENT SE CALGARY AB T2J 4W7		652.93
RUSH ENERGY SERVICES INC.	Debbie Hagen 2050, 801 - 6th Ave SW CALGARY AB T2P3W2		6,628.42
SCORE PROJECTS INC.	3814 - 47TH AVE, PO BOX 1889 Stettler AB T0C 2L0		2,657.52
SECURE ENERGY SERVICES INC.	Carole Long BOW VALLEY SQUARE II, 3600 - 205 5TH AVENUE SW CALGARY AB T2P 2V7		38,160.55
SEMCAMS MIDSTREAM ULC	SUITE 700, 520 - 3RD AVENUE SW, CENTENNIAL PLACE - EAST TOWER CALGARY AB T2P 0R3		289.62
SINOPEC DAYLIGHT ENERGY LTD	2700 112-4th Avenue SW CALGARY AB T2P 0H3		1,931.22
SOLUTIONCORP INC	Jerilyne Raab BOX 2307 Stettler AB T0C 2L0		2,450.00
SOURCE ROCK ROYALTIES LTD.	30TH FLOOR, 421 - 7TH AVENUE SW CALGARY AB T2P 4K9		18,336.74
STONE PETROLEUMS LTD	1050, 717 - 7 AVE SW CALGARY AB T2P 0Z3		442.30
STREAMLINE ENERGY GROUP	#900, 630 - 6TH AVENUE SW CALGARY AB T2P 0S8		2,100.00
Summit Tubulars Corporation	Michelle Jonstone 2300 First Canadian Centre 350 - 7th Ave SW CALGARY AB T2P3N9		26,137.26
Swat Consulting Inc	274 Maple Grove Crescent Stathmore AB T1P1G3		9,762.48

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
 Salt Bush Energy Ltd.
 of the City of Calgary, in the Province of Alberta

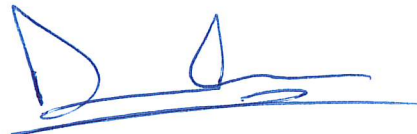
List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
SYNTERRA TECHNOLOGIES LTD.	304, 221 - 10 AVE S.E. CALGARY AB T2G 0V9		12,782.50
T. Paul Trucking Ltd	Shelley Paul RR4, Calmar AB T0C 0V0		4,111.71
TAQA NORTH LTD.	2100, 308 - 4TH AVENUE SW CALGARY AB T2P 0H7		26,908.29
TERVITA CORPORATION	1600, 140 - 10TH AVE SE CALGARY AB T2G 0R1		22,284.81
THOMAS RICKY DEBERNARDI	1046 SECOND AVENUE NAPA CA 94558 United States		639.71
TIER 1 ENERGY SOLUTIONS	Apryl Hatt 4253-97 Street NW EDMONTON AB T5E5Y7		21,672.10
Total Combustion Inc	57 Belich Crescent Red Deer County AB T4S2K5		15,953.20
Trimac Energy Services	3215 - 12 Street NE Calgary AB T2E 7S9		2,392.44
TRYSON ENERGY SERVICES INC.	BOX 1390, BLACKFALDS AB T0M 0J0		48,987.00
TRYTON TOOL SERVICES	6702 - 56 STREET, PO BOX 10667 LLOYDMINSTER AB T9V 3A7		1,774.44
VELVET ENERGY LTD.	1500, 308 - 4 AVE S.W. CALGARY AB T2P 0H7		2,296.33
VIKING WIRELINE SERVICES	Tammy England PO BOX 512 Eckville AB T0M 0X0		13,785.45
VZFOX CANADA ENGINEERING	320 EAU CLAIRE PLACE II, 521 - 3 AVE S.W. CALGARY AB T2P 3T3		1,749.50
Watchdog Advance Flow Technologies Inc	6023 5th Street SE Calgary AB T2P3N9		16,318.05

District of: Alberta
 Division No. 02 - Calgary
 Court No.
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- FORM 33 -
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 (Subsection 50.4(1) of the Act)

In the matter of the proposal of
 Salt Bush Energy 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
WEATHERFORD	1200, 333 - 5TH AVENUE SW CALGARY AB T2P 3B6		10,416.80
WEST GEOMATICS	Shauna Engman 800, 340 12 Avenue SW Calgary AB T2R1L5		9,001.43
WEST LAKE ENERGY CORP.	SUITE 700, 600 - 3RD AVENUE SW. CALGARY AB T2P 0G5		336.88
WHITEBARK ENERGY LIMITED	PO Box 1195 West Perth WA Australia		16,546,868.75
WILF BRANDT TRUCKING LTD.	Cheryl Brandt PO BOX 135 Warburg AB T0C 2T0		36,769.06
WPW PIPELINE AND FACILITY CONSTRUCTION	Terrilyn Quantz PO BOX 61 Leslieville AB T0M1H0		450,635.02
Total			19,890,147.34



Salt Bush Energy Ltd.
 Insolvent Person



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. 25-2703459
Estate No. 25-2703459

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

Salt Bush Energy Ltd.
Insolvent Person

**DELOITTE RESTRUCTURING INC/RESTRUCTURATION
DELOITT**
Licensed Insolvency Trustee

Date of the Notice of Intention: January 13, 2021

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

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: January 13, 2021, 19:52

E-File/Dépôt Electronique

Official Receiver

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

Canada

**NOTICE OF INTENTION TO MAKE A PROPOSAL
(Section 50.4(1))
SALT BUSH ENERGY LTD.**

CONSENT OF TRUSTEE TO ACT UNDER PROPOSAL

In accordance with Section 50.4(1) of the Bankruptcy and Insolvency Act, R.S.C. 1985, c. B-3 (the "BIA"), we advise that our firm, as a licensed Trustee, hereby consents to act as Trustee under the proposal of Salt Bush Energy Ltd. under Division I Part III of the BIA.

Dated at the City of Calgary in the Province of Alberta, this 13th day of January 2021.

Deloitte Restructuring Inc.



Per: Robert J. Taylor, FCPA, FCA, CIRP, LIT, CFE
Senior Vice President

APPENDIX "C"

Salt Bush Energy Ltd. ("SBE")
Statement of Projected Cash Flow
For the Period ending April 18, 2021
(\$CDN)

Week Ending	Notes	24-Jan-21 Forecast	31-Jan-21 Forecast	7-Feb-21 Forecast	14-Feb-21 Forecast	21-Feb-21 Forecast	28-Feb-21 Forecast	7-Mar-21 Forecast	14-Mar-21 Forecast	21-Mar-21 Forecast	28-Mar-21 Forecast	4-Apr-21 Forecast	11-Apr-21 Forecast	18-Apr-21 Forecast	Total Forecast
Cash Flow from Operating Activities															
Receipts															
Oil	1														
Gross (WCS pricing)			124,163				139,993				126,346				390,502
Less:															
Processing Fees				(8,863)				(8,686)				(7,689)			(25,238)
OP + Water + Truck				(7,852)				(7,695)				(6,812)			(22,359)
Royalty				(21,739)				(24,783)				(22,399)			(68,921)
Oil - Netback revenues		-	124,163	(38,454)	-	-	139,993	(41,165)	-	-	126,346	(36,899)	-	-	273,984
Natural Gas	2														
Gross (Aeco 5A pricing)			63,541				50,833				47,245				161,620
Less:															
AECO/BP Fees				(6,254)				(6,129)				(5,425)			(17,808)
Processing Fees				(23,860)				(23,383)				(20,698)			(67,942)
Royalty				(10,107)				(7,846)				(7,350)			(25,303)
Natural Gas - Netback revenues		-	63,541	(40,221)	-	-	50,833	(37,358)	-	-	47,245	(33,473)	-	-	50,567
NGL	3														
Gross (calculated pricing)			5,908				5,790				5,125				16,822
Less:															
Processing Fees				-				-				-			-
Royalty				(788)				(773)				(684)			(2,245)
NGL - Netback revenues		-	5,908	(788)	-	-	5,790	(773)	-	-	5,125	(684)	-	-	14,577
Total Receipts		-	193,613	(79,464)	-	-	196,616	(79,295)	-	-	178,716	(71,056)	-	-	339,129
Disbursements															
Operating expenses	4						(6,331)				(10,330)				(16,661)
Property taxes							(1,632)				(1,000)				(2,632)
Equipment rental	5						(26,395)				(43,065)				(69,460)
Corporate G&A	6		(48,000)				(49,000)				(34,000)				(131,000)
Contingency	7						(15,000)				(15,000)				(30,000)
Total Disbursements		-	(48,000)	-	-	-	(98,358)	-	-	-	(103,395)	-	-	-	(249,753)
Operating Cash Flow		-	145,613	(79,464)	-	-	98,258	(79,295)	-	-	75,321	(71,056)	-	-	89,376
Professional Fees															
Deloitte Restructuring Inc.	8			(30,000)				(30,000)				(25,000)			(85,000)
Deloitte's independent legal counsel				(5,000)				(5,000)				(5,000)			(15,000)
McCarthy LLP				(25,000)				(25,000)				(25,000)			(75,000)
Financing Activities															
Debtor-in-possession financing	9	-	-	-	-	-	-	30,841	-	-	-	50,735	-	-	81,576
Total Net Change in Cash		-	145,613	(139,464)	-	-	98,258	(108,454)	-	-	75,321	(75,321)	-	-	(4,047)
Opening Cash Balance		14,047	14,047	159,660	20,196	20,196	20,196	118,454	10,000	10,000	10,000	85,321	10,000	10,000	14,047
Closing Cash Balance		14,047	159,660	20,196	20,196	20,196	118,454	10,000	10,000	10,000	85,321	10,000	10,000	10,000	10,000

Salt Bush Energy Ltd.



David Messina, Director

Deloitte Restructuring Inc.,
in its capacity as Trustee under the proposal of
Salt Bush Energy Ltd. and not in its personal or
corporate capacity.



Per: Bob Taylor, Senior Vice-President

Salt Bush Energy Ltd. ("SBE")
Statement of Projected Cash Flow
For the Period ending April 18, 2021
(\$CDN)

Notes and assumptions:

- 1 Oil revenues, based on well performance metrics and Western Canada Select ("WCS") pricing, are collected one month in arrears. The corresponding direct costs including processing fees, trucking costs, and royalties are paid one week following the collection of gross revenues.
- 2 Natural gas revenues, based on oil to gas ratio and AECO 5A pricing, are collected one month in arrears. Corresponding direct costs comprises AECO fees, processing fees, and royalties. Processing fees are settled in kind for gas product. Excess volumes are sold to a third party by SBE.
- 3 Natural gas liquids revenues are based on production volumes of natural gas and are collected one month in arrears. Corresponding direct costs including processing fees and royalties are paid one week following the collection of gross revenues.
- 4 Operating expenses comprise disposal water trucking, regular equipment maintenance, safety and environmental, small tools and equipment, and supplies used in day to day operations. The operating expenses include GST where applicable.
- 5 SBE leases certain equipment, including tanks, generators, pumpjack and compressors, from third parties.
- 6 Corporate G&A comprises consulting services for two (2) field staff, six (6) head office staff, and office rent. The Corporate G&A includes GST where applicable. The staff members are integral to the on going operations of SBE and arrears for staff compensation will be paid the week ending January 31, 2021.
- 7 A contingency of \$15,000 has been projected for any unforeseen or extraordinary expenses that may arise while operating in the normal course.
- 8 Professional fees (including GST) are an estimate and will vary depending on the complexities encountered during the Company's restructuring.
- 9 SBE will require financing to continue operations over the cash flow period. Required financing is estimated to total approximately \$82,000 over the cash flow period. Whitebark Energy Inc., the parent company to SBE, has agreed to provide such financing in support of SBE's restructuring efforts. The terms and conditions of the additional finances are to be determined in due course.

District of: Alberta
Division No. 02 - Calgary
Court No. 25-2703459
Estate No. 25-2703459

- FORM 30 -
Report on Cash-Flow Statement by the Person Making the Proposal
(Paragraphs 50(6)(c) and 50.4(2)(c) of the Act)

In the matter of the proposal of
Salt Bush Energy Ltd.
of the City of Calgary, in the Province of Alberta


The management of Salt Bush Energy Ltd., has/have developed the assumptions and prepared the attached statement of projected cash flow of the insolvent person, as of the 22nd day of January 2021, consisting of the statement of projected cash flow for the 13-week period ending April 18, 2021.

The hypothetical assumptions are reasonable and consistent with the purpose of the projection described in the notes attached, and the probable assumptions are suitably supported and consistent with the plans of the insolvent person and provide a reasonable basis for the projection. All such assumptions are disclosed in the notes attached.

Since the projection is based on assumptions regarding future events, actual results will vary from the information presented, and the variations may be material.

The projection has been prepared solely for the purpose described in the notes attached, using a set of hypothetical and probable assumptions set out in the notes attached. Consequently, readers are cautioned that it may not be appropriate for other purposes.

Dated at the City of Calgary in the Province of Alberta, this 22nd day of January 2021.



Salt Bush Energy Ltd.
Debtor

David Messina, President
Name and title of signing officer

Name and title of signing officer

District of: Alberta
Division No. 02 - Calgary
Court No. 25-2703459
Estate No. 25-2703459

FORM 30 - Attachment
Report on Cash-Flow Statement by the Person Making the Proposal
(Paragraphs 50(6)(c) and 50.4(2)(c) of the Act)

In the matter of the proposal of
Salt Bush Energy Ltd.
of the City of Calgary, in the Province of Alberta

Purpose:

This Statement of Projected Cash Flow is prepared in accordance with Subsection 50.4(2) of the Bankruptcy and Insolvency Act.

Projection Notes:

This projection has been prepared solely for the purpose described in the notes attached, and readers are cautioned that it may not be appropriate for other uses.

Assumptions:

The Cash Flow has been prepared based on assumptions regarding future events, therefore actual results may vary from the estimates herein and these variances may be material.

Dated at the City of Calgary in the Province of Alberta, this 22nd day of January 2021.



Salt Bush Energy Ltd.

District of: Alberta
Division No. 02 - Calgary
Court No. 25-2703459
Estate No. 25-2703459

-- FORM 29 --
Trustee's Report on Cash-Flow Statement
(Paragraphs 50(6)(b) and 50.4(2)(b) of the Act)

In the matter of the proposal of
Salt Bush Energy Ltd.
of the City of Calgary, in the Province of Alberta

The attached statement of projected cash flow of Salt Bush Energy Ltd., as of the 22nd day of January 2021, consisting of the statement of projected cash flow for the 13-week period ending April 18, 2021, has been prepared by the management of the insolvent person (or the insolvent debtor) for the purpose described in the notes attached, using the probable and hypothetical assumptions set out in the notes attached.

Our review consisted of inquiries, analytical procedures and discussion related to information supplied to us by: the management and employees of the insolvent person or the insolvent person. Since hypothetical assumptions need not be supported, our procedures with respect to them were limited to evaluating whether they were consistent with the purpose of the projection. We have also reviewed the support provided by: management or the insolvent person for the probable assumptions and preparation and presentation of the projection.

Based on our review, nothing has come to our attention that causes us to believe that, in all material respects,


- (a) the hypothetical assumptions are not consistent with the purpose of the projection;
- (b) as at the date of this report, the probable assumptions developed are not suitably supported and consistent with the plans of the insolvent person or do not provide a reasonable basis for the projection, given the hypothetical assumptions; or
- (c) the projection does not reflect the probable and hypothetical assumptions.

Since the projection is based on assumptions regarding future events, actual results will vary from the information presented even if the hypothetical assumptions occur, and the variations may be material. Accordingly, we express no assurance as to whether the projection will be achieved.

The projection has been prepared solely for the purpose described in the notes attached, and readers are cautioned that it may not be appropriate for other purposes.

Dated at the City of Calgary in the Province of Alberta, this 22nd day of January 2021.

Deloitte Restructuring Inc. - Licensed Insolvency Trustee



700 Bankers Court, 850 - 2nd Street SW
Calgary AB T2P 0R8
Phone: (403) 267-1700 Fax: (403) 718-3681

District of: Alberta
Division No. 02 - Calgary
Court No. 25-2703459
Estate No. 25-2703459

FORM 29 - Attachment
Trustee's Report on Cash-flow Statement
(Paragraphs 50(6)(b) and 50.4(2)(b) of the Act)

In the matter of the proposal of
Salt Bush Energy Ltd.
of the City of Calgary, in the Province of Alberta

Purpose:

This Statement of Projected Cash Flow is prepared in accordance with Subsection 50.4(2) of the Bankruptcy and Insolvency Act.

Projection Notes:


This projection has been prepared solely for the purpose described in the notes attached, and readers are cautioned that it may not be appropriate for other uses.

Assumptions:

The Cash Flow has been prepared based on assumptions regarding future events, therefore actual results may vary from the estimates herein and these variances may be material.

Dated at the City of Calgary in the Province of Alberta, this 22nd day of January 2021.

DeLoitte Restructuring Inc. - Licensed Insolvency Trustee



700 Bankers Court, 850 - 2nd Street SW
Calgary AB T2P 0R8
Phone: (403) 267-1700 Fax: (403) 718-3681

APPENDIX "D"

Search ID #: Z13405116

Transmitting Party

WEST-END REGISTRATIONS LICENSING & SEARCHES
LTD. (P158)

10011 170 STREET
EDMONTON, AB T5P 4R5

Party Code: 50076967
Phone #: 780 483 8211
Reference #: 03210136-
POTENTIAL F

Search ID #: Z13405116

Date of Search: 2021-Jan-07

Time of Search: 07:18:27

Business Debtor Search For:

SALTBUSH ENERGY LTD.

Exact Result(s) Only Found

NOTE:

A complete Search may result in a Report of Exact and Inexact Matches.
Be sure to read the reports carefully.



Search ID #: Z13405116

Business Debtor Search For:

SALTBUSH ENERGY LTD.

Search ID #: Z13405116

Date of Search: 2021-Jan-07

Time of Search: 07:18:27

Registration Number: 20063042925

Registration Type: SECURITY AGREEMENT

Registration Date: 2020-Jun-30

Registration Status: Current

Expiry Date: 2025-Jun-30 23:59:59

Exact Match on: Debtor No: 1

Debtor(s)

Block

Status

1 SALT BUSH ENERGY LTD.
600, 815 - 8 AVENUE SW
CALGARY, AB T2P 3P2

Current

Secured Party / Parties

Block

Status

1 APEX DISTRIBUTION INC.
407 - 2 STREET SW
CALGARY, AB T2P 2Y3
Email: Kim.Petrich@Whitebarkenergy.com

Current

Collateral: General

Block

Description

Status

1 All of the Debtor's property, including, without limitation, all Goods, Accounts, Chattel Paper, Money, Securities, Documents of Title, Instruments and/or Intangibles and lease interests which is now, or at any time hereafter, located at, related to, used in connection with, arises from the business or affairs carried on at, and/or generated in respect of, the lands which are legally known as:

Current

4-27-048: 16W;
4;27;48;5;NW;
4;27;48;5;NE;
4;27;48;5;SW;
4;27;48;5;SE;
4;27;48;9;NW;
4;27;48;9;NE;
4;27;48;9;SW;
4;27;48;9;SE;
4;27;48;17;NW;

Search ID #: Z13405116

2 4;27;48;17;NE; Current

4;27;48;17;SW;

4;27;48;17;SE;

4;27;48;8;SW;

4;27;48;8;SE;

4;27;48;8;NW;

4;27;48;8;NE;

4-27-048: 22;

4-27-048: 4N;

4-28-048: 24;

4-27-048: 5NEP PORTION(S) DESIGNATED AS WIZARD LAKE ON A TOWNSHIP PLAN
APPROVED AND CONFIRMED BY THE SURVEYOR GENERAL AT OTTAWA ON
1899/06/13;

4;27;48;17;SE; and

4;27;48;17;NW

and any amendments to title or subdivisions thereof and all Parts, Accessories,
Attachments, Equipment Additions, Accretions and Accessions thereto and Proceeds
thereof.

Search ID #: Z13405116

Business Debtor Search For:

SALTBUSH ENERGY LTD.

Search ID #: Z13405116

Date of Search: 2021-Jan-07

Time of Search: 07:18:27

Registration Number: 20063042947

Registration Date: 2020-Jun-30

Registration Type: LAND CHARGE

Registration Status: Current

Registration Term: Infinity

Exact Match on:

Debtor

No: 1

Debtor(s)

Block

Status

Current

1 SALT BUSH ENERGY LTD.
600, 815 - 8 AVENUE SW
CALGARY, AB T2P 3P2

Secured Party / Parties

Block

Status

Current

1 APEX DISTRIBUTION INC.
407 - 2 STREET SW
CALGARY, AB T2P 2Y3
Email: Kim.Petrich@Whitebarkenergy.com

Search ID #: Z13405116

Business Debtor Search For:

SALTBUSH ENERGY LTD.

Search ID #: Z13405116

Date of Search: 2021-Jan-07

Time of Search: 07:18:27

Registration Number: 20120132783

Registration Type: SECURITY AGREEMENT

Registration Date: 2020-Dec-01

Registration Status: Current

Expiry Date: 2029-Dec-01 23:59:59

Exact Match on:

Debtor

No: 1

Debtor(s)

Block

Status

1 SALT BUSH ENERGY LTD.
600, 615 - 8 AVENUE SW
CALGARY, AB T2P 3P2

Current

Secured Party / Parties

Block

Status

1 WHITEBARK ENERGY LTD.
LEVEL 2, 6 THELMA STREET
WEST PERTH, AUSTRALIA, XX 6872
Email: David.Messina@whitebarkenergy.com

Current

Collateral: General

Block

Description

Status

1 All the property and undertaking of the Debtor now owned or hereafter acquired

Current

Result Complete

APPENDIX "E"



Bennett Jones

Bennett Jones LLP

4500 Bankers Hall East, 855 - 2nd Street SW

Calgary, Alberta, Canada T2P 4K7

Tel: 403.298.3100 Fax: 403.265.7219

Ken T. Lenz, Q.C.

Partner

Direct Line: 403.298.3317

e-mail: lenzk@bennettjones.com

Our File No.: 68775.4

January 20, 2021

Via Email

Mr. David Messina
Salt Bush Energy Ltd.
2800, 350 - 7th Avenue S.W.
Calgary, AB T2P 3N9

Dear Mr. Messina:

Re: Point Loma Resources Inc.

We are counsel for BDO Canada Limited in its capacity as Receiver of Point Loma Resources Inc. ("**Point Loma**").

We understand that Salt Bush Energy Ltd. ("**SBE**") is interested in acquiring all Assets within the boundary set out in Schedule "A" to this letter (the "**Assets**") for \$10.00 and other good and valuable consideration. While the Receiver continues to have the concerns set out in my letter of October 21, 2020, the Receiver is prepared to quit claim the Assets to SBE for \$10.00, subject to the following:

- The Effective Date of the transfer will be June 8, 2020, the date the Receiver was appointed.
- SBE acquires all of Point Loma's interest in the Assets, without regard to any calculations of the nature and extent of the interest of Point Loma.
- For certainty, no further input or responses from the Receiver will be required for any contractual elections or obligations which arose after June 8, 2020 and without restricting the generality of the foregoing, including the following:
 - The AMI election notice received November 30, 2020 under Farmout & Option Agreement dated May 29, 2019, for the acquisition/participation in the farmin of TWP50 Resources Ltd.
 - Any outstanding Independent Operations Notices,
 - The unexecuted draft Production Allocation Unit Agreement for the 103/12-04-048-27W4 HZ well,
- The Receiver will release any claim to Point Loma having an interest in the replacement PrairieSky leases acquired by SBE.

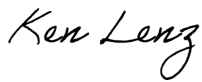
January 20, 2021

Page 2

- SBE will confirm that no further amount is owed by Point Loma to SBE and will release Point Loma from any claims it has, had, or may in the future have, whatsoever.
- SBE will pay all outstanding royalty payments including outstanding Crown royalties and outstanding overriding royalties due to Source Rock under the Royalty Agreement dated August 9, 2019
- SBE assumes the Assets on an "as is, where is, if is" basis and assumes all associated liabilities and cure costs.

It is intended that this letter will form a binding agreement, which will be formalized with more detail in a Quit Claim Agreement to be prepared by the Receiver's counsel. Should SBE be in agreement with the above noted terms, please sign a copy of this letter and return it to the undersigned.

Yours truly,



Ken T. Lenz

AGREED this ____ day of January 2021

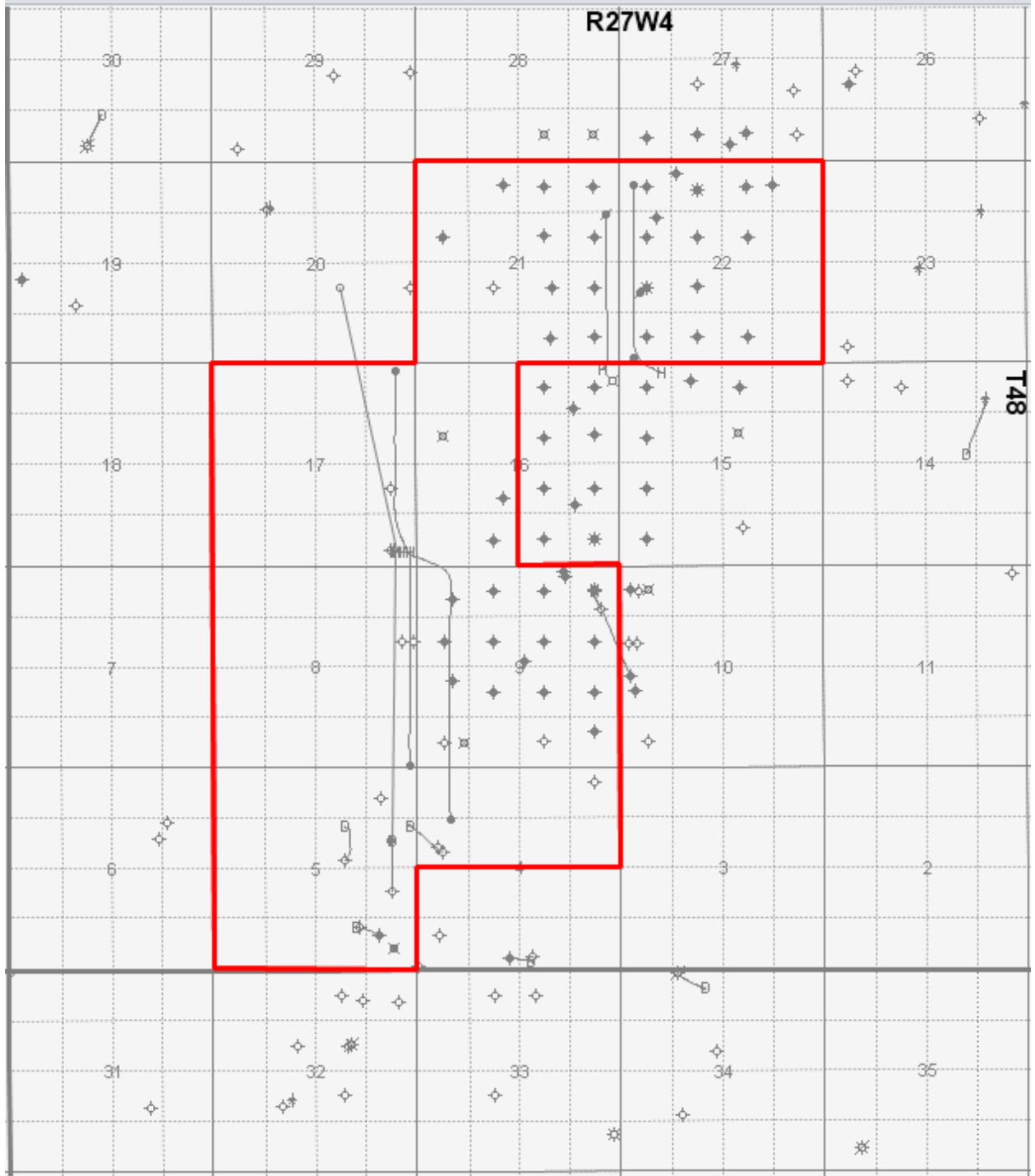
Salt Bush Energy Ltd.

KTL:/dmk
cc: Client



Schedule A

Wizard Lake Area Whitemap



APPENDIX "F"

Salt Bush Energy Ltd. ("SBE")
Statement of Projected Cash Flow
For the Period ending May 2, 2021
(\$CDN)

Week Ending	Notes	7-Feb-21 Forecast	14-Feb-21 Forecast	21-Feb-21 Forecast	28-Feb-21 Forecast	7-Mar-21 Forecast	14-Mar-21 Forecast	21-Mar-21 Forecast	28-Mar-21 Forecast	4-Apr-21 Forecast	11-Apr-21 Forecast	18-Apr-21 Forecast	25-Apr-21 Forecast	2-May-21 Forecast	Total Forecast
Cash Flow from Operating Activities															
Receipts															
Oil	1														
Gross (WCS pricing)					139,993				126,346					136,688	403,027
Less:															
Processing Fees		(8,863)				(8,686)					(7,689)				(25,238)
OP + Water + Truck		(7,852)				(7,695)					(6,812)				(22,359)
Royalty		(21,739)				(24,783)					(22,399)				(68,921)
Oil - Netback revenues		(38,454)	-	-	139,993	(41,165)	-	-	126,346	(36,899)	-	-	-	136,688	286,509
Natural Gas	2														
Gross (Aeco 5A pricing)					56,481				52,495					49,905	158,881
Less:															
Processing Fees					(21,325)				(20,898)					(18,498)	(60,721)
AECO/BP Fees					(6,810)				(6,028)					(6,540)	(19,378)
Royalty		(11,230)				(8,718)					(8,167)				(28,115)
Natural Gas - Netback revenues		(11,230)	-	-	28,347	(8,718)	-	-	25,569	(8,167)	-	-	-	24,867	50,668
NGL	3														
Gross (calculated pricing)					18,149				13,725					12,279	44,153
Less:															
Processing Fees		-				-					-				-
Royalty		(2,582)				(2,010)					(1,806)				(6,398)
NGL - Netback revenues		(2,582)	-	-	18,149	(2,010)	-	-	13,725	(1,806)	-	-	-	12,279	37,755
Miscellaneous revenues															-
Total Receipts		(52,266)	-	-	186,488	(51,893)	-	-	165,640	(46,871)	-	-	-	173,834	374,932
Disbursements															
Operating expenses	4				(3,166)				(10,330)					(10,330)	(23,826)
Property taxes					(1,632)				(1,000)					(1,000)	(3,632)
Equipment rental	5				(43,065)				(43,065)					(43,065)	(129,195)
Insurance					(5,877)				(5,877)					(5,877)	(17,630)
Corporate G&A	6		(9,000)		(40,000)		(9,000)		(25,000)		(9,000)			(25,000)	(117,000)
Contingency	7				(15,000)				(15,000)					(15,000)	(45,000)
Total Disbursements		-	(9,000)	-	(108,739)	-	(9,000)	-	(100,272)	-	(9,000)	-	-	(100,272)	(336,283)
Operating Cash Flow		(52,266)	(9,000)	-	77,749	(51,893)	(9,000)	-	65,368	(46,871)	(9,000)	-	-	73,562	38,649
Professional Fees															
Deloitte Restructuring Inc.	8	(30,000)				(30,000)				(20,000)				(20,000)	(100,000)
Deloitte's independent legal counsel		(5,000)				(5,000)				(5,000)				(5,000)	(20,000)
McCarthy LLP		(25,000)				(25,000)				(25,000)				(25,000)	(100,000)
Financing Activities															
Debtor-in-possession financing	9	-	-	-	-	19,138	9,000	-	-	31,503	9,000	-	-	-	68,641
Total Net Change in Cash		(112,266)	(9,000)	-	77,749	(92,755)	-	-	65,368	(65,368)	-	-	-	23,562	(112,710)
Opening Cash Balance		146,272	34,006	25,006	25,006	102,755	10,000	10,000	10,000	75,368	10,000	10,000	10,000	10,000	146,272
Closing Cash Balance		34,006	25,006	25,006	102,755	10,000	10,000	10,000	75,368	10,000	10,000	10,000	10,000	33,562	33,562

Salt Bush Energy Ltd. ("SBE")
Statement of Projected Cash Flow
For the Period ending May 2, 2021
(\$CDN)

Notes and assumptions:

- 1 Oil revenues, based on well performance metrics and Western Canada Select ("WCS") pricing, are collected approximately two months in arrears. The corresponding direct costs including processing fees, trucking costs, and royalties are paid one week following the collection of gross revenues.
- 2 Natural gas revenues, based on oil to gas ratio and AECO 5A pricing, are collected approximately two months in arrears. Corresponding direct costs comprises AECO fees, processing fees, and royalties. Processing fees are settled in kind for gas product. Excess volumes are sold to a third party by SBE.
- 3 Natural gas liquids revenues are based on production volumes of natural gas and are collected approximately two months in arrears. Corresponding direct costs including processing fees and royalties are paid one week following the collection of gross revenues.
- 4 Operating expenses comprise disposal water trucking, regular equipment maintenance, safety and environmental, small tools and equipment, and supplies used in day to day operations. The operating expenses include GST where applicable.
- 5 SBE leases certain equipment, including tanks, generators, pumpjack and compressors, from third parties.
- 6 Corporate G&A comprises consulting services for two (2) field staff, six (6) head office staff, and office rent. The Corporate G&A includes GST where applicable.
- 7 A contingency of \$15,000 per month has been projected for any unforeseen or extraordinary expenses that may arise while operating in the normal course.
- 8 Professional fees (including GST) are an estimate and will vary depending on the complexities encountered during the Company's restructuring.
- 9 SBE will require financing to continue operations over the cash flow period. Required financing is estimated to total approximately \$69,000 over the cash flow period. Whitebark Energy Inc., the parent company to SBE, has agreed to provide such financing in support of SBE's restructuring efforts. The terms and conditions of the additional finances are to be determined in due course.