Court File No. CV-17-580840-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT,* R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF INDEX ENERGY MILLS ROAD CORPORATION

Applicant

SECOND REPORT OF THE MONITOR

NOVEMBER 30, 2017

Grant Thornton Limited,
Monitor of the Applicant under the
Companies' Creditors Arrangement Act

200 King Street West, 11th Floor
Toronto, Ontario, M5H 3T4

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INTRODUCTION

1. On August 16, 2017, Index Energy Mills Road Corporation (the "**Applicant**" or "**Index Energy Ajax**") made an application to the Ontario Superior Court of Justice (Commercial List) (the "**Court**") to commence proceedings under the *Companies' Creditors Arrangement Act* (the "**CCAA Proceedings**"). On that day, the Court issued an Order (the "**Initial Order**") granting the Applicant's requested relief and appointing Grant Thornton Limited ("**GTL**") as monitor (the "**Monitor**") in the CCAA Proceedings.

2. The Initial Order, among other things:

   (a) granted a stay of proceedings in favour of Index Energy Ajax until and including September 15, 2017, or such later date as the Court may order (the "**Stay Period**"); and

(b) authorized Index Energy Ajax to borrow the maximum sum of $5,000,000 pursuant to a credit facility (the “**DIP Facility**”) as interim financing from Index Equity US LLC (“**Index US**”, and, in this capacity, the “**DIP Lender**”) with a maximum amount of $1,600,000 permitted to be borrowed under the DIP Facility prior to the approval of a SISP acceptable to the Agent or further order of the Court.

3. The affidavit of Mr. Rickard Haraldsson, a director of Index Energy Ajax and Index Equity Sweden AB, the parent company of Index Energy Sweden AB (“**Index Sweden**”), a majority shareholder of the Applicant, sworn on August 15, 2017 (the “**Haraldsson Affidavit**”) and filed in connection with the CCAA Proceedings, describes, *inter alia*, the Applicant’s background, including the reasons for the requested CCAA Proceedings. In its capacity as proposed monitor, GTL filed a report with the Court dated August 15, 2017 (the “**Pre-Filing Report**”), which provided information on certain aspects of the Applicant’s requested relief and the proposed Initial Order.

4. On September 11, 2017, the Court issued an Order (Stay Extension and DIP Extension) (the “**Extension Order**”) and an endorsement dated September 11, 2017 that, among other things:

(a) extended the Stay Period to and including December 22, 2017;

(b) approved the activities of the Monitor as set out in the first report of the Monitor dated September 6, 2017 (the “**First Report**”); and

(c) authorized the Company to obtain and borrow the full amount of the DIP Facility (i.e. $5,000,000).

5. A copy of the First Report is attached hereto as **Appendix "1"**. A copy of the Extension Order, is attached as Exhibit "D" to the affidavit of Derek Blais sworn on November 28, 2017 (the "**Second Blais Affidavit**"), filed in connection with the Applicant's motions.

6. Also, on September 11, 2017, the Court issued an Order (the "**SISP Approval Order**") which, among other things, approved:

   (a) the sale and investment solicitation (the "**SISP**") procedure as defined and detailed in Schedule "A" of the SISP Approval Order; and

   (b) the asset purchase agreement dated as of September 1, 2017 (the "**Stalking Horse Agreement**") between the Applicant and Index Residence (in its capacity as purchaser under the Stalking Horse Agreement, the "**Stalking Horse Bidder**").

   A copy of the SISP Approval Order is attached as Exhibit "E" to the Second Blais Affidavit.

7. All materials filed with the Court in the CCAA Proceedings are accessible on the Monitor's website at: www.GrantThornton.ca/IndexEnergy (the "**Monitor's Website**").

PURPOSE OF THE SECOND REPORT

8. The purpose of this second report of the Monitor (the "**Second Report**") is to advise the Court with respect to:

   (a) the Monitor's activities since the First Report;

   (b) the Applicant's operations, communications with stakeholders, and other activities conducted since the issuance of the Initial Order and the Extension Order;

(c) the conduct and outcome of the SISP;

(d) Index Energy Ajax's motion seeking an Order (the "**Stay Extension and Fee Approval Order**"), among other things:

   (i) extending the Stay Period to and including February 28, 2018;

   (ii) approving this Second Report and the Monitor's activities as described in this Second Report;

   (iii) approving the fees and disbursements of the Monitor from August 1, 2017 to November 24, 2017, as described herein; and

   (iv) approving the fees and disbursements of the Monitor's independent counsel, Goodmans LLP ("**Goodmans**") from August 16, 2017 to November 24, 2017, as described herein;

(e) Index Energy Ajax's motion seeking an Order (the "**Sale Approval and Vesting Order**"), among other things:

   (i) approving the sale transaction (the "**Transaction**") contemplated in the Stalking Horse Agreement;

   (ii) upon the closing of the Transaction:

      1. vesting Index Energy Ajax's interest to the Purchased Assets (as defined in the Stalking Horse Agreement) other than certain litigation against HMI Construction Inc. and its counsel (the "**HMI Litigation**") in Index Energy Ajax Corporation (the "**Purchaser**") as assignee of the Stalking Horse Bidder, free and clear of all encumbrances;

2. vesting Index Energy Ajax's interest in the HMI Litigation in Mills Road Corporation (the "**Litigation Purchaser**") as assignee of the Stalking Horse Bidder, free and clear of all encumbrances;

3. amending the articles of Index Energy Ajax in accordance with the Articles of Reorganization attached as Schedule "E" to the Sale Approval and Vesting Order;

4. amending the style of cause in these proceedings to reflect the change of name of Index Energy Ajax following the filing of the Articles of Reorganization; and

5. approving the proposed distribution to the Agent, on behalf of the Syndicate, as described herein.

SCOPE AND TERMS OF REFERENCE

9. In preparing this Second Report, the Monitor has relied upon unaudited financial information, the Applicant's records, financial information and projections, and discussions with the Applicant's current and past management (the "**Management**"), including Joseph Aletto (Chief Executive Officer) and Derek Blais (President). While the Monitor reviewed various documents provided by the Applicant (including, among other things, unaudited internal financial statements and financial projections) and believes that the information therein provides a fair summary of the transactions as reflected in the documents, such work does not constitute an audit or verification of such information for accuracy, completeness or compliance with Generally Accepted Assurance Standards ("**GAAS**"), Generally Accepted Accounting Principles ("**GAAP**"), or International Financial Reporting Standards ("**IFRS**"). Accordingly, the Monitor

expresses no opinion or other form of assurance pursuant to GAAS, GAAP or IFRS with respect to such information.

10. Some of the information used in preparing this Second Report consists of financial projections, including the Cash Flow Projection (as defined herein). The Monitor cautions that these projections are based upon assumptions about future events and conditions that are not ascertainable. The Applicant's actual results may vary from the Cash Flow Projection, even if the hypothetical and probable assumptions set forth in the Cash Flow Projection contained therein materialize, and the variations could be significant. The Monitor's review of the future oriented information used to prepare this First Report did not constitute an audit of such information under Generally Accepted Auditing Standards, GAAP or IFRS.

11. In the course of its mandate, the Monitor has assumed the integrity and truthfulness of the information and explanations presented to it by the Applicant and its Management, within the context in which such information was presented. To date, nothing has come to the Monitor's attention that would cause it to question the reasonableness of these assumptions. The Monitor has requested that Management bring to its attention any significant matters which were not addressed in the course of the Monitor's specific inquiries. Accordingly, the Monitor has relied upon the information (financial or otherwise) made available to the Monitor by the Applicant and its Management in connection with the preparation of this Second Report.

12. This Second Report has been prepared for the use of this Court and the Applicant's stakeholders as general information relating to the Applicant and to assist the Court in determining whether to grant the relief sought by the Applicant. Accordingly, the reader is cautioned that this Second Report may not be appropriate for any other purpose. The

Monitor will not assume responsibility or liability for losses incurred by the reader as a result of the circulation, publication, reproduction or use of this Second Report contrary to the provisions of this paragraph.

13. Capitalized terms not defined in this Second Report have the meanings ascribed to them in the SISP Approval Order or the Second Blais Affidavit.

14. All references to dollars are in Canadian currency unless otherwise noted.

SUMMARY OF THE SALE AND INVESTMENT SOLICITATION PROCESS

15. At the commencement of the CCAA Proceedings, the Applicant advised that it intended to return to court to seek approval of a SISP. As set out in the First Report, the SISP was developed by the Applicant in consultation with the Monitor and the Agent, to solicit offers from Bidders (as defined in the SISP Approval Order) on an "as is, where is" basis to purchase the Property of Index Energy Ajax (a "**Sale Proposal**") and/or make an investment in the business of Index Energy Ajax (an "**Investment Proposal**") which is superior to the offer contemplated in the Stalking Horse Agreement (the "**Opportunity**"). A copy of the SISP Procedure is attached as Schedule "A" to the SISP Approval Order while a summary of the SISP is provided in paragraphs 22 to 37 of the First Report.

16. The SISP was supported by the Stalking Horse Bid submitted by the Stalking Horse Bidder in the form of an asset purchase agreement entered into between Index Energy Ajax and the Stalking Horse Purchaser dated as of September 1, 2017 (the "**Stalking Horse Agreement**"). A summary of the Stalking Horse Agreement is included in paragraphs 38 to 47 of the First Report.

17. Given that the Stalking Horse Bidder is a related party to Index Energy Ajax, in order to maintain the integrity of the SISP, the SISP was carried out by the Monitor with the cooperation of, and in consultation with, the Applicant and the Agent.

18. In addition, the Monitor advised Management of the confidential nature of the SISP and that any and all communication regarding the SISP from Management to the Stalking Horse Bidder was required to be approved by the Monitor. More specifically, the Monitor advised Management that no substantive reporting of the SISP or transactional details (such as nature of the bid, names or number of bidders, status of due diligence efforts, or issues raised etc.) were to be communicated to the Stalking Horse Bidder and that the ultimate results of the SISP were to be communicated to the Stalking Horse Bidder by the Monitor.

<u>Identification of Known Potential Bidders and Solicitation of Interest</u>

19. On or about August 23, 2017, following the issuance of the Initial Order, the Monitor began to prepare a list of potential bidders to approach as part of the SISP, including but not limited to:

    (a) parties identified through industry research that had expressed interest in, or had existing investments in, power generation facilities, including biomass power plants;

    (b) parties that had approached the Applicant, the Agent, or the Monitor indicating an interest in the Opportunity; and

    (c) local and international strategic and financial parties who the Monitor, in consultation with Index Energy Ajax and the Agent, believed may be interested in the Opportunity.

Upon conclusion of this process, the Monitor initially identified 87 potential bidders (the "**Known Potential Bidders**") which included biomass facility and renewable energy power plant companies, utilities, and financial buyers with investments in infrastructure and power generation facilities.

20. On or about September 2, 2017, the Monitor, in consultation with Index Energy Ajax and the Agent, began preparation of the initial materials for the electronic data room (the "**Data Room**").

21. In consultation with Index Energy Ajax and the Agent, the Monitor prepared the following documents:

(a) a notice of the SISP (the "**SISP Notice**"), which was published in the *Globe and Mail* (National Edition) on September 16, 2017 and September 20, 2017, a copy of which is attached hereto as **Appendix "2"**;

(b) a process summary describing the Opportunity, outlining the process under the SISP, and inviting recipients to express their interest pursuant to the SISP (the "**Solicitation Letter**"), a copy of which is attached as Appendix "3" to the First Report;

(c) a form of non-disclosure agreement to be signed by Potential Bidders (defined below) interested in receiving additional information regarding the Opportunity and access the Data room (an "**NDA**"), a copy of which is attached as Appendix "3" to the First Report;

(d) a confidential information memorandum (the "**CIM**"), describing the Opportunity, which was made available by the Monitor to Prospective Bidders (defined below); and

(e) a financial forecast model illustrating the anticipated production levels and a projected pro-forma income statement for FY2018 to FY2034 (the "**Financial Model**").

Solicitation of Interest

22. On September 11, 2017, the Monitor began contacting the Known Potential Bidders. The Monitor had contacted all of the Known Potential Bidders by September 20, 2017.

23. From the advertisements in the *Globe and Mail*, the Monitor was contacted by an additional 10 parties who expressed interest in the SISP (together with the Known Potential Bidders, totaling 97, the "**Potential Bidders**").

24. The Monitor provided the Potential Bidders with the Solicitation Letter, the SISP Approval Order, the Acknowledgement of the SISP, and the NDA. To be provided with a copy of the CIM and access to the Data Room, including the Financial Model, Potential Bidders were required to provide to the Monitor:

(a) an executed Acknowledgement of the SISP;

(b) an executed NDA; and

(c) such form of financial disclosure that allowed the Monitor to make a reasonable determination as to the Potential Bidder's financial and other capabilities to consummate a Sale Proposal or Investment Proposal (the "**Financial Disclosure**")

(collectively the "**Required Documentation**").

Signed NDAs and Identification of Interested Parties

25. Of the Potential Bidders, 12 provided the Monitor with the Required Documentation (collectively, the "**Prospective Bidders**"). Once the Required Documentation was received by the Monitor, each of the Prospective Bidders were provided with a copy of the CIM. The Monitor advised each of the Prospective Bidders that they would be provided with access to the Data Room if they indicated that they would be pursuing the Opportunity further after reviewing the CIM.

26. Upon review of the CIM, four Prospective Bidders (of which one attended a meeting with the Monitor) indicated that they would not be pursuing the Opportunity further. The remaining eight (8) bidders are hereby referred to as the "**Interested Bidders**".

27. Each of the Interested Bidders was provided with access to the Data Room. Throughout the SISP, the Monitor updated the documents in the Data Room as necessary, based on the requests of the Interested Bidders and when new documents, and financial and production data became available. The Interested Bidders were encouraged to review the materials and documentation in the Data Room and to forward any questions or requests for supplementary information to the Monitor.

Site Visits

28. Site visits were scheduled to allow for the Interested Bidders to meet Management, tour the Biomass Facility, and engage in discussions with Management. Upon contact by the Monitor to schedule a site visit, four Interested Bidders communicated that they did not require a site visit as they had decided to discontinue pursuing the Opportunity.

29. Initial site visits were scheduled and attended by four Interested Bidders (the "**Shortlisted Bidders**") which occurred on the following dates:

(a) September 26, 2017;

(b) October 11, 2017;

(c) October 16, 2017; and

(d) October 19, 2017.

The Monitor was present for all site visits conducted and for meetings/communications between Management and the Shortlisted Bidders.

Shortlisted Bidders

30. Following the site visit and after multiple communications with the Monitor, one of the Shortlisted Bidders formally withdrew from the SISP on October 26, 2017.

31. Although two of the Shortlisted Bidders did not formally communicate their withdrawal from the SISP, they ceased conducting diligence activities and engaging with the Monitor in early November 2017.

32. One of the Shortlisted Bidders, the most active participant in the SISP, retained engineering consultants, legal counsel, and attended two additional follow-up plant visits (on October 24, 2017 and November 14, 2017) and several calls with Management and the Monitor throughout the SISP.

33. Throughout the SISP, this Shortlisted Bidder, its consultants, and its legal counsel sent multiple information request lists requesting additional detailed information on a

consistent basis and was active and engaged in the SISP right up until the eve of the Bid Deadline.

34. On November 21, 2017, that Shortlisted Bidder indicated to the Monitor that it would not be submitting a bid. No bids were received by the deadline of 5:00 p.m. on November 21, 2017. None of the Shortlisted Bidders requested more time nor have they contacted the Monitor since the passing of the bid deadline.

Results of the SISP

35. The SISP did not yield a Qualified Bid other than the Stalking Horse Bid, and as a result, in accordance with the terms of the SISP, the Stalking Horse Bid was declared the Accepted Bid. Counsel for the Stalking Horse Bidder was notified on November 22, 2017. Counsel and the financial advisor for the Agent were also notified on November 22, 2017. Accordingly, in accordance with the terms of the SISP, the Applicant has brought a motion seeking the Sale Approval and Vesting Order in respect of the Stalking Horse Bid.

36. A summary of the Potential Bidders, Prospective Bidders, Interested Bidders, and Shortlisted Bidders prepared by the Monitor is attached hereto as **Confidential Appendix "1"**.

The Stalking Horse APA

37. As discussed above, a summary of the Stalking Horse Agreement is included in paragraphs 38 to 47 of the First Report.

38. On November 27, 2017, the Monitor was advised by counsel to the Stalking Horse Purchaser that the Stalking Horse Purchaser intended to assign its rights under the

Stalking Horse Agreement to two affiliates of the Stalking Horse Purchaser, being the Purchaser and the Litigation Purchaser. Section 11.5 of the Stalking Horse Agreement permits assignment by the Stalking Horse Purchaser to its subsidiaries or affiliates.

<u>The Monitor's Comments</u>

39. The Monitor is of the view that the Property and Business have been adequately exposed to the market through the SISP, and that the SISP provided for a process that is reasonable in the circumstances.

40. The Monitor is of the view, supported by the results of the SISP, that the Accepted Bid represents the best viable alternative for a going-concern transaction for the benefit of the Applicant's stakeholders.

DISTRIBUTION OF PROCEEDS

41. The Applicant seeks approval of a distribution of $20 million from the proceeds of the Transaction to the Agent in partial repayment of the Syndicate Indebtedness (defined below).

42. As discussed in the Pre-Filing Report, as at the commencement of these proceedings the principal amount owing under the Syndicate Credit Agreement was approximately $44 million (the "**Syndicate Indebtedness**").

43. The Syndicate Indebtedness is secured by security interests on all of the Applicant's personal property and charges on the Applicant's real property located at 170 Mills Road, Ajax and 176 Mills Road, Ajax (collectively, the "**Syndicate Security**"). The Monitor's independent legal counsel, Goodmans LLP ("**Goodmans**") conducted a security review of the Syndicate Security. On August 29, 2017, Goodmans provided an opinion confirming the validity and enforceability of the Syndicate Security as at the date

of the opinion, subject to standard assumptions and qualifications typically contained in security opinions of this nature.

44. The proceeds from the Transaction will be insufficient to satisfy the remaining Syndicate Indebtedness in full. In addition, pursuant to the Stalking Horse Agreement, the Stalking Horse Purchaser will assume the liabilities associated with the Index Secured Debt and will pay, as part of the purchase price provided for under the Stalking Horse Agreement, amounts to cover all encumbrances ranking in priority to the Syndicate Security and amounts to cover the estimated professional fees and expenses associated with the wind-down of these proceedings.

45. For the foregoing reasons, the Monitor is of the view that the proposed distribution of a portion of the proceeds from the Transaction to the Agent is appropriate in the circumstances.

EXTENSION OF THE STAY PERIOD

46. As outlined above, the Extension Order extended the Stay Period up to and including December 21, 2017.

47. The Applicant seeks an extension of the Stay Period to and including February 28, 2018 to allow for Index Energy Ajax and the Stalking Horse Bidder, and their respective counsel, with the assistance of the Monitor, to close the Accepted Bid and complete the administration of the CCAA Proceedings. The Second Blais Affidavit states that the Transaction is targeted to be completed on or before January 12, 2018.

48. The Monitor is of the view that an extension of the Stay Period is appropriate for the following reasons, among others:

(a) Management has continued to operate the Biomass Facility and has focused its efforts on improving the operations of same;

(b) the Applicant acted in good faith and with due diligence as it related to the execution of the SISP and fulfilled its duties as outlined in the SISP Approval Order;

(c) Management continues to investigate and implement improvements to increase the maximum capacity output and availability of the Biomass Facility; and

(d) the Applicant continues to operate in good faith and with due diligence since the date of the Initial Order.

49. A stay of proceedings is necessary to allow the Applicant to maintain their business and to allow for a transaction to be consummated between the Applicant and the Stalking Horse Bidder in a stabilized environment.

CASH FLOW PROJECTION

50. The Applicant has prepared a revised cash flow projection, on a weekly basis, from November 27, 2017 to January 12, 2018 (the "**Cash Flow Period**") (the "**Cash Flow Projection**"). The Cash Flow Projection is attached to this First Report as **Appendix "3"**. The Cash Flow Projection has been prepared by Management using probable and hypothetical assumptions set out therein (the "**Probable and Hypothetical Assumptions**").

51. The Monitor has reviewed the Cash Flow Projection to the standard required of a Court-appointed Monitor by s. 23(1)(b) of the CCAA. The Monitor's review of the Cash Flow Projection consisted of inquiries, analytical procedures, and discussions related to

information supplied to the Monitor by management and employees of the Applicant. Since the Probable and Hypothetical Assumptions need not be supported, the Monitor's procedures with respect to same were limited to evaluating whether they were consistent with the purpose of the Cash Flow Projection. The Monitor has also reviewed the support provided by management for the Probable and Hypothetical Assumptions and the preparation and presentation of the Cash Flow Projection. Based on the Monitor's review, nothing has come to its attention that causes it to believe that, in all material respects:

(a) the Probable and Hypothetical Assumptions are not consistent with the purpose of the Cash Flow Projection;

(b) as at the date of this Report, the Probable and Hypothetical Assumptions developed by management are not suitably supported and consistent with the Applicant's plans or do not provide a reasonable basis for the Cash Flow Projection, given the Probable and Hypothetical Assumptions; or

(c) the Cash Flow Projection does not reflect the Probable and Hypothetical Assumptions.

Monitor's Comments

52. The Cash Flow Projection has been prepared to January 12, 2018, the targeted Transaction closing date in anticipation of the granting of the Sale Approval and Vesting Order. While the Applicant seeks a stay extension to February 28, 2018, expenses associated with the Business and incurred after the Transaction will be the responsibility of the Purchaser and the Litigation Purchaser, as applicable. In addition, as outlined in section 2.3(b) of the Stalking Horse Agreement, the Purchaser and the Litigation

Purchaser will also assume and be responsible for all post-filing trade obligations payable or accrued payable (including, for certainty, customer credit balances and open purchase orders) of the Business post-filing up to Transaction closing date. Index Energy Ajax, with the assistance of the Monitor, has estimated that expenses incurred but not yet paid as at January 12, 2018 will amount to $540,000.

53. The Cash Flow Projection estimates that during the Cash Flow Period, the Applicant is projecting total receipts of $2,404,836, consisting of:

(a) an additional DIP Facility Advance of $1,400,000 to be received the week ending December 1, 2017 resulting in the entire DIP Facility amount of $5 million being advanced; and

(b) receipts of $1,004,836 for payment under the FIT Contract as it relates to November 2017's electricity production.

54. Total disbursements during the Cash Flow Period are forecasted to be $3,219,033 including the following material disbursements accounting for approximately 87% of the total disbursements:

(a) Wood Fuel & Fly Ash Removal – $630,000;

(b) Professional Fees – $625,000;

(c) Utilities – $515,000 (Hydro & Gas – $300,000 and Water & Sewage – $215,000);

(d) Labour, Wages & Salaries, and Payroll Expenses – $456,500;

(e) Interest – $298,606; and

(f) Maintenance & Repairs – $269,500.

55. At the end of the Cash Flow Period, it is anticipated that Index Energy Ajax will have an ending cash balance of $328,735.

56. Following completion of the Transaction, it is anticipated that the only remaining expenses incurred by the Applicant will be associated with the administration and wind-down of these proceedings. Pursuant to the Stalking Horse Agreement, the Stalking Horse Purchaser is required to pay to the Applicant, as part of the purchase price, an amount equal to the outstanding Administration Charge as at the closing date of the Transaction plus the Monitor's estimate of professional fees of the Monitor, its counsel and the Applicant's counsel to be incurred from the closing date of the Transaction to the discharge of the Monitor. The Monitor anticipates these amounts will be sufficient to fund the wind-down of these proceedings.

PERFORMANCE COMPARED TO POST-FILING CASH FLOW

57. In accordance with the Initial Order and the Extension Order, the Monitor has reviewed the Applicant's receipts and disbursements since the date of the Initial Order.

58. The Applicant has remained current in respect of their obligations that have arisen since the issuance of the Initial Order.

59. A comparison of Index Energy Ajax's receipts and disbursements compared to the cash flow projection filed with the First Report for the period of September 2, 2017 to November 24, 2017 (the "**Post-Filing Reporting Period**") (the "**Post-Filing Cash Flow Projection**"), with commentary, is attached to this Second Report as **Appendix "4"**.

Monitor's Comments

60. For the Post-Filing Reporting Period, Index Energy Ajax had total cash receipts of $4,856,811, approximately $1,388,812 less than forecasted in the Post-Filing Cash Flow Projection. The unfavorable variance is due to remaining DIP Facility advances of $1,400,000 not yet being withdrawn by Index Energy Ajax. The $1,400,000 remains available to Index Energy Ajax and is anticipated to be received during the week ending December 1, 2017.

61. The Post-Filing Cash Flow projected total disbursements of $6,148,575 for the Post-Filing Reporting Period. Actual disbursements for the Post-Filing Reporting Period totaled $5,665,880 resulting in a favourable variance of $482,695.

62. The Monitor recognizes the following material variances in expected disbursements outlined in the Post-Filing Cash Flow Projection against actual disbursements:

(a) the Post-Filing Cash Flow Projection provided for the possibility of utilities providers requiring deposits of $275,000, however, only one utility provider required a deposit amount to $40,000 (i.e. a favourable variance of $235,000);

(b) the cost of utilities was in the Post-Filing Cash Flow Projection was estimated to be $677,306, however, actual disbursements were $226,995 less than forecasted (i.e. a favourable variance) due to the inclusion of an additional utilities payment in the Post-Filing Cash Flow Projection; and

(c) professional fees were approximately $165,605 less than initially forecasted for the Post-Filing Reporting Period ($2,075,760).

OTHER ACTIVITIES OF THE MONITOR

63. Pursuant to the Initial Order, the following notices have been posted on the Monitor's Website since the date of the Extension Order:

(a) on September 11, 2017, the Monitor posted a copy of the Extension Order and the SISP Approval Order on the Monitor's Website;

(b) the Monitor posted a copy of the endorsement issued by the Honourable Regional Senior Justice G.B. Morawetz on September 11, 2017 on the Monitor's Website; and

(c) the Monitor has continued to update and post an up-to-date copy of the Service List as required by the Initial Order and the Extension Order on the Monitor's Website.

64. Pursuant to the SISP Approval Order, the Monitor placed notices regarding the CCAA Proceedings in *The Globe and Mail* (National Edition) on September 16, 2017 and September 20, 2017.

65. In addition to the above, the Monitor's activities since the date of the First Report have included, among other things:

(a) corresponding and meeting with the Applicant, Management, and its legal counsel;

(b) corresponding and meeting with the Monitor's legal counsel, Goodmans LLP;

(c) reviewing the receipts and disbursements of the Applicant in accordance with the Initial Order and the Extension Order;

(d) comparing the actual receipts and disbursements to the Post-Filing Cash Flow Projection (as defined herein) and documenting reasons for variances, if any;

(e) assisting the Applicant to revise the Cash Flow Projection (defined herein);

(f) providing weekly updates to the Agent's financial advisor, Alvarez & Marsal Canada ULC ("**A&M**"), regarding the SISP;

(g) providing weekly updates on the actual receipts and disbursements of the Applicant compared to the Post-Filing Cash Flow Projection to A&M;

(h) monitoring the daily production performance of the Biomass Facility;

(i) corresponding and assisting Index Energy Ajax with respect to matters involving critical suppliers and utilities providers;

(j) corresponding with certain of the Applicant's unsecured creditors and other stakeholders;

(k) communications with the Applicant's creditors, suppliers and other stakeholders;

(l) reviewing all materials filed with the Court in respect of the CCAA Proceedings;

(m) maintaining the Monitor's Website as required;

(n) carrying out its duties with respect to the SISP;

(o) working with the Applicant, the Applicant's legal counsel and the Monitor's legal counsel in connection with the Approval Motion; and

(p) preparing this Second Report.

OTHER ACTIVITIES OF THE APPLICANT

66. Since the date of the Initial Order, the Applicant's activities have included, among other things:

    (a) operating the Biomass Facility;

    (b) continuing its efforts to improve the operations of the Biomass Facility;

    (c) communicating with various stakeholders and creditors regarding the CCAA Proceedings, in consultation with the Monitor;

    (d) corresponding with its legal counsel and the Monitor;

    (e) ongoing communications with certain creditors and/or their advisors;

    (f) reporting to the Monitor on a weekly basis in respect of the Applicant's receipts and disbursements; and

    (g) carrying out its duties as required by the SISP Approval Order.

PROFESSIONAL FEES

67. The Monitor and its independent legal counsel have maintained detailed records of their professional time and costs since the Initial Order was granted.

68. Pursuant to paragraph 28 and 29 of the Initial Order, the Monitor and its counsel shall be paid their reasonable fees and disbursements and shall pass their accounts before the Court. In addition, pursuant to paragraph 30 of the Initial Order, the Monitor and its counsel, among other parties, were granted an Administration Charge on the property of the Companies as security for their fees and disbursements, up to a maximum of $1,000,000.

69. The total fees of the Monitor during the period from August 1, 2017 to November 24, 2017 amount to $318,450.57 together with expenses and disbursements in the sum of $8,939.24, and HST in the amount of $42,560.69, totaling $369,950.50. The details of the time spent and services provided by the Monitor are more particularly described in the Affidavit of Michael G. Creber, the Senior Vice-President of GTL having carriage of GTL's mandate as the Monitor, sworn November 29, 2017 in support hereof, a copy of which is attached hereto as **Appendix "5"**.

70. The total legal fees incurred by the Monitor during the CCAA Proceedings for services provided to the Monitor by the Monitor's independent legal counsel, Goodmans, during the period from August 16, 2017 to November 24, 2017 amount to $90,855.50, together with disbursements in the sum of $709.01, and HST in the amount of $11,903.41, totaling $103,467.92. The details of the time spent and services provided by Goodmans is more particularly described in the Affidavit of Brian F. Empey, the partner at Goodmans having carriage over Goodmans' mandate as counsel to the Monitor, sworn November 29, 2017 in support hereof, a copy of which is attached hereto as **Appendix "6"**. The Monitor confirms that the fees and disbursements set out in the Goodmans' invoices relate to advice sought by the Monitor and that, in the Monitor's review, Goodmans' fees and disbursements are reasonable.

71. The Monitor respectfully requests that the Court approve its fees and disbursements and those of its legal counsel.

CONCLUSION AND RECOMMENDATION

Recommendation for Stay Extension and Fee Approval Order

72. The Applicant has requested that the Court extend the Stay Period to and including February 28, 2018. Among other things, the extension of the Stay Period is required for Index Energy Ajax and the Stalking Horse Bidder, and their respective counsel, with the assistance of the Monitor, to close the Accepted Bid and complete the administration of the CCAA Proceedings. The Second Blais Affidavit states that the Transaction is targeted to occur on or before January 12, 2018.

73. In the Monitor's view, the Applicant has acted in accordance with the Initial Order and the Extension Order. Accordingly, the Monitor is satisfied that: (i) the Applicant has sufficient funds (as demonstrated in the Cash Flow Projection) to continue operations and the CCAA Proceedings until February 28, 2018; (ii) Management and the Applicant are acting in good faith and with due diligence; and (iii) no stakeholder of Index Energy Ajax will suffer any material prejudice if the Stay Period is extended as requested by the Applicant.

Recommendation for the Sale Approval Order

74. The Monitor is of the opinion that the SISP operated as a broad, open and fair process to identify and solicit interest form interested buyers or investors in the property, assets and operations of the Applicant. The Monitor is of the view that the Accepted Bid represents the fair value of the property, assets and operations of the Applicant and that the Accepted Bid is the best viable alternative for a going-concern transaction for the benefit of the Applicant's stakeholders.

75. The Monitor recommends that this Court grant the relief sought by the Applicant in the Sale Approval Motion.

ALL OF WHICH IS RESPECTFULLY SUBMITTED this 30th day of November, 2017.

GRANT THORNTON LIMITED,
SOLELY IN ITS ROLE AS COURT-APPOINTED MONITOR OF THE APPLICANT, AND NOT IN ITS PERSONAL OR CORPORATE CAPACITY

Per: ______________________________
Michael Creber, CPA, CA, CIRP, LIT
Senior Vice-President

APPENDIX 1

Court File No. CV-17-580840-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT,* R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF INDEX ENERGY MILLS ROAD CORPORATION

Applicant

FIRST REPORT OF THE MONITOR

SEPTEMBER 6, 2017

Grant Thornton Limited,
Proposed Monitor of the Applicant under the *Companies' Creditors Arrangement Act*

200 King Street West, 11th Floor
Toronto, Ontario, M5H 3T4

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Appendix 6	Pre-Filing Cash Flow Projection Comparison

Court File No. CV-17-580840-00CL

ONTARIO
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FIRST REPORT OF THE MONITOR

SEPTEMBER 6, 2017

INTRODUCTION

1. On August 16, 2017, Index Energy Mills Road Corporation (the "**Applicant**" or "**Index Energy Ajax**") made an application to the Ontario Superior Court of Justice (Commercial List) (the "**Court**") to commence proceedings under the *Companies' Creditors Arrangement Act* (the "**CCAA Proceedings**"). On that day, the Court issued an Order (the "**Initial Order**") granting the Applicant's requested relief and appointing Grant Thornton Limited ("**GTL**") as monitor (the "**Monitor**") in the CCAA Proceedings.

2. The Initial Order, among other things:

   (a) granted a stay of proceedings in favour of Index Energy Ajax until and including September 15, 2017, or such later date as the Court may order (the "**Stay Period**"); and

(b) authorized Index Energy Ajax to borrow the maximum sum of $5,000,000 pursuant to a credit facility (the "**DIP Facility**") as interim financing from Index Equity US LLC ("**Index US**", and, in this capacity, the "**DIP Lender**") with a maximum amount of $1,600,000 permitted to be borrowed under the DIP Facility prior to the approval of a SISP acceptable to the Agent or further order of the Court.

3. The affidavit of Mr. Rickard Haraldsson, a director of Index Energy Ajax and Index Equity Sweden AB, the parent company of Index Energy Sweden AB ("**Index Sweden**"), a majority shareholder of the Applicant, sworn on August 15, 2017 (the "**Haraldsson Affidavit**") and filed in connection with the CCAA Proceedings, describes, *inter alia*, the Applicant's background, including the reasons for the requested CCAA Proceedings.

4. In its capacity as proposed monitor, GTL filed a report with the Court dated August 15, 2017 (the "**Pre-Filing Report**"), which provided information on certain aspects of the Applicant's requested relief and the proposed Initial Order. A copy of the Pre-Filing Report, without appendices, is attached hereto as **Appendix "1"**.

5. The Initial Order, the endorsement of Regional Senior Justice G.B. Morawetz released August 23, 2017, the Haraldsson Affidavit, the Pre-Filing Report, and all other materials filed with the Court in the CCAA Proceedings are accessible on the Monitor's website at: www.GrantThornton.ca/IndexEnergy (the "**Monitor's Website**").

PURPOSE OF THE FIRST REPORT

6. The purpose of this First Report of the Monitor (the "**First Report**") is to advise the Court with respect to:

(a) the Monitor's activities since its appointment (the "**Activities Report**");

(b) the Applicant's operations, communications with stakeholders, and other activities conducted since the issuance of the Initial Order;

(c) a description of the proposed sale and investment solicitation process (the "**SISP**"); and

(d) Index Energy Ajax's motion (the "**Extension and SISP Approval Motion**") to seek Orders, *inter alia*:

(i) extending the Stay Period to and including December 22, 2017;

(ii) authorizing and empowering Index Energy Ajax to obtain and borrow up to a maximum principal amount of $5,000,000 pursuant to the DIP Facility;

(i) approving this First Report and the Monitor's activities as described in this First Report;

(ii) approving the SISP and the Stalking Horse Agreement (defined below); and

(iii) approving the Escrow Agreement (defined below) and extending the protections of the Monitor contained in the Initial Order to the Escrow Agent (defined below).

SCOPE AND TERMS OF REFERENCE

7. In preparing this First Report, the Monitor has relied upon unaudited financial information, the Applicant's records, financial information and projections, and discussions with the Applicant's current and past management (the "**Management**"), including Joseph Aletto (Chief Executive Officer), Derek Blais (President), Gordon Kerr

(previous President), Raymond Habets (previous Secretary), and Russell Kerr (previous Vice-President). While the Monitor reviewed various documents provided by the Applicant (including, among other things, unaudited internal financial statements and financial projections) and believes that the information therein provides a fair summary of the transactions as reflected in the documents, such work does not constitute an audit or verification of such information for accuracy, completeness or compliance with Generally Accepted Assurance Standards ("**GAAS**"), Generally Accepted Accounting Principles ("**GAAP**"), or International Financial Reporting Standards ("**IFRS**"). Accordingly, the Monitor expresses no opinion or other form of assurance pursuant to GAAS, GAAP or IFRS with respect to such information.

8. Some of the information used in preparing this First Report consists of financial projections, including the Cash Flow Projection (as defined herein). The Monitor cautions that these projections are based upon assumptions about future events and conditions that are not ascertainable. The Applicant's actual results may vary from the Cash Flow Projection, even if the hypothetical and probable assumptions set forth in the Cash Flow Projection contained therein materialize, and the variations could be significant. The Monitor's review of the future oriented information used to prepare this First Report did not constitute an audit of such information under Generally Accepted Auditing Standards, GAAP or IFRS.

9. In the course of its mandate, the Monitor has assumed the integrity and truthfulness of the information and explanations presented to it by the Applicant and its Management, within the context in which such information was presented. To date, nothing has come to the Monitor's attention that would cause it to question the reasonableness of these assumptions. The Monitor has requested that Management bring to its attention any

significant matters which were not addressed in the course of the Monitor's specific inquiries. Accordingly, the Monitor has relied upon the information (financial or otherwise) made available to the Monitor by the Applicant and its Management in connection with the preparation of this First Report.

10. This Report has been prepared for the use of this Court and the Applicant's stakeholders as general information relating to the Applicant and to assist the Court in determining whether to grant the relief sought by the Applicant. Accordingly, the reader is cautioned that this Report may not be appropriate for any other purpose. The Monitor will not assume responsibility or liability for losses incurred by the reader as a result of the circulation, publication, reproduction or use of this First Report contrary to the provisions of this paragraph.

11. Capitalized terms not defined in this First Report have the meanings ascribed to them in the Haraldsson Affidavit, or the affidavit of Mr. Derek Blais sworn on September 1, 2017 (the "**Blais Affidavit**"). The Blais Affidavit, without exhibits, is attached hereto as **Appendix "2"**.

12. All references to dollars are in Canadian currency unless otherwise noted.

ACTIVITIES OF THE MONITOR

13. Pursuant to the Initial Order, the following notices have been posted on the Monitor's Website and/or sent to the Applicant's stakeholders since the date of the Initial Order:

    (a) On August 16, 2017, the Monitor posted a copy of the Pre-Filing Report, the Initial Order, the Haraldsson Affidavit, and other application materials filed by the Applicant on the Monitor's Website;

(b) On August 17, 2017, the Monitor placed on the Monitor's Website a copy of the Service List as required by the Initial Order which has been updated regularly;

(c) On August 18, 2017, the Monitor mailed a notice of the CCAA Proceedings to every creditor appearing in the Applicant's books and records with a balance greater than $1,000 as at the date of the Initial Order, this notice was subsequently placed on the Monitor's Website;

(d) On August 21, 2017, the Monitor posted a listing of all creditors, with their respective addresses and amounts owing as at the date of the Initial Order;

(e) On August 23, 2017, the Monitor posted the endorsement of Regional Senior Justice G.B. Morawetz dated August 23, 2017; and

(f) On September 5, 2017, the Monitor posted the Applicant's motion record returnable September 11, 2017, including among other things, the Blais Affidavit.

14. On August 18, 2017, to fulfill the requirements of 23(1)(f) of the CCAA, the Monitor filed with the Superintendent of Bankruptcy, the prescribed documents outlined in the CCAA Regulations.

15. Pursuant to the Initial Order, the Monitor placed notices regarding the CCAA Proceedings in *The Globe and Mail* (National Edition) on August 22, 2017 and August 29, 2017.

16. In addition to the above, the Monitor's activities since the date of the Initial Order have included, among other things:

(a) corresponding and meeting with the Applicant, their management, and their legal counsel;

(b) corresponding and meeting with the Monitor's legal counsel, Goodmans LLP;

(c) reviewing the receipts and disbursements of the Applicant in accordance with the Initial Order;

(d) comparing the actual receipts and disbursements to the Pre-Filing Cash Flow Projection (as defined herein) and documenting reasons for variances, if any;

(e) assisting the Applicant to revise the Cash Flow Projection;

(f) corresponding with certain of the Applicant's unsecured creditors and other stakeholders;

(g) communications with the Applicant's creditors, suppliers and other stakeholders;

(h) reviewing all materials filed with the Court in respect of the CCAA Proceedings;

(i) maintaining the Monitor's Website as required;

(j) assisting with the preparation and negotiation of the proposed SISP, including the Stalking Horse Agreement, the Escrow Agreement and materials required for the proposed SISP as outlined in detail later in this First Report;

(k) working with the Applicant, the Applicant's legal counsel and the Monitor's legal counsel in connection with the Extension and SISP Approval Motion; and

(l) preparing this First Report.

ACTIVITIES OF THE APPLICANT

17. Since the date of the Initial Order, the Applicant's activities have included, among other things:

(a) operating the Biomass Facility;

(b) continuing its efforts to improve the operations of the Biomass Facility;

(c) communicating with various stakeholders and creditors regarding the CCAA Proceedings, in consultation with the Monitor;

(d) corresponding with its legal counsel and the Monitor;

(e) making payments to vendors as contemplated by the Pre-Filing Cash Flow Projection (as defined herein) filed with the Applicant's application materials in support of the Initial Order;

(f) ongoing communications with certain creditors and/or their advisors;

(g) reporting to the Monitor on a weekly basis in respect of the Applicant's receipts and disbursements;

(h) working with its legal counsel, the Monitor, the Agent, the Stalking Horse Purchaser and their advisors to develop and negotiate the proposed SISP;

(i) working with the Monitor in preparing the Cash Flow Projection (as defined herein) to December 31, 2017;

(j) providing notice to the IESO with respect to the FIT Contract and advising them of the CCAA Proceedings; and

(k) with the assistance of the Monitor, distributing notices and frequently asked questions to all employees as well as every known creditor.

THE DIP ADVANCE

18. Although the Initial Order permitted Index Energy Ajax to obtain up to a maximum of $5,000,000 (the "**Principal Amount**"), a maximum amount of $1,600,000 (the "**Initial Advance**") was permitted to be advanced prior to the approval of a SISP acceptable to the Agent, or a further order of the Court.

19. Consistent with the provisions of the DIP Facility and the Initial Order, Index Energy Ajax requested the Initial Advance which was subsequently received on August 18, 2017.

20. If the proposed SISP is approved by the Court, the conditions under the Initial Order for an advance of the full Principal Amount will have been met and therefore, Index Energy Ajax is seeking authority to obtain and borrow up to the maximum Principal Amount pursuant to the DIP Credit Agreement.

21. As discussed below, the Monitor understands that the SISP is acceptable to the Agent (as well as its counsel and financial advisor) and the Stalking Horse Purchaser (as defined and discussed herein). The Monitor therefore supports the Applicant's request to obtain the full Principal Amount of the DIP Facility.

PROPOSED SALE AND INVESTMENT SOLICITATION PROCESS

22. At the commencement of the CCAA Proceedings, the Applicant advised that it intended to return to court to seek approval of a SISP. As set out in the Blais Affidavit, the Applicant seeks approval of a SISP which was developed in consultation with the Monitor and the Agent to solicit offers from Bidders (defined below) on an "as is, where

is" basis to purchase the Property of Index Energy Ajax (a "**Sale Proposal**") and/or make an investment in the business of Index Energy Ajax (an "**Investment Proposal**") which is superior to the offer contemplated in the Stalking Horse Agreement (the "**Opportunity**"). A copy of the SISP is attached as Exhibit "D" to the Blais Affidavit. A summary of relevant terms of the SISP is set out below:

(a) The SISP is supported by a stalking horse bid submitted by Index Residence AB (Publ) (in such capacity, the "**Stalking Horse Purchaser**") in the form of an asset purchase agreement entered into between Index Energy Ajax and the Stalking Horse Purchaser dated as of September 1, 2017 (the "**Stalking Horse Agreement**"), a copy of which is attached as Exhibit "E" to the Blais Affidavit with Schedule 7.6(a), being a listing of employee names and positions, redacted.

(b) Given that the Stalking Horse Purchaser is a related party to Index Energy Ajax, it is contemplated that the SISP will be carried out by the Monitor with the cooperation of, and in consultation with, the Applicant and the Agent. The Monitor is qualified to administer the proposed SISP for the following reasons:

    (i) the Monitor has considerable experience conducting a SISP and will utilize the expertise of its corporate finance professionals, as necessary, in carrying out its duties as outlined in the SISP;

    (ii) the Monitor has extensive contacts in the industry who it will ensure are made aware of the SISP;

    (iii) if a party other than the Monitor was engaged to run the SISP, the Monitor would be required to maintain oversight of the third party, thus duplicating certain efforts and costs;

(iv) the proposed SISP has been designed to be a thorough and efficient process which will reduce professional fees associated with administering same, if it is administered by the Monitor; and

(v) the Monitor will not charge a success fee, but instead will charge its standard hourly rates based on actual hours spent.

(c) The proposed SISP sets out, among other things:

(i) the manner in which the Opportunity will be made available to interested parties;

(ii) the manner in which a Known Potential Bidder (as defined below) may gain access to due diligence materials;

(iii) the manner in which Known Potential Bidders become Bidders and submit Bids (both as defined herein);

(iv) the manner in which Bidders become Qualified Bidders (as defined below), if any;

(v) if necessary, the Auction (as defined below) process; and

(vi) the process for applying for the Court's approval of an agreement of purchase and sale and/or investment agreement, if any.

<u>Identification of Known Potential Bidders and Solicitation of Interest</u>

23. The Monitor, in consultation with the Applicant and the Agent, has prepared a list of potential bidders including: (i) parties that have approached the Applicant or the Monitor indicating an interest in the Opportunity, and (ii) local and international strategic and

financial parties who the Monitor, in consultation with the Applicant and the Agent, believe may be interested in the Opportunity (collectively, "**Known Potential Bidders**").

24. The SISP will be advertised in *The Globe and Mail* (National Edition) and any other newspapers and/or publications, as the Monitor, in consultation with the Applicant, considers appropriate.

25. The Monitor, in consultation with the Applicant, has prepared: (i) a form of solicitation letter summarizing the Opportunity, the SISP, and soliciting parties to express their interest in same (the "**Solicitation Letter**"); and (ii) a form of non-disclosure agreement (the "**NDA**") to be executed for further participation in the SISP. The Solicitation Letter and the NDA substantially in the forms that will be provided to Known Potential Bidders are both attached hereto as **Appendix "3"**.

<u>Selection of Bidders</u>

26. Any Known Potential Bidder who wishes to participate in the SISP (an "**Interested Party**") must provide the Monitor with:

(a) an executed NDA with a letter setting forth the identify, contact information, and disclosure of the direct and indirect principals of the Interested party;

(b) an acknowledgement of the SISP (in the form outlined in Schedule "A" included in the SISP); and

(c) such financial disclosure and credit quality support or enhancement that allows the Monitor to make a reasonable determination as to the Interested Party's financial and other capabilities to consummate a Sale Proposal or Investment Proposal, as applicable.

27. If the Monitor is satisfied with the above noted documentation provided by the Interested Party, such party will be deemed to be a "**Bidder**" and will be provided with:

(a) a confidential information memorandum ("**CIM**"), prepared by the Monitor, in consultation with Index Energy Ajax, describing in greater detail, the SISP and the Opportunity; and

(b) access to an electronic data room (the "**Data Room**"), containing confidential information to perform due diligence in addition to a template asset purchase agreement ("**APA**") and investment agreement ("**IA**").

<u>Submission of Final Bids and Selection of Qualified Bidders</u>

28. Bidders that wish to submit a Sale Proposal or an Investment Proposal must submit such an offer to the Monitor in the form of a duly authorized and executed APA or IA, with any changes disclosed in a comparison against the APA or IA (a "**Final Bid**"). The SISP contemplates a ten week marketing and diligence period, with the deadline for submission of the Final Bids to the Monitor of not later than 5:00 PM, Eastern Standard Time on November 21, 2017 or as such date may be modified by the Monitor, in consultation with and with the approval of the Agent (the "**Bid Deadline**") and include the Final Bid Criteria (as defined in the SISP).

29. Final Bids must, among other things, (i) be submitted in the form of an executed APA or IA, (ii) be binding, and irrevocable until the earlier of 30 days following the Bid Deadline and approval of the Court of the Accepted Bid (as defined below); (iii) be accompanied by a refundable deposit in the amount of 10% of the purchase price or investment amount contemplated by the bid, to be held by the Monitor; (iv) contemplate closing the transaction by no later than January 12, 2018 (the "**Closing Date Deadline**"), and (v)

provide for the payment of the Expense Reimbursement and Transaction Fee (as defined below) to the Stalking Horse Purchaser.

30. Following the Bid Deadline, the Monitor, in consultation with the Agent, will determine if each Final Bid satisfies the criteria in the SISP in order to constitute a "**Qualified Bid**" and notify the Bidder of such determination on or before November 24, 2017. In order to constitute a Qualified Bid, a Final Bid must, among other things, provide value to the creditors and other stakeholders of the Debtor that is equal to or greater than the Value of the Stalking Horse Agreement, which is defined in the SISP as to the sum of:

(a) $20,000,000, plus

(b) the amount outstanding under the DIP Facility (assumed for the purposes of the SISP to be $5,000,000) at the closing date under the Stalking Horse Agreement (the "**SH Transaction Closing Date**"), plus

(c) the amount outstanding under the Administration Charge and the Directors' Charge as at the SH Transaction Closing Date, plus

(d) the amount (assumed for the purposes of the SISP to be $nil) of any indebtedness secured by a lien or charge against the Debtor's property which ranks in priority to the debts outstanding under the Syndicate Credit Agreement (the "**Syndicate Debt**"),

(the "**Minimum Bid Amount**").

31. The Stalking Horse Agreement is deemed to constitute a Qualified Bid pursuant to the SISP.

Selection of Successful Bid

32. If one or more Qualified Bids is received by the Bid Deadline or so designated by the Monitor, all such Bidders (each a "**Qualified Bidder")** and the Stalking Horse Purchaser shall be invited to an auction to identify the Successful Bidder and the Accepted Bid (both as defined in the SISP) to be conducted by the Monitor on November 28, 2017 (the "**Auction**"). The Auction Procedures (as defined and set out in Schedule "C" of the SISP) provide that the Auction will be conducted in one or more rounds during which Qualified Bidders may increase their Qualified Bids in minimum increments of $200,000.

33. The Accepted Bid will either be (i) the Stalking Horse Agreement if no other Qualified Bid is received by the Bid Deadline, or (ii) the highest and best bid as determined by the Monitor, in its reasonable business judgment, after consultation with its advisors and the Agent. If an Auction is conducted, the next highest or otherwise best Qualified Bid after the Accepted Bid will be designated as a backup bid and must remain open and irrevocable until the closing of the transaction contemplated by the Accepted Bid.

34. Within 7 days of the selection of the Accepted Bid, the Applicant shall file a motion with the Court seeking approval of the Accepted Bid

35. The following chart summarizes the relevant milestones for the proposed SISP:

Milestone	**Approximate Date**
Commencement of SISP	September 12, 2017
Solicitation Letter Distribution	September 12, 2017
Bid Deadline	November 21, 2017
Selection of a Qualified Bid(s)	November 24, 2017
Auction (if required)	November 28, 2017
Closing Date Deadline	January 12, 2018

The dates set out in the SISP may be extended by the Monitor, with the consent of the Agent, or by order of the Court.

36. The SISP was developed by way of negotiations among the Applicant, the Agent, the Stalking Horse Purchaser and their respective legal advisors. The Monitor and its legal counsel were also involved in discussions regarding the SISP. The SISP and its timeline are supported by the aforementioned parties and were developed to balance the time required to administer a commercially reasonable sale and investment process with the available financial resources of the Applicant. The Monitor believes that the SISP provides for a process that is reasonable in the circumstances.

37. On the evening of September 5, 2017, the Monitor received a letter from counsel to HMI Construction Inc., a party of interest in these proceedings and the holder of the HMI Lien Claim, regarding the SISP and the Stalking Horse Agreement. A copy of this letter is attached as **Appendix "4"**. The Monitor is currently considering its response to this letter.

THE STALKING HORSE AGREEMENT

38. The SISP provides for the inclusion of the Stalking Horse Agreement, which contemplates a transaction (the "**SH Transaction**") involving the sale of substantially all of the assets of the Applicant to the Stalking Horse Purchaser, unless a higher or better offer is received in accordance with the SISP. The Stalking Horse Agreement will act as a "floor" bid in the SISP. The following is a summary only of certain elements of the Stalking Horse Agreement and reference should be made to the Stalking Horse Agreement itself for the full terms and conditions thereof. Defined terms used in this section and not otherwise defined have the meaning ascribed to them in the Stalking Horse Agreement. The main components of the Stalking Horse Agreement are described below.

<u>SH Transaction and Purchase Price</u>

39. The Stalking Horse Purchaser will acquire substantially all of the Applicant's assets and business and assume certain of the Applicant's liabilities on an "as is, where is" basis.

40. The purchase price (the "**Purchase Price**") to be paid by the Stalking Horse under the Stalking Horse Agreement consists of:

    (a) $20 million in cash ($10 million of which shall be satisfied by the Escrow Funds (defined below));

    (b) amounts outstanding under the DIP Facility on SH Transaction Closing Date;

    (c) amounts in respect of the Administration Charge or the Directors' Charge (each as defined in the Initial Order) outstanding on the SH Transaction Closing Date;

(d) amounts secured by any encumbrances (other than Permitted Encumbrances) which rank in priority to the Syndicate Debt; and

(e) the assumption of the Assumed Liabilities other than the DIP Facility (described below).

41. While the Stalking Horse Agreement contemplates that the assumption of certain debt that is subordinate to the Syndicate Debt will comprise part of the Purchase Price, for purposes of the SISP, the Minimum Bid Amount only includes the cash portion of the Purchase Price and the assumption of amounts outstanding under the DIP Facility, being items (a) through (d) above.

Assumption of Liabilities

42. The Stalking Horse Purchase will assume the Assumed Liabilities, which include trade obligations, accrued expenses, liabilities under assumed contracts, the amounts outstanding under the DIP Facility on SH Transaction Closing Date and the amounts owing by the Applicant to Index Residence pursuant to the Index Residence Credit Agreement.

43. The Stalking Horse Purchaser will not assume responsibility for the Excluded Liabilities, which include certain intercompany debts, claims against the Applicant for infringements of intellectual property rights, claims related to the Excluded Assets, the Syndicate Debt, the liabilities associated with the HMI Lien, certain tax liabilities and certain other liabilities in connection with the conduct of the Applicant's business or in respect of any environmental conditions existing prior to the SH Transaction Closing Date.

Conditions to Closing and Termination

44. Key conditions to closing under the Stalking Horse Agreement include:

(a) the Stalking Horse Purchaser being selected as the Successful Bidder under the SISP;

(b) the Court granting an approval and vesting order in respect of the SH Transaction, vesting all of the Purchased Assets in the Stalking Horse Purchaser free and clear of all encumbrances (other than Permitted Encumbrances) on the Stalking Horse Closing Date;

(c) the approval of the IESO to the assignment to the Stalking Horse Purchaser of the FIT Contract; and

(d) that no Material Adverse Change has occurred.

45. The Stalking Horse Agreement may not be terminated by the Stalking Horse Purchaser unless:

(a) certain termination rights arise, including mutual agreement of the Applicant and the Stalking Horse Purchaser with the consent of the Monitor, the entry of a final order prohibiting the SH Transaction, the material breach of the Applicant under the Stalking Horse Agreement and the failure of IESO to provide its consent to the assignment of the FIT Contract by February 28, 2018,

(b) the closing of another transaction for the purchase of the Biomass Facility with a party other than the Stalking Horse Purchase pursuant to the SISP has occurred (an "**Alternate Transaction**"), or

(c) the date that is the latest of the following has occurred: (A) the closing of the Syndicate Debt Purchase Offer (as defined below), (B) the Agent has delivered notice of its election not to accept the Syndicate Debt Purchase Offer.

Expense Reimbursement and Transaction Fee

46. The Stalking Horse Agreement contemplates certain protections in favour of the Stalking Horse Purchaser, in consideration for its acting as the stalking horse in the SISP. These protections include an entitlement to reimbursement for its expenses and a transaction fee in an aggregate amount of $300,000 (the "**Expense Reimbursement and Transaction Fee**") in the event that the Stalking Horse Purchaser is not the Successful Bidder in the SISP. The amount of the Expense Reimbursement and Transaction Fee was actively negotiated between the Stalking Horse Purchaser and the Agent.

47. The Monitor believes that the Expense Reimbursement and Transaction Fee is on the lower end of the range of break fees typical for this type of transaction and is reasonable in the circumstances.

ESCROW AGREEMENT

48. As a condition of the Syndicate's support for the proposed SISP, the Agent, Index Energy Ajax, the Stalking Horse Purchaser and the Monitor, as escrow agent (in such capacity, the "**Escrow Agent**") have also entered into an escrow agreement dated September 1, 2017 (the "**Escrow Agreement**"), a copy of which, with certain commercially sensitive information redacted, is attached as Exhibit "F" to the Blais Affidavit. Pursuant to the Escrow Agreement, the Stalking Horse Bidder has agreed to deposit $10 million (the "**Escrow Funds**") with the Monitor in its capacity as Escrow Agent.

49. In accordance with the Escrow Agreement:

(a) in the event that the Stalking Horse Purchaser is selected as the Successful Bidder in the SISP, the Escrow Funds will be applied to satisfy a portion of the purchase price contemplated by the Stalking Horse Agreement; and

(b) in the event that the Applicant completes an Alternate Transaction, the Escrow Funds will be released to the Stalking Horse Purchaser (subject to certain funds which may be remitted to the Agent in the event that the purchase price of the Alternative Transaction is below an agreed threshold).

50. The Escrow Agreement also provides that, in the event that a sale transaction for the assets of the Applicant has not closed by February 28, 2018, the Stalking Horse Purchaser is required to make an offer to the Syndicate to purchase the Syndicate Debt (the "**Syndicate Debt Purchase Offer**"). In the event that the Syndicate accepts the Syndicate Debt Purchase Offer, the Escrow Funds will be applied towards the purchase price of the Syndicate Debt.

EXTENSION OF THE STAY PERIOD

51. The Initial Order granted a stay of proceedings against the Applicant up to and including September 15, 2017.

52. The Applicant seeks an extension of the stay period to and including December 22, 2017 to allow Index Energy Ajax to: (i) continue to operate the Biomass Facility, and; (ii) assist the Monitor in administering the proposed SISP.

53. The Monitor is of the view that an extension of the Stay Period is appropriate for the following reasons, among others:

(a) Management has continued to operate the Biomass Facility and has focused its efforts on improving the operations of same;

(b) Management continues to seek further supply of Wood Fuel in order to increase the maximum capacity output of the Biomass Facility;

(c) the Applicant has assisted in developing the proposed SISP and the Monitor requires time to administer same in accordance with the SISP; and

(d) the Applicant continues to operate in good faith and with due diligence since the date of the Initial Order.

54. A stay of proceedings is necessary to allow the Applicant to maintain their business and to allow the proposed SISP to be conducted in a stabilized environment.

CASH FLOW PROJECTION

55. The Applicant has prepared a revised cash flow projection, on a weekly basis, from September 2, 2017 to December 31, 2017 (the "**Cash Flow Period**") (the "**Cash Flow Projection**"). The Cash Flow Projection is attached to this First Report as **Appendix "5"**. The Cash Flow Projection has been prepared by Management using probable and hypothetical assumptions set out therein (the "**Probable and Hypothetical Assumptions**").

56. The Proposed Monitor has reviewed the Cash Flow Projection to the standard required of a Court-appointed Monitor by s. 23(1)(b) of the CCAA. The Proposed Monitor's review of the Cash Flow Projection consisted of inquiries, analytical procedures, and discussions related to information supplied to the Proposed Monitor by management and employees of the Applicant. Since the Probable and Hypothetical Assumptions need not be supported, the Proposed Monitor's procedures with respect to same were limited to

evaluating whether they were consistent with the purpose of the Cash Flow Projection. The Proposed Monitor has also reviewed the support provided by management for the Probable and Hypothetical Assumptions and the preparation and presentation of the Cash Flow Projection. Based on the Proposed Monitor's review, nothing has come to its attention that causes it to believe that, in all material respects:

(a) the Probable and Hypothetical Assumptions are not consistent with the purpose of the Cash Flow Projection;

(b) as at the date of this Report, the Probable and Hypothetical Assumptions developed by management are not suitably supported and consistent with the Applicant's plans or do not provide a reasonable basis for the Cash Flow Projection, given the Probable and Hypothetical Assumptions; or

(c) the Cash Flow Projection does not reflect the Probable and Hypothetical Assumptions.

Monitor's Comments

57. The Monitor recognizes that the Applicant has made the following material adjustments from the cash flow projection filed with the Pre-Filing Report ("**Pre-Filing Cash Flow Projection**"):

(a) receipts to be collected during the week ending September 29, 2017 have been decreased to $880,291 from an initially forecasted amount of $998,775 based on the actual production results for August 1, 2017 to August 31, 2017;

(b) the expected disbursement during the week ending September 22, 2017 for Critical Supplier payments has been decreased from $440,000 to $200,000 as only a few suppliers have claimed Critical Supplier status and the Monitor is assessing these requests;

(c) cumulative bi-weekly payroll and source deductions have been increased to $125,500 from $118,918 as the source deduction payments are greater than previously forecasted; and

(d) disbursements in relation to Joseph Aletto (Chief Executive Officer), paid as a contractor, were not included in the Pre-Filing Cash Flow Projection. These have now been included under "Consulting".

58. The Cash Flow Projection estimates that during the Cash Flow Period, the Applicant is projecting total receipts of $3,785,476 (excluding DIP Facility advances), total operating disbursements of $5,319,406 (excluding interest and professional fees), and total disbursements of $8,457,118.

PERFORMANCE COMPARED TO PRE-FILING CASH FLOW

59. In accordance with the Initial Order, the Monitor has reviewed the Applicant's receipts and disbursements since the date of the Initial Order.

60. The Applicant has remained current in respect of their obligations that have arisen since the issuance of the Initial Order.

61. A comparison of Index Energy Ajax's receipts and disbursements compared to the Pre-Filing Cash Flow Projection, with commentary, is attached to this First Report as **Appendix "6"**.

Monitor's Comments

62. The Monitor recognizes the following material variances in expected receipts and disbursements outlined in the Pre-Filing Cash Flow Projection against actual receipts and disbursements:

(a) proceeds from the Initial Advance were not forecast as a lump sum payment in the Pre-Filing Cash Flow Projection which resulted in a positive cash variance in the week ending August 18, 2017 (this is when the Initial Advance was received);

(b) the Pre-Filing Cash Flow Projection provided for the possibility of maintenance contractors requiring cash on delivery payments and utility suppliers requiring deposits of $275,000 during the week of August 25, 2017. Two utility suppliers have now written to request deposits, which the Monitor is considering;

(c) cash on delivery payments were conservatively forecasted to be required to wood suppliers; weekly payment terms have been negotiated; and

(d) payments for source deduction arrears were larger than forecasted in the Pre-Filing Cash Flow Projection.

CONCLUSION AND RECOMMENDATION

Recommendation for DIP Extension

63. If the proposed SISP is approved by the Court, the conditions under the Initial Order for an advance of the full Principal Amount under the DIP Facility will have been met. The Monitor understands that the SISP is acceptable to the Agent and the Stalking Horse Purchaser. In the Monitor's view, it is appropriate for the Applicant to be permitted to

obtain and borrow up to the maximum Principal Amount pursuant to the DIP Credit Agreement.

Recommendation for Stay Extension

64. The Applicant has requested that the Court extend the Stay Period to and including December 22, 2017. Among other things, the extension of the Stay Period is required for the Monitor, with the assistance of Index Energy Ajax, to conduct the SISP and bring a transaction contemplated by the SISP to Court for approval.

65. In the Monitor's view, the Applicant has acted in accordance with the Initial Order. Accordingly, the Monitor is satisfied that: (i) the Applicant has sufficient funds (as demonstrated in the Cash Flow Projection) to continue operations and the CCAA Proceedings until December 22, 2017; (ii) Management and the Applicant are acting in good faith and with due diligence; and (iii) no stakeholder of Index Energy Ajax will suffer any material prejudice if the Stay Period is extended as requested by the Applicant.

Recommendation for the SISP, Stalking Horse Agreement and Related Agreements

66. The Monitor believes that the SISP and the Stalking Horse Agreement, supported by the Escrow Agreement, provide for a broad, open and fair process for seeking interested buyers or investors in the property, assets and operations of the Applicant, has appropriate independent oversight as it is being conducted by the Monitor and is the best viable alternative for identifying a going-concern transaction for the benefit of the Applicant's stakeholders.

67. The Monitor recommends that this Court grant the relief sought by the Applicant in the Extension and SISP Approval Motion. The Monitor's recommendation regarding the approval of the Stalking Horse Agreement and the Escrow Agreement was conditioned

on the Monitor receiving the Escrow Funds and such financial disclosure or other credit quality support to satisfy the Monitor that the Stalking Horse Purchase has the financial capability to consummate the SH Transaction. The Monitor received such financial disclosure on September 5, 2017 but has not yet received the Escrow Funds. The Monitor's recommendation regarding the approval of the Stalking Horse Agreement and the Escrow Agreement therefore remains conditional upon the Monitor receiving the Escrow Funds, and if the Monitor has not received the Escrow Funds in advance of the return date for the Extension and SISP Approval Motion, the Monitor will serve and file a supplement to this First Report to update its recommendation in respect of these matters.

ALL OF WHICH IS RESPECTFULLY SUBMITTED this 6th day of September, 2017.

GRANT THORNTON LIMITED,
SOLELY IN ITS ROLE AS COURT-APPOINTED
MONITOR OF THE APPLICANT, AND NOT IN
ITS PERSONAL OR CORPORATE CAPACITY

Per: ______________________

Michael Creber, CPA, CA, CIRP, LIT
Senior Vice-President

APPENDIX 2

INVESTMENT/ PURCHASE OFFERS INVITED

IN THE MATTER OF INDEX ENERGY MILLS ROAD CORPORATION

OPERATOR OF A WOOD BIOMASS-FIRED GENERATING STATION

GRANT THORNTON LIMITED, in its capacity as Court-appointed monitor (the **"Monitor"**) of Index Energy Mills Road Corporation (the **"Company"**), is hereby accepting offers to purchase substantially all of the assets, undertakings and properties of the Company (the **"Property"**) and/or to make an investment in the Company or the Company's business operations (the **"Business"**).

The Company operates a wood biomass-fired generating station located in Ajax, Ontario that is fueled by chipped wood derived from construction waste. The Company currently has a 20-year, 17.8 MW Feed-In-Tariff Contract with the Independent Electricity System Operator.

A solicitation letter regarding the Property, Business, and sale and investment solicitation process can be obtained by contacting Michael Goldband of the Monitor's office at (416) 360-5022 or Michael.Goldband@ca.gt.com.

The deadline for submission of offers is November 21, 2017 at 5:00 p.m. EST.

Grant Thornton

APPENDIX 3

Index Energy Mills Road Corporation

Cash Flow Projection

November 25, 2017 to January 12, 2018

For the week ending, In CAD	1-Dec-17	8-Dec-17	15-Dec-17	22-Dec-17	29-Dec-17	5-Jan-18	12-Jan-18	Nov 25/17 to Jan 12/18
Opening Cash	1,142,932	1,854,066	1,686,517	771,205	601,986	1,124,775	771,013	1,142,932
Receipts								
Sales Receipts	-	-	-	-	1,004,836	-	-	1,004,836
DIP Facility Advances	1,400,000	-	-	-	-	-	-	1,400,000
Total Receipts	1,400,000	-	-	-	1,004,836	-	-	2,404,836
Disbursements								
Supplies & Testing	1,000	1,000	1,000	1,000	1,000	1,000	1,000	7,000
Wood Fuel & Fly Ash	90,000	90,000	90,000	90,000	90,000	90,000	90,000	630,000
Equipment Parts & Maintenance	8,500	8,500	8,500	8,500	8,500	8,500	8,500	59,500
Equipment Rentals	-	150	-	-	-	150	-	300
Labour	66,838	-	66,838	-	66,838	-	66,838	267,352
Hydro & Gas	-	-	150,000	-	-	-	150,000	300,000
Water & Sewage Costs	-	-	215,000	-	-	-	-	215,000
Chemical & Fuel Supplies	4,500	4,500	4,500	4,500	4,500	4,500	4,500	31,500
Salary & Wages	13,162	-	13,162	-	13,162	-	13,162	52,648
Payroll Expenses	-	-	45,500	-	45,500	-	45,500	136,500
Tools & Supplies Expense	3,607	3,607	3,607	3,607	3,607	3,607	3,607	25,252
Insurance	36,213	-	-	-	-	36,213	-	72,425
Shipping - Freight	175	175	175	175	175	175	175	1,225
Audit & Accounting Exp.	-	-	-	-	7,500	-	-	7,500
Consulting	-	-	56,000	-	-	-	-	56,000
Meals & Entertainment	157	157	157	157	157	157	157	1,098
Office Supplies/Services	1,399	1,399	1,399	1,399	1,399	1,399	1,399	9,792
Building & Yard Maint.	1,250	1,250	1,250	1,250	1,250	1,250	1,250	8,750
Travel	693	693	693	693	693	693	693	4,852
Realty Tax Expense	-	-	-	-	-	-	-	-
Training	497	497	497	497	497	497	497	3,477
Telephone Expense	-	621	-	621	-	621	-	1,863
Lease Expense	7,269	-	2,034	1,819	7,269	-	-	18,392
R&M Unusual	30,000	30,000	30,000	30,000	30,000	30,000	30,000	210,000
Total Operating Disbursements	265,260	142,549	690,313	144,219	282,047	178,762	417,278	2,120,428
Operating Cash Flow	1,134,740	(142,549)	(690,313)	(144,219)	722,789	(178,762)	(417,278)	284,409
Capital Expenditures	25,000	25,000	25,000	25,000	25,000	25,000	25,000	175,000
Free Cash Flow	1,109,740	(167,549)	(715,313)	(169,219)	697,789	(203,762)	(442,278)	109,409
Other Disbursements								
Interest - Syndicate Loan	148,606	-	-	-	-	150,000	-	298,606
Professional Fees	250,000	-	200,000	-	175,000	-	-	625,000
Total Other Disbursements	398,606	-	200,000	-	175,000	150,000	-	923,606
Total Disbursements	688,866	167,549	915,313	169,219	482,047	353,762	442,278	3,219,033
Net Cash Flow	711,134	(167,549)	(915,313)	(169,219)	522,789	(353,762)	(442,278)	(814,197)
Closing Cash	1,854,066	1,686,517	771,205	601,986	1,124,775	771,013	328,735	328,735

APPENDIX 4

Index Energy Mills Road Corporation
Post-Filing Cash Flow Reporting
September 2, 2017 to November 24, 2017

	A	B	A - B	
For the week ending, In CAD	Actual Sep 2/17 to Nov 24/17	Post-Filing Cash Flow Projection	Variance	Comments
Opening Cash	2,013,476	2,013,476	-	
Receipts				
Sales Receipts	2,827,414	2,845,623	(18,209)	
DIP Facility Advances	2,000,000	3,400,000	(1,400,000)	Remaining DIP Facility Advance to be received the week ending Dec. 1, 2017.
HST Refund	29,397	-	29,397	
Total Receipts	4,856,811	6,245,623	(1,388,812)	
Disbursements				
Critical Supplier - Arrears	203,807	200,000	3,807	
Deposits	40,000	275,000	(235,000)	Only one deposit required.
Supplies & Testing	3,996	20,000	(16,004)	
Wood Fuel & Fly Ash	1,098,448	1,019,485	78,963	
Equipment Parts & Maintenance	97,201	255,000	(157,799)	Combined with "R&M Unusual" as expenses are similar in nature, variance is unfavorable by $54K due to unforeseen repairs required.
Equipment Rentals	1,561	270	1,291	
Labour	408,823	401,028	7,795	
Hydro & Gas	355,252	487,500	(132,248)	Favourable variance due to the inclusion of an additional utilities payment in the Post-Filing Cash Flow Projection.
Water & Sewage Costs	95,059	189,806	(94,747)	Favourable variance due to the inclusion of an additional utilities payment in the Post-Filing Cash Flow Projection.
Chemical & Fuel Supplies	59,793	43,239	16,554	
Salary & Wages	7,093	78,972	(71,879)	Salary & Wages, Payroll Expenses and Consulting result in an unfavourable variance of $6K.
Payroll Expenses	231,564	273,002	(41,438)	See note re: Salary & Wages above.
Tools & Supplies Expense	47,913	43,290	4,623	
Insurance	73,209	72,425	784	
Rent Expense	-	9,714	(9,714)	
Shipping - Freight	1,879	3,430	(1,552)	
Audit & Accounting Exp.	932	15,000	(14,068)	
Consulting	225,556	106,000	119,556	See note re: Salary & Wages above.
Meals & Entertainment	210	1,883	(1,673)	
Office Supplies/Services	16,604	16,787	(183)	
Building & Yard Maint.	14,014	28,165	(14,150)	
Travel	-	8,317	(8,317)	
Realty Tax Expense	18,072	15,000	3,072	
Training	191	5,961	(5,770)	
Telephone Expense	1,775	3,727	(1,952)	
Lease Expense	24,279	16,800	7,479	
R&M Unusual	297,275	85,214	212,061	See note re: Equipment Parts & Maintenance above.
Total Operating Disbursements	3,324,506	3,675,016	(350,510)	
Operating Cash Flow	1,532,306	2,570,607	(1,038,301)	
Capex/Mitigation				
Critical Parts Inventory Replenishment	61,406	200,000	(138,594)	Reduced Critical Parts purchased.
Total Capex	61,406	200,000	(138,594)	
Free Cash Flow	1,470,900	2,370,607	(899,707)	
Other Disbursements				
Interest - Syndicate Loan	431,289	397,799	33,490	
Professional Fees	1,910,155	2,075,760	(165,605)	
Total Other Disbursements	2,341,444	2,473,559	(132,115)	
Total Disbursements	5,665,950	6,148,575	(482,625)	
Net Cash Flow	(870,544)	(102,952)	(767,592)	
Closing Cash	1,142,932	1,910,524	(767,592)	

APPENDIX 5

, Court File No. CV-17-580840-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF INDEX ENERGY MILLS ROAD CORPORATION

AFFIDAVIT OF MICHAEL G. CREBER
(Sworn November 29, 2017)

I, MICHAEL G. CREBER, of the City of Toronto, in the Province of Ontario, **MAKE OATH AND SAY:**

1. I am a Senior Vice-President at Grant Thornton Limited ("**GTL**"), the Court appointed Monitor in these proceedings (the "**Monitor**"). As such, I have knowledge of the matters hereinafter deposed to, except where stated to be on information and belief and whereso stated I verily believe it to be true.

2. GTL was appointed as Monitor pursuant to the Order of Regional Senior Justice Morawetz dated August 16, 2017. The Monitor retained Goodmans LLP as its counsel in these proceedings.

3. Attached hereto and marked as Exhibits "A" to "D" are copies of each invoice rendered by the Monitor in respect of the period from August 1, 2017 to November 24, 2017 (the "**GTL Application Period**"). The invoices contain the fees (including details of the billing rates and total hours of each of the members of GTL who acted on behalf of the Monitor in these proceedings), disbursements and HST charged by GTL in these proceedings.

4. As shown on the summary chart attached hereto as Exhibit "E", the Monitor expended a total of 855.4 hours in connection with this matter during the GTL Application Period, giving rise to fees and disbursements totalling $369,950.49, including HST, as outlined in Exhibits "A" to "D".

5. To the best of my knowledge, GTL's rates and disbursements are consistent with those in the market for these types of matters and the hourly billing rates charged by GTL are comparable to the rates charged by GTL for services rendered in similar proceedings. GTL has had its rates and disbursements, including the rates of various professionals who provided services in these proceedings, approved by this Honourable Court in respect of similar services provided in various insolvency and restructuring files.

SWORN before me at the City of Toronto, in the Province of Ontario, on this 29 day of November, 2017.

A Commissioner for taking affidavits
Name:
Jonathan David Krieger,
a Commissioner, etc., Province of Ontario,
for Grant Thornton Limited.
Expires January 03, 2020.

MICHAEL G. CREBER

This is Exhibit "A" referred to in the

affidavit of Michael G. Creber

sworn before me, this 29

day of November, 2017.

A Commissioner for Taking Affidavits

Jonathan David Krieger,
a Commissioner, etc., Province of Ontario,
for Grant Thornton Limited.
Expires January 03, 2020.

September 15, 2017

Index Energy Mills Road Corporation
170 Mills Rd.
Ajax, ON L1S 2H1

Attention: Derek Blais

Remit To: Grant Thornton Limited
11th Floor, Box 11
200 King Street West
Toronto, ON M5J 2P9

Attention: Michael Creber

BILLING

BN 12738 4717 RT0001
Client #222180
Invoice#LSON-3631

To professional services rendered for the period ending August 31, 2017.

Date	Description	Hours
August 1, 2017	**Michael Creber**	
	• Review and discuss cash flows; Discussion company; DIP matters; Goodmans; Discussion and correspondence Cassels; Discussion and correspondence Goodmans; Review draft cash flow; Review draft communications and discussion re: same.	4.20 hours
August 1, 2017	**Jason Knight**	
	• Call with Index to discuss capital expenditure plan and timing of same; Updating cash flow forecast to reflect discussion; Discussion with Index re: expense items and payroll timing; Discussions internally re: cash flows and required changes to same; Calculating anticipated D&O charge for filing; Drafting Proposed Monitor's Report.	6.50 hours
August 2, 2017	**Michael Creber**	
	• Review and discuss cash flows and court documents; Discussion and correspondence legal.	3.10 hours

August 2, 2017	**Jason Knight**	
	• Conference call to discuss cash flow forecast; Revising cash flow forecast and distributing same; Drafting report and discussing same internally; Revising draft report based on comments and sending same to counsel.	5.60 hours
August 3, 2017	**Michael Creber**	
	• Court matters and planning; Correspondence Goodman; Discussion Cassels.	1.90 hours
August 4, 2017	**Michael Creber**	
	• Correspondence and document review; Discussion Goodmans.	1.10 hours
August 8, 2017	**Michael Creber**	
	• Correspondence and discussions.	3.30 hours
August 8, 2017	**Jason Knight**	
	• Reviewing cash flow and providing same to A&M.	0.60 hours
August 9, 2017	**Michael Creber**	
	• Review and discuss draft credit agreement; draft report; planning; cash flow; A&M.	3.10 hours
August 9, 2017	**Jason Knight**	
	• Discussion with A&M re: Cash Flow Forecast; Internal discussion re: file progress and items to complete; Reviewing staff listing provided by the client; Reviewing draft report provided by counsel; Making revising to draft report and discussing same internally; Correspondence with client re: cash flow and discussions internally re: preparation of same; Reviewing DIP Credit Agreement.	4.10 hours

August 9, 2017	**<u>Harbir Gill</u>**	
	• Correspondence with S. Crumb (Client) in regards to actual results of prior week; Completing budget to actual analysis for prior week ending; Discussions with A&M regarding cash flow forecast; Internal discussion regarding file progress and items to complete; Reviewing draft report provided by counsel; Making revisions to draft report in regards to revised credit agreement and discussing same internally.	8.00 hours
August 10, 2017	**<u>Michael Creber</u>**	
	• Cash flows; report; credit agreement and related discussions and correspondence.	4.80 hours
August 10, 2017	**<u>Jason Knight</u>**	
	• Conference call with the Company and the Company's counsel; Reviewing and revising cash flow for various items and stakeholder comments; Conference call with counsel re: cash flow forecast and report; Reviewing revisions to report and making discussed changes to same and distributing to the Company's counsel for review; Correspondence with the Company's management re: capex and other various items; Drafting report to A&M re: information requested and compiling same; Discussion internally re: critical suppliers.	4.20 hours
August 10, 2017	**<u>Harbir Gill</u>**	
	• Reviewing and revising cash flow for various items and stakeholder comments convert November and December forecast from monthly to weekly; Conference call with counsel in regards to cash flow forecast and report; Conference call with the Company and the Company's counsel; Reviewing revisions to report and making discussed changes to same and distributing to the Company's counsel for review; Correspondence with the Company's management in regards to CAPEX and other various items; Drafting report to A&M in regards to information requested and compiling same; Internal discussions in regards to critical suppliers.	7.50 hours
August 11, 2017	**<u>Michael Creber</u>**	
	• Review and discuss documents.	3.60 hours

August 11, 2017	**Jason Knight**	
	• Conference call with Index's counsel re: critical supplier listing; Revising supplier listing internally and making changes to same re: comments; Conference call with Index re: required payments and nature of suppliers to be paid; Revising cash flow forecast and circulating same for review and comment; Conference call with GTL counsel re: cash flow and Proposed Monitor's First Report.	2.60 hours
August 11, 2017	**Harbir Gill**	
	• Updating critical supplier list as well as amounts retrieved from S. Crumb (Company); Updating cash flow forecast for changes to critical supplier amounts, professional fees, as well as CAPEX; Discussions between company, counsel, and Grant Thornton in regards to revised cash flow forecast and changes made; Conference call with Index in regards to required payments and nature of suppliers to be paid; Conference call with GTL counsel in regards to cash flow forecast and Proposed Monitor's First Report.	6.50 hours
August 13, 2017	**Michael Creber**	
	• Review documents; Discussions and correspondence re filing.	1.40 hours
August 14, 2017	**Michael Creber**	
	• Review documents and discussion and correspondence re same.	8.60 hours
August 14, 2017	**Jason Knight**	
	• Providing information to A&M per request; Reviewing correspondence received by Index; Reviewing revised critical supplier list and discussing same internally; Conference call with Index, Cassels, and Goodmans re: next steps and status of cash flow and discussions with Agent; Revising Proposed Monitor's Report per comments received from counsel and Index's counsel; Reviewing revised Credit Agreement; Escrow Agreement; and Affidavit; Reviewing revisions to First Report; Making final changes to Cash Flow Projections and distributing same.	3.90 hours
August 14, 2017	**Rania Erian**	
	• General administration.	0.75 hours

August 14, 2017	**<u>Harbir Gill</u>**	
	• Revising cash flow forecast for updated critical suppliers list; Reviewing revised critical supplier list and discussing same internally; Providing information to A&M per request; Reviewing correspondence received by Index ; Conference call with Index, Cassels, and Goodmans in regards to next steps and status of cash flow; Revising Proposed Monitor's First Report per comments received from counsel and Index's counsel; Reviewing revised Credit Agreement; Escrow Agreement and Affidavit; Reviewing revisions to First Report; Making final changes to Cash Flow Projections and distributing same.	5.00 hours
August 15, 2017	**<u>Michael Creber</u>**	
	• Review court materials and correspondence and discussions re same.	4.60 hours
August 15, 2017	**<u>Jason Knight</u>**	
	• Reviewing materials provided by Index's counsel; Updating report and reviewing same internally; Compiling appendices for report; Various correspondence re: filing of report and related materials; Correspondence with counsel; Reviewing and revising multiple revisions of the Pre Filing report and court materials with respect to the Application Record; Correspondence with Index re: process for post filing and communication plan to be prepared and sent.	4.90 hours
August 15, 2017	**<u>Harbir Gill</u>**	
	• Correspondence with counsel; Reviewing materials provided by Index's counsel; updating report and reviewing same internally; Compiling appendices for report; Correspondence in regards to filing of report and related materials with numerous parties; Revising multiple revisions of the Pre Filing report and court materials with respect to the Application Record; Correspondence with Index in regards to process for post filing and communication plan to be prepared and sent.	4.50 hours
August 16, 2017	**<u>Michael Creber</u>**	
	• Prepared for and attend court; First day matters; Planning.	8.20 hours

August 16, 2017	**Jason Knight**	
	• Drafting and preparing statutory filings and notices to be sent to creditors; Discussions internally and responding to inquiries from Index; Preparing newspaper advertisement to be posted; Advising on documents to be posted to Monitor's Case Website; Responding to internal inquiries re: initial procedures for filing.	3.00 hours
August 16, 2017	**Harbir Gill**	
	• Attended Court in regards to CCAA proceedings and receiving Court Order of same; Travelling to Index site in Ajax to be of assistance to staff in handling suppliers as well as current employees.	7.50 hours
August 17, 2017	**Michael Creber**	
	• Website; Court materials; Communications; Cash controls and reporting; Employee matters and related discussions and correspondence.	1.90 hours
August 17, 2017	**Jason Knight**	
	• Revising notices based on counsel's comments; Reviewing and formatting creditor listing to prepare for mailing; Compiling creditor listing to be posted to Case Website; Completing Form 1 and Form 2 to be submitted to the OSB; Internal correspondence and discussions; Correspondence with Index re: communication plan.	3.00 hours
August 17, 2017	**Harbir Gill**	
	• Onsite; Assisting management in speaking to employees and updating them in regards to CCAA proceedings; Conference calls with many various suppliers of the company and advising them of the CCAA proceedings, answering questions in regards to outstanding amounts in arrears, as well as expected payments for future services offered in the future.	6.00 hours
August 18, 2017	**Michael Creber**	
	• Review correspondence, documents; File status and planning; Discussions.	2.60 hours

August 18, 2017	**Jason Knight**	
	• Reviewing correspondence from Index and their counsel; Phone conversation with A&M re: required reporting; Discussion with counsel re: critical suppliers and response to be drafted; Discussion with Index's counsel re: affiliated entities; Revising and reviewing Form 1 and 2 to be provided to the OSB; Internal discussion re: updates on proceedings and issues encountered onsite; Drafting and discussing response to Index re: critical suppliers.	1.80 hours
August 18, 2017	**Harbir Gill**	
	• Onsite; Assisting management in speaking to employees and updating them in regards to CCAA proceedings; Conference calls with many various suppliers of the company and advising them of the CCAA proceedings, answering questions in regards to outstanding amounts in arrears, as well as expected payments for future services offered in the future.	6.00 hours
August 21, 2017	**Jason Knight**	
	• Reviewing correspondence; Internal discussion re: various items; Conference call with counsel to discuss the SISP and other items; Conference call with counsel and Index's counsel re: SISP.	1.20 hours
August 21, 2017	**Michael Creber**	
	• Review correspondence, documents; File status and planning; Discussions.	2.80 hours
August 21, 2017	**Harbir Gill**	
	• Onsite; Assisting management in speaking to employees and updating them in regards to CCAA proceedings; Conference calls with many various suppliers of the company and advising them of the CCAA proceedings, answering questions in regards to outstanding amounts in arrears, as well as expected payments for future services offered in the future.	6.00 hours

August 22, 2017	**Jason Knight**	
	• Reviewing Initial Order re: payment of suppliers and conducting discussions with counsel and internally re: same; Conference call with counsel, Index, and Index's counsel re: status update and overview of the SISP; Preparing cash flow forecast comparison for review by A&M; Preparing list of creditors to be included on the Case Website.	2.70 hours
August 22, 2017	**Michael Creber**	
	• Review correspondence, documents; File status and planning; Discussions.	3.30 hours
August 22, 2017	**Harbir Gill**	
	• Onsite; Assisting management in speaking to employees and updating them in regards to CCAA proceedings; Conference calls with many various suppliers of the company and advising them of the CCAA proceedings, answering questions in regards to outstanding amounts in arrears, as well as expected payments for future services offered in the future.	6.00 hours
August 23, 2017	**Rania Erian**	
	• Website maintenance.	0.25 hours
August 23, 2017	**Jason Knight**	
	• Correspondence with counsel re: creditor list; Internal correspondence re: items to complete; Administering the Case Website; Correspondence with Index and its counsel; Discussions internally re: SISP.	1.30 hours
August 23, 2017	**Michael Creber**	
	• Review correspondence, documents; File status and planning; Discussions.	2.90 hours
August 23, 2017	**Dan Lioutas**	
	• Review SIS document, emails, etc.	1.00 hours

August 23, 2017	**Harbir Gill**	
	• Onsite; Assisting management in speaking to employees and updating them in regards to CCAA proceedings; Conference calls with many various suppliers of the company and advising them of the CCAA proceedings, answering questions in regards to outstanding amounts in arrears, as well as expected payments for future services offered in the future.	6.50 hours
August 24, 2017	**Rania Erian**	
	• Website maintenance.	0.10 hours
August 24, 2017	**Jason Knight**	
	• Internal meeting to discuss SISP and items to be completed; Reviewing Solicitation Letter template and discussing same internally; Setting up data room for SISP and creating groups; Phone conversation with A&M to discuss the cash flow reporting provided; Reviewing revised cash flow and correspondence re: same.	2.40 hours
August 24, 2017	**Michael Creber**	
	• Court material review; File status update; Planning and discussions and correspondence.	3.20 hours
August 24, 2017	**Dan Lioutas**	
	• Call re SISP process.	1.00 hours
August 24, 2017	**Harbir Gill**	
	• Discussions with M. Brouwer (A&M) in regards to cash flow projection and updates required; Update cash flow projection to account for changes discussed internally as well as with A&M.	5.00 hours
August 25, 2017	**Michael Goldband**	
	• Review documents; Internal discussions and planning; Research buyers list.	3.50 hours
August 25, 2017	**Jason Knight**	
	• Internal meeting to discuss SISP and Potential Buyers List; Internal correspondence re: various items.	0.25 hours

August 25, 2017	**<u>Michael Creber</u>**	
	• Review documents and correspondence.	1.90 hours
August 25, 2017	**<u>Dan Lioutas</u>**	
	• Discuss buyers list, assemble info for data room.	2.00 hours
August 25, 2017	**<u>Harbir Gill</u>**	
	• Drafting First Report To the Court: Drafting Solicitation Letter to be included in the SISP.	7.00 hours
August 28, 2017	**<u>Michael Goldband</u>**	
	• Research buyers list.	0.50 hours
August 28, 2017	**<u>Jason Knight</u>**	
	• Reviewing and revising Solicitation Letter re: SISP; Compiling information to be included in the data room; Correspondence with potential bidders re: SISP; Internal discussion re: First Report and contents to include in same; reviewing correspondence re: Solicitation Letter: Reviewing comments and changes to SISP document.	2.60 hours
August 28, 2017	**<u>Michael Creber</u>**	
	• Review draft court documents and discussion re: same.	2.80 hours
August 28, 2017	**<u>Dan Lioutas</u>**	
	• Solicitation letter, court documents review.	1.50 hours
August 28, 2017	**<u>Harbir Gill</u>**	
	• At client site in Ajax; Assisting management in speaking to employees and updating them in regards to CCAA proceedings; Conference calls with many various suppliers of the company and advising them of the CCAA proceedings, answering questions in regards to outstanding amounts in arrears, as well as expected payments for future services offered in the future.	6.50 hours
August 29, 2017	**<u>Michael Goldband</u>**	
	• Research buyers list.	3.00 hours

August 29, 2017	**Jason Knight**	
	• Administering Case Website; Reviewing comments on SISP Solicitation Letter; Revising Solicitation Letter and adding additional commentary on opportunity; Discussion with counsel re: SISP and other matters.	1.75 hours
August 29, 2017	**Michael Creber**	
	• Court materials and discussion; Correspondence re: same.	2.90 hours
August 29, 2017	**Dan Lioutas**	
	• Review court / CCAA filing docs, bidder list emails.	2.00 hours
August 29, 2017	**Harbir Gill**	
	• Drafting First Report To the Court: Drafting Solicitation Letter to be included in the SISP; Assisting management in speaking to employees and updating them in regards to CCAA proceedings; Conference calls with many various suppliers of the company and advising them of the CCAA proceedings, answering questions in regards to outstanding amounts in arrears, as well as expected payments for future services offered in the future.	6.50 hours
August 30, 2017	**Michael Goldband**	
	• Research and prepare buyers list.	7.00 hours
August 30, 2017	**Rania Erian**	
	• Website maintenance.	0.10 hours
August 30, 2017	**Jason Knight**	
	• Drafting the Confidential Information Memorandum for the SISP; Reviewing and revising the Monitor's First Report draft; Correspondence with counsel re: Court materials re: Extension and First Report; Discussions and correspondence internally re: various items; Reviewing production data provided by Index.	6.70 hours
August 30, 2017	**Michael Creber**	
	• Court materials and discussion; Correspondence re: same.	2.70 hours

August 30, 2017	**<u>Dan Lioutas</u>**	
	• Buyers list.	0.50 hours
August 30, 2017	**<u>Harbir Gill</u>**	
	• Drafting First Report To the Court: Drafting Solicitation Letter to be included in the SISP; Assisting management in speaking to employees and updating them in regards to CCAA proceedings; Conference calls with many various suppliers of the company and advising them of the CCAA proceedings, answering questions in regards to outstanding amounts in arrears, as well as expected payments for future services offered in the future.	7.00 hours
August 31, 2017	**<u>Michael Goldband</u>**	
	• Research and prepare buyers list.	5.50 hours
August 31, 2017	**<u>Jason Knight</u>**	
	• Reviewing, revising and drafting First Report.	4.00 hours
August 31, 2017	**<u>Michael Creber</u>**	
	• Court materials and discussion; Correspondence re: same.	3.10 hours
August 31, 2017	**<u>Dan Lioutas</u>**	
	• Review bidder list, call interested party, emails.	3.50 hours
August 31, 2017	**<u>Harbir Gill</u>**	
	• Drafting First Report To the Court: Drafting Solicitation Letter to be included in the SISP; Assisting management in speaking to employees and updating them in regards to CCAA proceedings; Conference calls with many various suppliers of the company and advising them of the CCAA proceedings, answering questions in regards to outstanding amounts in arrears, as well as expected payments for future services offered in the future.	6.50 hours

Time Summary

M. Creber, Senior Vice-President	78.00	hours @	$ 595.00	per hour	$	46,410.00
D. Lioutas, Managing Director	11.50	hours @	$ 400.00	per hour	$	4,600.00
J. Knight, Manager	63.10	hours @	$ 275.00	per hour	$	17,352.50
M. Goldband, Sr. Associate	19.50	hours @	$ 225.00	per hour	$	4,387.50
H. Gill, Sr. Associate	108.00	hours @	$ 215.00	per hour	$	23,220.00
R. Erian, Analyst	1.20	hours @	$ 120.00	per hour	$	144.00
	281.30				$	96,114.00
5% Technology and Administration					$	4,805.70
					$	100,919.70
Disbursements						
Globe and Mail Ad					$	3,554.88
Travel					$	477.91
					$	4,032.79
					$	104,952.49
HST					$	13,643.82
Total Invoice Due					**$**	**118,596.31**

Accounts are due when rendered. All accounts outstanding over 30 days will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.

This is Exhibit "B" referred to in the

affidavit of Michael G. Creber

sworn before me, this 29

day of November, 2017.

A Commissioner for Taking Affidavits

Jonathan David Krieger,
a Commissioner, etc., Province of Ontario,
for Grant Thornton Limited.
Expires January 03, 2020.

Grant Thornton

October 18, 2017

Index Energy Mills Road Corporation
170 Mills Rd.
Ajax, ON L1S 2H1

Attention: Derek Blais

Remit To: Grant Thornton Limited
11th Floor, Box 11
200 King Street West
Toronto, ON M5J 2P9

Attention: Michael Creber

BILLING

BN 12738 4717 RT0001
Client #222180
Invoice#LSON-3716

To professional services rendered for the period ending September 30, 2017.

Date	Full Name	Hours	Detail
September 1, 2017	Michael Creber	4.90	Court documents review and related discussions and correspondence.
September 1, 2017	Rosa Wilford	1.00	Review internal email instructions; Draft letter and prepare Bank forms for new account. Correspondences with Bank, fax, setup account estate and general banking administration. Provide wire instructions, email team and general banking administration.
September 1, 2017	Jason Knight	0.90	Internal discussions re: cash flow: Conference call to discuss items required for Comeback Hearing and SISP; Coordinating trust account details re: Escrow Agreement.
September 1, 2017	Michael Goldband	5.00	Research and prepare buyers list.

September 1, 2017	Harbir Gill	3.00	Drafting First Report To the Court: Assisting management in speaking to employees and updating them in regards to CCAA proceedings; Conference calls with many various suppliers of the company and advising them of the CCAA proceedings, answering questions in regards to outstanding amounts in arrears, as well as expected payments for future services offered in the future; Revising cash flow projection for changes discussed internally and with management; Call with D. Blias and S. Ferguson in regards to operations and cash flow projection.
September 4, 2017	Michael Creber	3.20	Correspondence and planning.
September 5, 2017	Dan Lioutas	1.50	Review bidder list, emails.
September 5, 2017	Michael Goldband	0.75	Prepare and refine buyers list, internal discussions.
September 5, 2017	Michael Creber	3.40	Draft report and discussions and correspondence re same; review stalking horse financials; review operating statistics; cash flow; marketing materials and correspondence and discussion re same.
September 5, 2017	Rania Erian	0.20	Case website update.
September 5, 2017	Jason Knight	5.90	Reviewing counsel's comments re: Draft First Report; Internal discussions re: First Report; Incorporating changes to Draft Report and circulating same; Revising and discussing Solicitation Letter; Reviewing and revising Cash Flow Projection and Pre-Filing Cash Flow Projection Comparison.
September 6, 2017	Jason Knight	3.75	Reviewing letter re: HMI Lien; Conference call with counsel to discuss utilities deposit and HMI Lien letter; Call with Index's counsel re: HMI Lien letter and other matters; Discussions with Index management re: Cash Flow Projection and Solicitation Letter and revising same; Reviewing drafts of First Report and comments on same; Correspondence with counsel and discussions internally re: various matters; Administering Case Website.
September 6, 2017	Michael Creber	3.30	Draft report; utilities matters; HMI matter; critical supplier matters; cash flow and correspondence and discussions.
September 6, 2017	Michael Goldband	1.75	Prepare and refine buyers list, internal discussions.

September 6, 2017	Dan Lioutas	1.50	Buyers list review.
September 7, 2017	Dan Lioutas	4.00	Meeting to discuss work, review of legal docs re SISP process, etc.
September 7, 2017	Michael Goldband	0.50	Prepare and refine buyers list, internal discussions.
September 7, 2017	Rosa Wilford	0.60	Review internal email instructions re Banking; Correspondences with Bank, review print screens for expecting wire, prepare deposit, email team re notification of wire and general banking administration.
September 7, 2017	Rania Erian	0.20	Case website update.
September 7, 2017	Michael Creber	2.90	Review court documents; SISP planning and documents; operating results; IESO matters; HMI matters and discussions and correspondence re same.
September 7, 2017	Jason Knight	5.10	Drafting CIM; Administering Case Website; Reviewing correspondence; Drafting information requests to Index re: Data Room and CIM.
September 8, 2017	Jason Knight	7.10	Revising the CIM and revising same; Internal meeting to discuss the Data Room and the process for administering same; Internal discussions re: various matters; Responding to inquiries from creditors; Preparing information for A&M's review and providing same; Requesting information from Index re: CIM; Discussions with Index Management re: the Solicitation Letter and additional information requires; Compiling additional information required for the Data Room; Internal discussions re: CIM; Incorporating management bios and other information provided by Index into the CIM; Reformatting CIM.
September 8, 2017	Michael Creber	1.90	Review SISP documents including CIM and solicitation letter; IESO matters; court matters; and discussions and correspondence re same.
September 8, 2017	Rosa Wilford	0.60	Correspondences with Bank, posting receipts, email and general banking administration.
September 8, 2017	Michael Goldband	1.25	Prepare and refine buyers list, internal discussions.
September 8, 2017	Dan Lioutas	2.00	Review CIM.

September 9, 2017	Jason Knight	1.75	Incorporating pro-forma results and tax carry forwards into the CIM; Performing review of CIM and distributing same internally for review.
September 10, 2017	Michael Creber	1.90	Correspondence and document review regarding SISP.
September 10, 2017	Jason Knight	0.50	Updated CIM and distributing same.
September 11, 2017	Jason Knight	3.60	Making revisions to the Solicitation Letter and converting pdf to fillable format for interested parties; Reviewing counsel's changes and comments on CIM; Revising CIM and sending same to Index for review; Internal correspondence re: various matters; Reviewing documents provided by Index; Reviewing Data Room compiled; Drafting newspaper advertisement for G&M
September 11, 2017	Dan Lioutas	6.00	Finalize SISP docs, start contacting potential bidders
September 11, 2017	Michael Goldband	3.00	Update buyers list, internal communication.
September 11, 2017	Michael Creber	2.20	Prepare for and attend court; SISP documents and matters.
September 12, 2017	Michael Creber	0.90	Planning and file status update.
September 12, 2017	Dan Lioutas	1.00	Emails.
September 12, 2017	Jason Knight	2.00	Internal discussions re: critical suppliers; Updating cash flow comparison and discussing same with Index; Discussing cash flow comparison internally and drafting correspondence to A&M; Drafting correspondence to suppliers re: Critical Supplier conditions and information required for same; Reviewing comments from counsel re: newspaper advertisement; Drafting correspondence re: newspaper advertisement
September 13, 2017	Jason Knight	6.00	Correspondence re: Critical Suppliers; Reviewing FIT Contract; Drafting FIT Contract summary in CIM; Internal meeting to discuss SISP and progress of same; Organizing Court materials to be included in the Data Room; Correspondence with the Globe and Mail re: advertisement; Revising CIM based on Index's comments and updating FIT Contract section in CIM for Goodmans' comments; Distributing CIM for review and comment.

September 13, 2017	Dan Lioutas	5.00	Emails, NDAs, calls.
September 13, 2017	Michael Goldband	0.50	Update buyers list.
September 13, 2017	Michael Creber	1.60	File status update; SISP matters; IESO matters; critical supplier issues; cash flow information.
September 14, 2017	Michael Creber	1.50	SISP matters; operational results.
September 14, 2017	Michael Goldband	0.50	Update buyers list.
September 14, 2017	Rania Erian	0.10	Case website upload.
September 14, 2017	Dan Lioutas	6.50	Meeting Stephen Ferguson, internal meetings, calls with potential bidders, review NDAs, etc.
September 14, 2017	Jason Knight	5.50	Reviewing comments received from Cassels re: CIM and incorporating same into revised CIM; Discussions with counsel; Correspondence with A&M re: review of CIM draft; Meeting with A&M re: CIM; Debriefing meeting internally; Revising CIM based on A&M's comments.
September 15, 2017	Dan Lioutas	7.50	Buyers calls, emails, NDA, etc. emails to lawyers, status report.
September 15, 2017	Michael Goldband	0.50	Update buyers list.
September 15, 2017	Jason Knight	2.50	Reviewing counsel's comments re: CIM and making revisions to same; Distributing revised CIM to various parties for review and comment; Call with Index to discuss cash flow; Reviewing cash flow internally and next week remittance requirements.
September 15, 2017	Rania Erian	1.00	General administration.
September 15, 2017	Michael Creber	1.20	SISP matters; operational results.
September 18, 2017	Jason Knight	3.20	Correspondence with vendors re: CCAA Proceedings; Internal meeting to discuss file and update on same; Discussion with A&M re: CIM: Revising CIM based on A&M comments; Discussion with the Company's counsel re: CIM and other various matters; Discussion with the Company re: CIM and other matters; Revising CIM based on the Company's comments.
September 18, 2017	Dan Lioutas	4.00	A&M call, phone calls with potential bidders, contact potential bidders, etc.

September 18, 2017	Michael Creber	1.10	Correspondence re SISP; re operating results.
September 19, 2017	Dan Lioutas	6.00	Calls with potential bidders, Meeting with Foresight, emails, NDAs, follow-up.
September 19, 2017	Michael Goldband	1.75	Meeting with Foresight Group, prep for meeting, internal discussions.
September 19, 2017	Michael Creber	0.10	Correspondence.
September 19, 2017	Jason Knight	2.75	Call with Index re: Cash Flow Projection; Making changes to cash flow projection based on discussions and reviewing same internally; Reviewing CIM for changes and making final revisions.
September 19, 2017	Harbir Gill	5.50	Preparation of revised cash flow forecast model based on recommendations made by management.
September 20, 2017	Michael Creber	1.20	Operating matters; cash flow; SISP matters; planning.
September 20, 2017	Dan Lioutas	5.00	Calls, emails re bidders.
September 20, 2017	Harbir Gill	7.00	Correspondence with D. Blias in regards to effects of optimization plan both from a revenue and cost perspective and how in turn it will impact the forecasted EBITDA; Correspondence with S. Crumb (Client) in regards to invoice payable to AirTime Communications; Correspondence with L. Corrente of Tuff Recycling Inc. in regards to documents required to be eligible for payment due to Critical Supplier status; Preparation of revised cash flow forecast model based on recommendations made by management.
September 21, 2017	Dan Lioutas	3.50	Calls, contact list, etc.
September 21, 2017	Michael Creber	2.70	Supplier issues; cash flow; operating results; discussion and correspondence Cassels, Goodmans, company; file status update and planning.
September 21, 2017	Harbir Gill	7.50	Discussions with D. Adams of Veridian in regards to amount payable per month and amount due from arrears; Correspondence with Client, Cassels, and GTL in regards to Veridian amount due, ability to be able to deduct from revenue, and amount of deposit required; Correspondence with D. Blias in regards to effects of optimization plan

			both from a revenue and cost perspective; Discussions with R. Sneek in regards to amount due in arrears and information required to be considered eligible for payment as a critical supplier.
September 22, 2017	Michael Creber	1.10	Supplier matter; operational results; discussions and correspondence company, legal counsel.
September 22, 2017	Dan Lioutas	6.00	Index follow-up calls, emails, SISP report.
September 22, 2017	Harbir Gill	7.00	Providing access to various people to the data room online; Internal discussions with J. Knight in regards to items required to be completed; Discussions with S. Crumb and D. Blias (Client) in regards to revised cash flow forecast and assumptions. Completion of revised cash flow forecast model based on recommendations made by management; Completion of revised 25 year cash flow analysis; Completion of revised cash flow analysis to match CIM.
September 23, 2017	Michael Creber	0.60	Discussions and correspondence.
September 24, 2017	Michael Creber	0.60	Correspondence and planning.
September 25, 2017	Dan Lioutas	4.00	Follow-up calls and emails, data room materials, NDA matters, A&M call.
September 25, 2017	Michael Creber	3.90	Critical supplier issues; discussions and correspondence Cassels, Goodmans, A&M; SISP matters; planning.
September 26, 2017	Michael Creber	2.40	Critical supplier issues; discussions and correspondence Cassels, Goodmans, A&M; SISP matters; planning.
September 26, 2017	Dan Lioutas	6.00	Meeting at Index facility with Axium Infrastructure.
September 26, 2017	Harbir Gill	3.00	Providing access to various people to the data room online; Week 5 Budget vs Actual analysis prepared for A&M.
September 27, 2017	Michael Goldband	0.50	External emails and calls from advertisement.
September 27, 2017	Dan Lioutas	4.50	Calls, NDAs, etc.

September 27, 2017	Michael Creber	1.20	Critical supplier issues; discussions and correspondence Cassels, Goodmans, A&M; SISP matters; planning.
September 28, 2017	Michael Creber	0.90	Critical supplier issues; discussions and correspondence Cassels, Goodmans, A&M; SISP matters; planning.
September 28, 2017	Dan Lioutas	5.50	Calls, NDA, etc.
September 28, 2017	Michael Goldband	2.50	Communications with interested bidders from newspaper ad. Internal communications, documentation of communications.
September 28, 2017	Harbir Gill	7.00	Discussions with S. Crumb and D. Blias (Client) in regards to revised cash flow forecast and assumptions. Completion of revised cash flow forecast model based on recommendations made by client; Week 5 Budget vs Actual analysis prepared for A&M.
September 29, 2017	Michael Goldband	0.75	Communications with interested bidders from newspaper ad. Internal communications, documentation of communications.
September 29, 2017	Dan Lioutas	6.50	Meeting at Index re financial model, follow up calls, weekly report, etc.
September 29, 2017	Michael Creber	1.90	Critical supplier issues; discussions and correspondence Cassels, Goodmans, A&M; SISP matters; planning.
September 29, 2017	Harbir Gill	8.00	At client site. Discussions with S. Crumb and D. Blias (Client) in regards to revised cash flow forecast and assumptions. Completion of revised cash flow forecast model based on recommendations made by management; Completion of revised 25 year cash flow analysis; Completion of revised cash flow analysis to match CIM.

Time Summary

M. Creber, Senior Vice-President	46.60	hours @	$ 595.00	per hour	$	27,727.00
D. Lioutas, Managing Director	86.00	hours @	$ 400.00	per hour	$	34,400.00
J. Knight, Manager	50.55	hours @	$ 275.00	per hour	$	13,901.25
R. Wilford, Manager	2.20	hours @	$ 250.00	per hour	$	550.00
M. Goldband, Sr. Associate	19.25	hours @	$ 225.00	per hour	$	4,331.25
H. Gill, Sr. Associate	48.00	hours @	$ 215.00	per hour	$	10,320.00
R. Erian, Analyst	1.50	hours @	$ 120.00	per hour	$	180.00
	254.10				$	91,409.50
5% Technology and Administration					$	4,570.48
					$	95,979.98
Disbursements						
Postage					$	80.04
					$	80.04
Total time and disbursements					$	96,060.02
HST					$	12,487.81
Total Invoice Due					**$**	**108,547.83**

Accounts are due when rendered. All accounts outstanding over 30 days will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.

This is Exhibit "C" referred to in the

affidavit of Michael G. Creber

sworn before me, this 29

day of November, 2017.

A Commissioner for Taking Affidavits

Jonathan David Krieger,
a Commissioner, etc., Province of Ontario,
for Grant Thornton Limited.
Expires January 03, 2020.

Grant Thornton

November 8, 2017

Index Energy Mills Road Corporation
170 Mills Rd.
Ajax, ON L1S 2H1

Attention: Derek Blais

Remit To: Grant Thornton Limited
11th Floor, Box 11
200 King Street West
Toronto, ON M5J 2P9

Attention: Michael Creber

BILLING

BN 12738 4717 RT0001
Client #222180
Invoice#LSON-3765

To professional services rendered for the period ending October 31, 2017.

Date	Full Name	Time	Detail
October 2, 2017	Dan Lioutas	3.00	Follow-up calls, NDA issues, SISP update, meeting.
October 2, 2017	Harbir Gill	3.50	Completion of revised cash flow forecast model based on recommendations made by management; Completion of revised 25 year cash flow analysis; Completion of revised cash flow analysis to match CIM.
October 2, 2017	Jason Knight	1.60	Reviewing and updating cash flow forecast and sending same to A&M; Drafting correspondence to Index re: various items and inquires; Preparing cash flow results for the week ending September 29.
October 2, 2017	Michael Creber	2.10	Cash flow; supplier matters; review results; SISP matters.
October 2, 2017	Michael Goldband	0.25	Communications with potential bidders, internal discussions.
October 3, 2017	Dan Lioutas	2.50	Internal meeting, calls, email follow-up, NDAs.

October 3, 2017	Jason Knight	3.60	Correspondence with Index; Internal meeting to discuss the SISP and other various items; Reviewing information provided by Critical Supplier re: arrears payment; Conducting phone conversation with Critical Supplier re: potential payment for arrears; Revising cash flow and discussing same with Index in addition to the payment of professional fee arrears; General correspondence.
October 3, 2017	Michael Creber	2.90	Supplier matters; SISP matters, cash flow and operational matters and analysis; correspondence and discussion re same.
October 3, 2017	Michael Goldband	0.25	Communications with potential bidders, internal discussions.
October 4, 2017	Harbir Gill	6.00	Completion of revised cash flow forecast model based on recommendations made by management; Completion of revised 25 year cash flow analysis; Completion of revised cash flow analysis to match CIM.
October 4, 2017	Jason Knight	0.60	Phone conversation with A&M to review the cash flow reporting; Drafting correspondence re: DIP Advance; Internal discussions.
October 4, 2017	Michael Creber	0.90	Supplier matters; SISP matters, cash flow and operational matters and analysis; correspondence and discussion re same.
October 4, 2017	Michael Goldband	0.25	Communications with potential bidders, internal discussions.
October 5, 2017	Michael Creber	1.20	Supplier matters; SISP matters, cash flow and operational matters and analysis; correspondence and discussion re same.
October 5, 2017	Michael Goldband	0.50	Communications with potential bidders, internal discussions.
October 6, 2017	Dan Lioutas	4.00	Calls & emails re SISP, NDAs, SISP report.
October 6, 2017	Jason Knight	1.00	Creating and reviewing Veridian reporting tool for production results; Correspondence with creditors; Internal discussions and meetings.
October 6, 2017	Michael Creber	0.90	Supplier matters; SISP matters, cash flow and operational matters and analysis; correspondence and discussion re same.

October 6, 2017	Michael Goldband	0.25	Communications with potential bidders, internal discussions.
October 9, 2017	Michael Creber	0.60	SISP matters.
October 10, 2017	Dan Lioutas	1.50	Meeting, contacts, data room.
October 10, 2017	Jason Knight	0.50	Finalizing reporting for Veridian and drafting email correspondence including same.
October 10, 2017	Michael Creber	1.10	Supplier matters; reporting; file status update; SISP matters; funding matters.
October 10, 2017	Michael Goldband	4.25	Internal discussions, communications with potential bidders, prep for site visit.
October 11, 2017	Dan Lioutas	8.00	Sandton meeting at company, emails, follow-up.
October 11, 2017	Jason Knight	0.75	Updating cash flow reporting; Correspondence with Index re: cash flow; Discussion with Enbridge re: billings and requested deposit.
October 11, 2017	Michael Creber	0.80	SISP matters.
October 11, 2017	Michael Goldband	7.50	Site visit, prep for visit, debrief with management, debrief work, manage data room and buyers list.
October 12, 2017	Dan Lioutas	2.00	Responses, calls, emails, etc
October 12, 2017	Jason Knight	1.00	Discussing cash flow with Index; Discussions internally re: cash flow projection and professional fees; Revising and updating cash flow and sending same to A&M.
October 12, 2017	Michael Creber	1.40	SISP matters; operational matters; review cash flow.
October 12, 2017	Michael Goldband	2.75	Manage data room and buyers list, communications with interested parties.
October 13, 2017	Dan Lioutas	3.00	Follow-up, report.
October 13, 2017	Harbir Gill	4.50	Correspondence with potential investor in regards to financial forecast and changes/updates required; Updates made to the financial statement forecast in response to the correspondence with the potential investor.

October 13, 2017	Jason Knight	0.60	Reviewing information provided by the Company; Administering data room; Internal discussions re: SISP.
October 13, 2017	Michael Goldband	0.75	Communications with potential bidders, prep for site visit.
October 16, 2017	Michael Creber	1.60	SISP matters; operational matters.
October 16, 2017	Michael Goldband	6.25	Internal discussions, communications with potential bidders, site visit, managing the data room.
October 17, 2017	Jason Knight	3.50	Internal meeting to discuss the most recent yearly model; Reviewing yearly model and making changes to same; Drafting internal correspondence to outline changes in the model and the required items to investigate; Reviewing disbursements and preparing weekly cash flow reporting for A&M; Preparing and sending reporting to Veridian.
October 17, 2017	Michael Creber	1.90	SISP matters; operational matters.
October 17, 2017	Michael Goldband	2.25	Internal discussions, communications with potential bidders, managing the data room.
October 17, 2017	Rosa Wilford	0.75	Review internal instructions: re Purchasing GIC; review general ledger, print report, discussion with team, and draft letter to Bank, email Ban; Respond to phone call from Bank, review email GIC confirmation, prepare disbursement requisition, post GIC entry and general banking administration.
October 18, 2017	Dan Lioutas	3.00	Financial model, target follow-up.
October 18, 2017	Jason Knight	1.90	Conference call with Index re: annual model and assumptions of same; Discussion with Index re: cash flow reporting; Updating cash flow reporting and providing same to A&B; Internal discussions re: cash flow projections and other matters;
October 18, 2017	Michael Creber	1.60	SISP matters; operational matters; IESO matters;
October 18, 2017	Michael Goldband	1.75	Internal discussions, communications with potential bidders, managing the data room.

October 18, 2017	Rosa Wilford	0.10	General banking administration.
October 19, 2017	Dan Lioutas	4.25	Oshawa Power plant visit and meeting.
October 19, 2017	Jason Knight	1.25	Updating Index annual model and sending same to Index for review;
October 19, 2017	Michael Creber	1.10	File status update; SISP matters; model; operating results.
October 19, 2017	Michael Goldband	0.50	Internal discussions, communications with potential bidders, managing the data room.
October 19, 2017	Rosa Wilford	0.20	Review estate bank account and reconcile September statement.
October 20, 2017	Dan Lioutas	4.00	Model, emails, SISP report, follow-up.
October 20, 2017	Jason Knight	2.25	Revising model to incorporate operational factors as it relates to cost of goods sold and discussing same with Index; Internal correspondence; Internal meeting to discuss Index financial model.
October 20, 2017	Michael Creber	0.90	Cash matters; SISP matters.
October 20, 2017	Michael Goldband	1.25	Internal discussions, communications with potential bidders, managing the data room.
October 23, 2017	Dan Lioutas	2.50	Review model, follow-up re targets, SISP call with A&M
October 23, 2017	Jason Knight	4.50	Updating cash flow reporting for the week and distributing same; Updating Veridian reporting and drafting email to same re: shortfall in FIT payment receivable; Updating Index annual model and drafting assumptions page for same; Internal correspondence re: various matters; Revising model based on internal comments and review; Distributing model to Index for review and approval.
October 23, 2017	Michael Creber	3.90	Cash flow reporting; model; SISP matters; discussion A&M; discussion company, Cassels, Goodmans and correspondence; Veridian matters; planning.
October 23, 2017	Michael Goldband	0.75	Internal discussions, communications with potential bidders, managing the data room

October 24, 2017	Dan Lioutas	5.00	Plant visit with Axium.
October 24, 2017	Jason Knight	0.50	Reviewing comments received from Index and incorporating same into the Financial Model; Uploading the Financial Model to the Data Room.
October 24, 2017	Michael Creber	1.90	Cash flow reporting; model; SISP matters; discussion A%M; discussion company, Cassels, Goodmans and correspondence; Veridian matters; planning.
October 24, 2017	Michael Goldband	3.50	Site visit, internal discussions and communication with potential bidders.
October 25, 2017	Dan Lioutas	1.50	Emails, NDA, follow-up, etc.
October 25, 2017	Michael Creber	0.50	Operating update.
October 25, 2017	Michael Goldband	1.00	Internal discussions, communications with potential bidders, managing the data room.
October 26, 2017	Dan Lioutas	2.50	Follow-up calls and emails.
October 26, 2017	Michael Creber	0.60	Operating statistics; SISP matters.
October 26, 2017	Michael Goldband	0.50	Internal discussions, communications with potential bidders, managing the data room.
October 27, 2017	Dan Lioutas	3.50	Call follow-up, NDA's, info request, etc., weekly report.
October 27, 2017	Jason Knight	0.25	Internal discussion; Responding to A&M inquiry; Administering website for updated service list.
October 27, 2017	Michael Creber	1.60	Correspondence A&M; file status update; operating matters.
October 27, 2017	Michael Goldband	1.25	Internal discussions, communications with potential bidders, managing the data room.
October 30, 2017	Dan Lioutas	6.00	Calls with Axium and company, emails, follow-up, SISP update call.
October 30, 2017	Jason Knight	0.50	Updating Veridian Production Reporting and sending same to Veridian; Reviewing correspondence re: SISP.
October 30, 2017	Michael Creber	2.60	Cash flow; operations; SISP.

October 31, 2017	Dan Lioutas	3.50	Call re financial items, emails, follow-up, etc.
October 31, 2017	Jason Knight	1.00	Updating cash flow reporting for the week ending October 27, 2017 and discussing same internally; Revising cash flow reporting and distributing same to A&M and Index; General correspondence.
October 31, 2017	Michael Creber	1.80	Cash flow; operations; SISP.

Time Summary

M. Creber, Senior Vice-President	31.90	hours @	$ 595.00	per hour	$	18,980.50
D. Lioutas, Managing Director	59.75	hours @	$ 400.00	per hour	$	23,900.00
J. Knight, Manager	25.30	hours @	$ 275.00	per hour	$	6,957.50
R. Wilford, Manager	1.05	hours @	$ 250.00	per hour	$	262.50
M. Goldband, Sr. Associate	35.75	hours @	$ 225.00	per hour	$	8,043.75
H. Gill, Sr. Associate	14.00	hours @	$ 215.00	per hour	$	3,010.00
	167.75				$	61,154.25
5% Technology and Administration					$	3,057.71
					$	64,211.96
Disbursements						
Globe & Mail Advertisements					$	4,104.75
Ascend License					$	170.00
Travel					$	307.69
					$	4,582.44
Total time and disbursements					$	68,794.40
HST					$	8,943.28
Total Invoice Due					**$**	**77,737.68**

Accounts are due when rendered. All accounts outstanding over 30 days will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.

This is Exhibit "D" referred to in the

affidavit of Michael G. Creber

sworn before me, this 29

day of November, 2017.

A Commissioner for Taking Affidavits

Jonathan David Krieger,
a Commissioner, etc., Province of Ontario,
for Grant Thornton Limited.
Expires January 03, 2020.

Grant Thornton

November 28, 2017

Index Energy Mills Road Corporation
170 Mills Rd.
Ajax, ON L1S 2H1

Attention: Derek Blais

Remit To: Grant Thornton Limited
11th Floor, Box 11
200 King Street West
Toronto, ON M5J 2P9

Attention: Michael Creber

BILLING

BN 12738 4717 RT0001
Client #222180
Invoice#LSON-3813

To professional services rendered for the period ending November 24, 2017.

Date	Full Name	Time	Detail
November 1, 2017	Dan Lioutas	4.50	Responses re data room and info, updated model, NDAs, follow-up.
November 1, 2017	Michael Creber	1.90	Cash flow; Operations; SISP matters.
November 1, 2017	Jason Knight	2.25	Reviewing historical information provided by Index and incorporating same into the Annual Model as per a request received from a SISP party; Drafting correspondence to creditors and vendors re: updates on the CCAA process; Internal discussions re: annual model; Administering data room.
November 2, 2017	Michael Creber	1.10	SISP matters; Operating results.
November 2, 2017	Dan Lioutas	3.50	Information calls & follow-up, email responses, potential purchaser, Joe Aletto, etc.
November 3, 2017	Dan Lioutas	3.50	Potential purchaser issues; Thermoflex model, re bidders, emails, calls, etc.
November 3, 2017	Michael Creber	0.90	SISP matters; Results review.
November 6, 2017	Michael Goldband	2.50	Internal discussions, managing data room, update call. Call with potential purchaser.

Accounts are due when rendered. All accounts outstanding over 30 days will be charged interest at a rate of 1 ½% per month (18% per annum) until paid.

Date	Full Name	Time	Detail
November 6, 2017	Michael Creber	1.70	SISP; Operating matters.
November 6, 2017	Jason Knight	1.25	Updating cash flow reporting for November 3, 2017; Discussions with Index re: cash flow reporting; Correspondence with counsel; Internal correspondence re: various matters.
November 6, 2017	Dan Lioutas	3.50	Calls with potential purchaser and company, follow-up.
November 7, 2017	Dan Lioutas	4.00	SISP matters.
November 7, 2017	Jason Knight	0.75	Correspondence with Counsel re: water and sewage bill; Updating Veridian Production Reporting and providing same to Veridian; Revising cash flow forecast and sending same to A&M.
November 7, 2017	Michael Creber	1.20	SISP; Operating matters.
November 7, 2017	Michael Goldband	2.50	Managing the data room, communications with interested parties and management. Internal discussions.
November 8, 2017	Michael Goldband	8.00	Calls with interested parties, internal discussions, manually searching through old records and laptops to help management find requested documents. Managing the data room.
November 8, 2017	David Armstrong	8.00	SISP matters.
November 8, 2017	Michael Creber	0.70	SISP; Operating matters.
November 8, 2017	Jason Knight	0.20	Correspondence with Index re: outstanding items.
November 8, 2017	Dan Lioutas	6.50	Time at Index Energy re DD and calls.
November 8, 2017	Jordan Stroll	7.00	SISP matters.
November 9, 2017	Dan Lioutas	2.50	Call, emails, follow-up discussions.
November 9, 2017	Michael Creber	0.90	SISP; Operating matters.
November 9, 2017	David Armstrong	0.60	SISP matters.

Date	Full Name	Time	Detail
November 9, 2017	Michael Goldband	1.75	Managing the data room, communications with interested parties and management. Internal discussions.
November 10, 2017	Michael Goldband	2.50	Managing the data room, communications with interested parties and management. Internal discussions. Call with counsel.
November 10, 2017	Michael Creber	1.40	SISP matters; Operating matters.
November 10, 2017	Rania Erian	0.75	General administration.
November 10, 2017	Dan Lioutas	4.00	Conference call, SISP report, calls and email
November 13, 2017	Dan Lioutas	2.00	Calls, info, bidder emails, etc.
November 13, 2017	Michael Goldband	4.00	Call with interested party. Discussions with management. Internal discussions. Call with Counsel. Data room management.
November 13, 2017	Jason Knight	1.10	Weekly cash flow reporting and discussing same internally; Weekly Veridian reporting.
November 13, 2017	Michael Creber	2.40	SISP matters and related documents, discussions and correspondence; creditor correspondence; operating matters.
November 13, 2017	Rosa Wilford	0.10	Review estate bank account and reconcile October statement.
November 14, 2017	Michael Creber	1.90	SISP matters and related documents, discussions and correspondence; creditor correspondence; operating matters.
November 14, 2017	Michael Goldband	4.00	Meeting with interested party on site. Data room management, internal discussion.
November 14, 2017	Dan Lioutas	1.50	Calls, emails.
November 15, 2017	Dan Lioutas	2.50	Emails, calls/meetings
November 15, 2017	Michael Goldband	2.25	Data room management, contact with Management. Internal discussions. Communication with interested parties.
November 15, 2017	Michael Creber	2.10	SISP matters; discussion Goodmans and Cassels; correspondence; operating matters.

Date	Full Name	Time	Detail
November 16, 2017	Michael Creber	2.20	SISP matters; Operational matters; Cash flow and funding matters.
November 16, 2017	Jason Knight	0.40	Reviewing letter received from Durham Region and drafting correspondence to counsel re: same; Correspondence re: DIP Advance.
November 16, 2017	Michael Goldband	1.25	Discussions with management; Data room management. Communication with interested parties.
November 16, 2017	Dan Lioutas	3.00	Emails, info requests, calls, etc.
November 16, 2017	Rosa Wilford	0.30	Review and reconcile October GIC term deposits and approve estate balances.
November 17, 2017	Dan Lioutas	2.00	Emails, calls, SISP report, etc.
November 17, 2017	Michael Goldband	0.50	Data room management.
November 17, 2017	Michael Creber	2.10	SISP matters; operational matters; cash flow and funding matters.
November 20, 2017	Jason Knight	0.25	Updating Production Reporting and sending same to Veridian.
November 20, 2017	Michael Creber	2.20	SISP matters; cash flow matters; operating matters; discussions and correspondence.
November 20, 2017	Michael Goldband	1.25	Internal discussions, call with counsel.
November 20, 2017	Dan Lioutas	2.50	Calls, emails, etc.
November 21, 2017	Michael Goldband	1.50	Call with interested bidder, contact with company. Internal discussions.
November 21, 2017	Dan Lioutas	4.50	Calls with potential purchaser, legal counsel, multiple parties, emails, etc.
November 21, 2017	Michael Creber	3.20	SISP matters; Cash flow matters; Operating matters; Discussions and correspondence.
November 21, 2017	Jason Knight	0.75	Updating cash flow reporting and having a discussing results of same with Index.
November 22, 2017	Michael Creber	3.20	SISP matters; Operations; Court matters; Planning; cash flow.

Date	Full Name	Time	Detail
November 22, 2017	Jason Knight	3.60	Call with counsel and Index's counsel re: next steps; Internal discussions re: deliverables for the next court appearance including the cash flow update; Drafting Monitor's Second Report; Updating cash flow projection for the period ending March 9, 2018 and discussing same internally and with Index; Drafting correspondence re: the cash flow.
November 22, 2017	Michael Goldband	3.25	Internal discussions, call with counsel, Reviewing documentation. Drafting report.
November 22, 2017	Dan Lioutas	1.25	Call, meeting.
November 23, 2017	Michael Goldband	4.00	Internal discussions, drafting second report.
November 23, 2017	Dan Lioutas	1.25	Review process report document and discuss.
November 23, 2017	Jason Knight	0.25	Internal discussions re: Cash Flow Projection and Second Report.
November 23, 2017	Michael Creber	0.90	SISP matters; Operations; Court matters; Planning.
November 24, 2017	Michael Creber	1.20	Planning; Operating matters; Cash flow matters; Court matters.
November 24, 2017	Jason Knight	0.25	Correspondence re: Cash Flow;
November 24, 2017	Dan Lioutas	1.00	Review SISP report.
November 24, 2017	Michael Goldband	0.50	Internal discussions, drafting second report.

Time Summary

M. Creber, Senior Vice-President	31.20	hours @	$	595.00	per hour	$	18,564.00
D. Lioutas, Managing Director	53.50	hours @	$	400.00	per hour	$	21,400.00
J. Knight, Manager	11.05	hours @	$	275.00	per hour	$	3,038.75
R. Wilford, Manager	0.40	hours @	$	250.00	per hour	$	100.00
M. Goldband, Sr. Associate	39.75	hours @	$	225.00	per hour	$	8,943.75
J. Stroll, Sr. Accountant	7.00	hours @	$	175.00	per hour	$	1,225.00
D. Armstrong, Accountant	8.60	hours @	$	145.00	per hour	$	1,247.00
R. Erian, Analyst	0.75	hours @	$	120.00	per hour	$	90.00
	152.25					$	54,608.50
5% Technology and Administration						$	2,730.43
						$	57,338.93
Disbursements							
Travel						$	243.97
						$	243.97
Total time and disbursements						$	57,582.90
HST						$	7,485.78
Total Invoice Due						**$**	**65,068.67**

This is Exhibit “E” referred to in the

affidavit of Michael G. Creber

sworn before me, this 29

day of November, 2017.

A Commissioner for Taking Affidavits

Jonathan David Krieger,
a Commissioner, etc., Province of Ontario,
for Grant Thornton Limited.
Expires January 03, 2020.

Grant Thornton Limited
Bill Summary from August 1, 2017 to November 24, 2017

Invoice	Invoice Date	Fees	Cost	Tax
LSON-3631	15-Sep-17	$ 100,919.70	$ 4,032.79	$ 13,643.82
LSON-3716	18-Oct-17	$ 95,979.98	$ 80.04	$ 12,487.81
LSON-3765	08-Nov-17	$ 64,211.96	$ 4,582.44	$ 8,943.28
LSON-3813	28-Nov-17	$ 57,338.93	$ 243.97	$ 7,485.78
	TOTAL	$ 318,450.57	$ 8,939.24	$ 42,560.69

Timekeeper	Title	Bill Hours	Bill Amount	Average Billing Rate
Michael Creber	Senior Vice President	187.70	$ 111,681.50	595.00
Dan Lioutas	Managing Director	210.75	$ 84,300.00	400.00
Jason Knight	Manager	150.00	$ 41,250.00	275.00
Rosa Wilford	Manager	3.65	$ 912.50	250.00
Michael Goldband	Senior Associate	114.25	$ 25,706.25	225.00
Jordan Stroll	Senior Accountant	7.00	$ 1,225.00	175.00
David Armstrong	Senior Accountant	8.60	$ 1,247.00	145.00
Harbir Gill	Associate	170.00	$ 36,550.00	215.00
Rania Erian	Analyst	3.45	$ 414.00	120.00
Total		855.40	$ 303,286.25	354.55
5% Technologies & Administration			$ 15,164.32	
			$ 318,450.57	

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C 36, AS AMENDED,

Court File No. CV-17-580840-00CL

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF INDEX ENERGY MILLS ROAD CORPORATION

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceeding commenced at Toronto

AFFIDAVIT OF MICHAEL G. CREBER
(sworn November 29, 2017)

GOODMANS LLP
Bay Adelaide Centre
333 Bay Street, Suite 3400
Toronto, Canada M5H 2S7

Robert J. Chadwick LSUC# 35165K
rchadwick@goodmans.ca

Brian F. Empey LSUC# 30640G
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Ryan Baulke LSUC# 66189O
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Tel: 416.979.2211
Fax:416.979.1234

Lawyers for the Monitor

6759472

APPENDIX 6

Court File No. CV-17-580840-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF INDEX ENERGY MILLS ROAD CORPORATION

AFFIDAVIT OF BRIAN F. EMPEY
(Sworn November 29, 2017)

I, BRIAN F. EMPEY, of the City of Toronto, in the Province of Ontario, **MAKE OATH AND SAY:**

1. I am a partner with the law firm of Goodmans LLP ("**Goodmans**"), counsel for Grant Thornton Limited ("**GTL**") in its capacity as Court-appointed Monitor (the "**Monitor**") in these proceedings. Since July 31, 2017, I have been the partner at Goodmans with primary responsibility for this file. As such, I have knowledge of the matters hereinafter deposed to, except where stated to be on information and belief and where so stated I verily believe it to be true.

2. GTL was appointed as Monitor pursuant to the Order of Regional Senior Justice Morawetz dated August 16, 2017. The Monitor retained Goodmans as its counsel in these proceedings.

3. Attached hereto and marked as Exhibits "A" to "D" are copies of each invoice rendered by the Monitor in respect of the period from August 16, 2017 to November 24, 2017 (the "**Goodmans Application Period**"). The invoices contain the fees (including details of the billing rates and total hours of each of the members of Goodmans who acted on behalf of the Monitor in these proceedings), disbursements, and HST charged by Goodmans in these proceedings during the Goodmans Application Period. The invoices have been redacted for confidentiality and/or privileged information where appropriate.

4. As shown on the summary chart attached hereto as Exhibit “E”, Goodmans expended a total of 135.5 hours in connection with this matter during the Goodmans Application Period, giving rise to fees and disbursements totalling $103,467.92, including HST, as outlined in Exhibits “A” to “D”.

5. Goodmans’ rates and disbursements are consistent with those in the market for these types of matters. Goodmans has had its rates and disbursements, including the rates of certain lawyers who provided services in these proceedings, approved by this Honourable Court in respect of similar services provided in this and other insolvency and restructuring proceedings.

SWORN before me at the City of Toronto, in the Province of Ontario, on this 29th day of November, 2017.

A Commissioner for taking affidavits
Name: Ryan Baulke

BRIAN F. EMPEY

This is Exhibit "A" referred to in the

affidavit of Brian F. Empey

sworn before me, this 29th

day of November, 2017.

A Commissioner for Taking Affidavits

Goodmans LLP

Barristers & Solicitors

Bay Adelaide Centre - West Tower
333 Bay Street, Suite 3400
Toronto, Ontario M5H 2S7

Telephone: 416.979.2211
Facsimile: 416.979.1234
goodmans.ca

September 7, 2017

Grant Thornton Limited
19th Floor, South Tower
200 Bay Street
Box 55, Royal Bank Plaza
Toronto, ON
Canada M5J 2P9

ATTENTION: Michael Creber

OUR FILE NO. GRLN 172195
OUR INVOICE NO. 690542
GST/HST REGISTRATION NO. R119422962

Re: Index Energy Mills Road Corporation

TO OUR PROFESSIONAL SERVICES RENDERED IN CONNECTION WITH THE ABOVE NOTED MATTER INCLUDING THE FOLLOWING:

Date	TKID	Hours	Description
08/16/17	IB	.40	Attending to title subsearch matters; related discussion with R. Baulke.
08/16/17	RNB	.50	Preparing materials for initial application hearing; reviewing notices of CCAA proceedings.
08/16/17	BFE	5.80	Preparation for Court Hearing; attendance at Court waiting for Hearing; attendance at Hearing of application for initial Order; emails re: various next steps including website materials, service list, newspaper notice.
08/16/17	MEW	5.50	Prepare for and attend court re: CCAA application; correspond re: service matters, Monitor's website.
08/16/17	HEW	.20	Emails with R. Baulke; order searches.
08/17/17	ERC	.30	Updating search summaries.
08/17/17	HEW	.10	Emails with R. Baulke.
08/18/17	RNB	.20	Discussions with J. Knight re: critical suppliers.
08/18/17	BFE	.50	Emails with clients and R. Baulke re: response to company for enquiry by supplier.
08/18/17	HEW	.40	Summarize searches.

Goodmans LLP

Barristers & Solicitors

Bay Adelaide Centre - West Tower
333 Bay Street, Suite 3400
Toronto, Ontario M5H 2S7

Telephone: 416.979.2211
Facsimile: 416.979.1234
goodmans.ca

Date	TKID	Hours	Description
08/21/17	RNB	3.20	Reviewing and commenting on sale procedures; discussions with B. Empey re: same; teleconference with Grant Thornton re: same; teleconference with Grant Thornton and Cassels Brock re: same.
08/21/17	BFE	2.50	Review SISP, discuss comments with R. Baulke, circulate comments to Grant Thornton; conference call with Grant Thornton re: SISP, etc; conference call with Grant Thornton and Cassels Brock re: Monitor's comments on SISP; review Cassels Brock comments on SISP and email response to them.
08/21/17	MEW	.20	Review correspondence re: critical supplier matters.
08/21/17	HEW	.70	E-mails with R. Baulke; update opinions.
08/22/17	RNB	3.00	Teleconference with company and advisors re: restructuring update; discussions with J. Knight re: initial order provisions dealing with suppliers; researching supplier rights in CCAA proceedings.
08/22/17	BFE	1.80	Update call with Company, Cassels Brock, Monitor and Goodmans; circulate SISP comments; considering supplier issues; attending to issues re: updated security reviews.
08/23/17	RNB	1.50	Reviewing and commenting on form of NDA; discussions with B. Empey re: security review; reviewing creditor listing and discussions with J. Knight re: same.
08/23/17	BFE	.80	Review comments on NDA and discuss with R. Baulke; email R. Baulke re: creditor listing; review Endorsement issued by Court, report to client.
08/24/17	BFE	.90	Review other counsel's comments on SISP, discuss same with client, arrange for counsel call.
08/24/17	HEW	.20	E-mails with R. Baulke; order PPSA search; update summary.
08/25/17	RNB	2.00	Teleconference with Torys and Cassels Brock re: SISP matters; reviewing and commenting on stay extension order and SISP approval order.
08/25/17	BFE	2.10	Conference call with Torys and Cassels Brock re: SISP comments; telephone conference with G. Moffat re: SISP and Escrow; email updated comments to M. Creber for instructions; review comments on draft orders and discuss with R. Baulke; brief discussion of Escrow with M. Wagner.
08/25/17	MEW	.50	Attend to escrow agreement matters.
08/28/17	RNB	.20	E-mail with potential interested party re: SISP.

Goodmans LLP

Barristers & Solicitors

Bay Adelaide Centre - West Tower
333 Bay Street, Suite 3400
Toronto, Ontario M5H 2S7

Telephone: 416.979.2211
Facsimile: 416.979.1234
goodmans.ca

Date	TKID	Hours	Description
08/28/17	BFE	1.50	Various emails re: SISP; telephone conferences with M. Creber and G. Moffet re: SISP and Escrow; email to M. Wagner re: update and instructions for Escrow.
08/29/17	RNB	6.10	Updating service list; updating security review opinions; reviewing and commenting on form of stalking horse APA and approval and vesting order; teleconference re: SISP; reviewing revised SISP.
08/29/17	BFE	2.40	Telephone conference with M. Creber re: SISP and Escrow; dealing with finalizing and issuing security opinions; conference call among lawyers for the parties re: SISP and Escrow; further review and internal discussions re: draft documents; reporting emails to client.
08/29/17	MEW	1.40	Attend to escrow agreement matters, loan assignment agreement matters; speak to B. Empey re: same; correspond re: same.
08/30/17	RNB	7.70	Discussions with B. Empey re: approval and vesting order and stalking horse APA; reviewing and commenting on same; teleconference with TGF re: same; telephone conversation with M. Creber re: various matters; teleconference with all advisors re: stalking horse APA and SISP matters; reviewing and commenting on company affidavit; e-mails with Grant Thornton re: Monitor's report; drafting riders re: same.
08/30/17	BFE	1.80	Discuss APA and vesting order with R. Baulke; telephone conference with TGF re: APA (Stalking Horse); telephone conference with M. Creber re: update and instructions; conference call with Counsel for parties; various emails and review of drafts.
08/30/17	MEW	1.20	Review escrow agreement and loan assignment agreement; attend conference call re: escrow agreement, loan assignment agreement, sale matters.
08/31/17	RNB	7.90	Teleconference with M. Creber re: outstanding business points; teleconference with all advisors re: same; reviewing revised transaction documents and providing comments on same; discussion with TGF re: various smatters; discussions with Grant Thornton re: monitor's report and arrears; teleconference with all advisors re: status update and transaction documents; drafting riders to the Monitor's report; reviewing and commenting on notice of motion;
08/31/17	BFE	2.80	Telephone conference with R. Baulke and M. Creber re: outstanding stalking Horse Bid issues; conference call with counsel for parties re: remaining issues; review comments on documents, emails, meetings with R. Baulke re:

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Facsimile: 416.979.1234
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Date	TKID	Hours	Description
			same.
09/01/17	RNB	3.00	Teleconference with all advisors re: status update on documents; reviewing and commenting on updated transaction documents; discussions with M. Creber re: same; reviewing and commenting on draft Monitor's report.
09/01/17	BFE	1.70	Calls with client and with counsel for other parties to resolve final issues for SISP; review comments on debtor's draft court materials.

OUR FEE **$49,111.50**

TKID	NAME	HOURS		RATE	TOTAL
BFE	Empey, Brian F.	24.60	hrs	$925.00	$22,755.00
IB	Barkin, Ira	0.40	hrs	$950.00	$380.00
MEW	Wagner, Melaney	8.80	hrs	$875.00	$7,700.00
RNB	Baulke, Ryan	35.30	hrs	$495.00	$17,473.50
ERC	Chamberlain, Erin	0.30	hrs	$250.00	$75.00
HEW	Wilson, Heather	1.60	hrs	$455.00	$728.00
					$49,111.50

DISBURSEMENTS

Telephone - Long Distance	16.23
Searches - Corporate/Lien - Disbursement(s)	112.00
Searches - Corporate/Lien - Fee(s)	95.00
Copies	73.00
Conference Calls	1.39
Search - Corporate	19.90
Search - PPSA	45.70
Search - Sub	63.30

TOTAL DISBURSEMENTS **$426.52**

TOTAL FEES ON THIS INVOICE $49,111.50

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HST ON FEES		6,384.50
NON TAXABLE DISBURSEMENTS	0.00	
TAXABLE DISBURSEMENTS	426.52	
TOTAL DISBURSEMENTS ON THIS INVOICE		$426.52
HST ON TAXABLE DISBURSEMENT		55.45
TOTAL THIS INVOICE (CANADIAN DOLLARS)		**$55,977.97**

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This invoice may not reflect all time and disbursements incurred on this matter to date. It is payable upon receipt and in accordance with Section 33 of the *Solicitors Act* (Ontario), interest will be charged at the rate of 0.80% per annum on unpaid fees, charges or disbursements calculated one month from the date this invoice is delivered.

This is Exhibit “B” referred to in the

affidavit of Brian F. Empey

sworn before me, this 29th

day of November, 2017.

A Commissioner for Taking Affidavits

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September 22, 2017

Grant Thornton Limited
19th Floor, South Tower
200 Bay Street
Box 55, Royal Bank Plaza
Toronto, ON
Canada M5J 2P9

ATTENTION: Michael Creber

OUR FILE NO. GRLN 172195

OUR INVOICE NO. 691239

GST/HST REGISTRATION NO. R119422962

Re: Index Energy Mills Road Corporation

TO OUR PROFESSIONAL SERVICES RENDERED IN CONNECTION WITH THE ABOVE NOTED MATTER INCLUDING THE FOLLOWING:

Date	TKID	Hours	Description
09/04/17	RNB	.90	Reviewing comments on First Report of the Monitor; revising same.
09/04/17	BFE	2.50	Review and comment on draft Report; emails with client; draft and send email to Torys re: financial status of the buyer.
09/05/17	RNB	2.80	Telephone conversation with M. Creber re: First Report of the Monitor; reviewing and revising same; discussions with J. Dietrich re: SISP; discussions with A. Iqbal re: same; reviewing and commenting on SISP solicitation letter.
09/05/17	BFE	1.00	Review and discuss with R. Baulke further comments on draft Report; review and comment on draft solicitation letter; initial review of letter from counsel for HMI.
09/06/17	RNB	7.20	Reviewing and revising monitor's reports; discussions with Grant Thornton re: same; discussions with A. Iqbal re: same; reviewing letter from lien claimant; discussions with Grant Thornton and Cassels Brock re: same; serving monitor's report; drafting response to letter from lien claimant; reviewing and commenting on factum of the applicant.
09/06/17	BFE	2.30	Telephone conference with Monitor re: Utility Deposit request; conference call with Monitor and Cassels re: letter from HMI counsel (Norton Rose); consider and advise on final edits to Report and solicitation letter; review and

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Date	TKID	Hours	Description
			comment on draft response to Norton Rose; review and comment on draft factum.
09/07/17	RNB	2.30	Reviewing and revising factum; revising letter to lien claimant; telephone conversation with J. Weisz re: escrow funds; teleconference with Grant Thornton re: solicitation letter; revising same.
09/07/17	BFE	.90	Edit revised draft response to Norton Rose; respond to counsel for IESO, discuss with M. Creber, edit further response.
09/08/17	RNB	2.20	Teleconference with M. Creber re: SISP matters; e-mails with J. Knight re: same; teleconference with Oslers re: SISP materials and IESO matters; reviewing optimization plan.
09/08/17	BFE	1.10	Meetings with R. Baulke re: edits to Solicitation Letter; telephone conference with J. Dietrich re: IESO; conference call with Oslers re: IESO's comments on solicitation materials.
09/10/17	BFE	.50	Review Applicant's materials for court hearing tomorrow.
09/11/17	RNB	4.40	Preparing for and attending comeback hearing; reviewing confidential information memorandum; discussions with J. Knight re: SISP process; preparing form of NDA for IESO.
09/11/17	BFE	1.80	Preparation for and attendance at hearing of come-back motion; review and comment on draft CIM.
09/12/17	RNB	.80	Reviewing and revising form of NDA with IESO; reviewing proposed SISP advertisement; reviewing proposed correspondence with suppliers; discussions with J. Knight re: same.
09/12/17	BFE	.50	Provide comments on NDA for IESO; review and discuss comments with R. Baulke on SISP Ad and response to supplier.
09/13/17	RNB	1.00	Reviewing CIM disclosure on FIT contract and providing comments on same; e-mails re: NDA for IESO; revising same.
09/13/17	BFE	.30	Review and discuss with R. Baulke comments on various SISP documents.
09/14/17	RNB	1.40	Teleconference with M. Creber re: SISP NDAs; reviewing comments from Cassels on confidential information memorandum; discussions with M. Sassi re: same.
09/14/17	BFE	.40	Conference call with Monitor to discuss comments on NDA; discuss CIM with R. Baulke.

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Date	TKID	Hours	Description
09/15/17	RNB	1.60	Reviewing updated confidential information memorandum and commenting on same; discussions with J. Knight re: same; discussion with P. Riesterer re: same.
09/15/17	BFE	.20	Telephone conference with M. Creber and email to Torys and Cassels Brock re: need for draw on DIP.

OUR FEE **$22,814.50**

TKID	NAME	HOURS	RATE	TOTAL
BFE	Empey, Brian F.	11.50 hrs	$925.00	$10,637.50
RNB	Baulke, Ryan	24.60 hrs	$495.00	$12,177.00
				$22,814.50

DISBURSEMENTS

Copies	257.75	
Delivery - Courier	6.60	
TOTAL DISBURSEMENTS		**$264.35**

TOTAL FEES ON THIS INVOICE		$22,814.50
HST ON FEES		2,965.89
NON TAXABLE DISBURSEMENTS	0.00	
TAXABLE DISBURSEMENTS	264.35	
TOTAL DISBURSEMENTS ON THIS INVOICE		$264.35
HST ON TAXABLE DISBURSEMENT		34.37
TOTAL THIS INVOICE (CANADIAN DOLLARS)		**$26,079.11**

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GOODMANS LLP

E. & O. E.
BFE /

This invoice may not reflect all time and disbursements incurred on this matter to date. It is payable upon receipt and in accordance with Section 33 of the *Solicitors Act* (Ontario), interest will be charged at the rate of 0.80% per annum on unpaid fees, charges or disbursements calculated one month from the date this invoice is delivered.

This is Exhibit “C” referred to in the

affidavit of Brian F. Empey

sworn before me, this 29th

day of November, 2017.

A Commissioner for Taking Affidavits

Goodmans LLP

Barristers & Solicitors

Bay Adelaide Centre - West Tower
333 Bay Street, Suite 3400
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October 31, 2017

Grant Thornton Limited
19th Floor, South Tower
200 Bay Street
Box 55, Royal Bank Plaza
Toronto, ON
Canada M5J 2P9

ATTENTION: Michael Creber

OUR FILE NO. GRLN 172195

OUR INVOICE NO. 693423

GST/HST REGISTRATION NO. R119422962

Re: Index Energy Mills Road Corporation

TO OUR PROFESSIONAL SERVICES RENDERED IN CONNECTION WITH THE ABOVE NOTED MATTER INCLUDING THE FOLLOWING:

Date	TKID	Hours	Description
09/19/17	RNB	.30	Reviewing and commenting on updated confidential information memorandum; discussions with J. Knight re: same.
09/21/17	RNB	.80	Teleconference with the company and the monitor re: set-off matters; reviewing supplier contract re: same.
09/21/17	BFE	.50	Discussions re: [redacted]
09/22/17	RNB	.50	Teleconference with company counsel and monitor re: critical supplier matters.
09/22/17	BFE	.30	Calls and emails re: Veridian issue.
09/25/17	BFE	1.00	Calls and emails with Cassels and Monitor, and with Norton Rose, Cassels and Monitor re: negotiations with Veridian.
09/26/17	RNB	.70	Reviewing and commenting on Veridian letter agreement; reviewing markup of IESO NDA.
09/26/17	BFE	.20	Review comments on letter agreement with Veridian.
09/27/17	RNB	1.80	Reviewing revisions to IESO NDA; reviewing and commenting on form of SISP APA.
09/27/17	BFE	.20	Discuss CIM with R. Baulke.

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Date	TKID	Hours	Description
09/28/17	RNB	.20	Reviewing and revising form of SISP APA.
09/28/17	BFE	.50	Emails and telephone conferences with J. Dietrich and M. Creber re: Construction Lien Lift Stay agreement.
09/29/17	BFE	.40	Correspondence re: final Construction Lien agreement; emails re: cash flow and Lenders' interest payments.
10/05/17	RNB	.40	Teleconference with Grant Thornton and Cassels Brock re: SISP matters.
10/05/17	BFE	.20	Update from R. Baulke.
10/10/17	BFE	.20	Emails re: reporting for Veridian agreement.
10/18/17	RNB	.60	Reviewing revisions to form of NDA from IESO; e-mail correspondence with Grant Thornton re: same.
10/18/17	BFE	.20	Respond to question from R. Baulke re: NDA.
10/19/17	RNB	.20	Revising NDA with IESO.
10/23/17	RNB	.40	Teleconference with the company, company counsel and monitor re: cash flows.
10/23/17	BFE	.30	Participating in conference call re: cash flow issues.

OUR FEE **$6,620.50**

TKID	NAME	HOURS	RATE	TOTAL
BFE	Empey, Brian F.	4.00 hrs	$925.00	$3,700.00
RNB	Baulke, Ryan	5.90 hrs	$495.00	$2,920.50
				$6,620.50

DISBURSEMENTS

Conference Calls	18.14

TOTAL DISBURSEMENTS **$18.14**

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Toronto, Ontario M5H 2S7

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Facsimile: 416.979.1234
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TOTAL FEES ON THIS INVOICE		$6,620.50
HST ON FEES		860.67
NON TAXABLE DISBURSEMENTS	0.00	
TAXABLE DISBURSEMENTS	18.14	
TOTAL DISBURSEMENTS ON THIS INVOICE		$18.14
HST ON TAXABLE DISBURSEMENT		2.36
TOTAL THIS INVOICE (CANADIAN DOLLARS)		**$7,501.67**

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This invoice may not reflect all time and disbursements incurred on this matter to date. It is payable upon receipt and in accordance with Section 33 of the *Solicitors Act* (Ontario), interest will be charged at the rate of 0.80% per annum on unpaid fees, charges or disbursements calculated one month from the date this invoice is delivered.

This is Exhibit "D" referred to in the

affidavit of Brian F. Empey

sworn before me, this 29th

day of November, 2017.

A Commissioner for Taking Affidavits

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333 Bay Street, Suite 3400
Toronto, Ontario M5H 2S7

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November 28, 2017

Grant Thornton Limited
19th Floor, South Tower
200 Bay Street
Box 55, Royal Bank Plaza
Toronto, ON
Canada M5J 2P9

ATTENTION: Michael Creber

OUR FILE NO. GRLN 172195

OUR INVOICE NO. 694548

GST/HST REGISTRATION NO. R119422962

Re: Index Energy Mills Road Corporation

TO OUR PROFESSIONAL SERVICES RENDERED IN CONNECTION WITH THE ABOVE NOTED MATTER INCLUDING THE FOLLOWING:

Date	TKID	Hours	Description
10/30/17	BFE	.20	Review SISP status Report.
11/06/17	RNB	.60	Reviewing letter from municipality re: utilities invoice; e-mails with G. Moffat re: SISP; e-mails with J. Knight re: same.
11/06/17	BFE	.20	Emails with J. Knight and R. Baulke re: water bill and consider question from G. Moffat.
11/07/17	RNB	.10	Discussions with J. Knight re: various restructuring matters.
11/08/17	RNB	.20	Telephone conversation with G. Moffat re: SISP matters.
11/09/17	RNB	.30	Reviewing SISP and stalking horse APA re: questions from bidder.
11/09/17	BFE	.30	Telephone conference with A. Tardif (McCarthys) and meeting with R. Baulke re: their due diligence questions.
11/10/17	RNB	1.40	Drafting responses to bidder inquiry in SISP; teleconference with Grant Thornton re: same.
11/10/17	BFE	.80	Review draft emails re: bidder questions; emails re: additional items for data room, IESO assignment matters; telephone conference with Monitor and R. Baulke re: bidder questions.
11/13/17	RNB	1.70	Teleconference with GTL re: SISP matters; teleconference with McCarthys

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Date	TKID	Hours	Description
			and bidder re: same; preparing responses to diligence questions.
11/13/17	BFE	.30	Further emails re: bidder questions.
11/14/17	RNB	1.20	Reviewing and commenting on standby LC; teleconference with L. Williams re: same; discussions with P. Riesterer re: IESCO NDA.
11/14/17	BFE	.30	Review and discuss draft letter of credit.
11/14/17	VKN	1.00	Reviewing and revising letter of credit; correspondence with R. Baulke re: comments on letter of credit.
11/15/17	RNB	1.20	Teleconference with Cassels Brock and the Monitor re: SISP matters; preparing information sharing protocol re: same.
11/15/17	BFE	.80	Various emails re: construction lien lift stay, Durham Region issues, syndicate payment numbers; conference call with Cassels and Monitor and R. Baulke re: SISP mechanics.
11/16/17	RNB	.50	Reviewing Ontario Energy Board licensing matters; discussions with D. Gormley and P. Ruby re: same.
11/16/17	BFE	.70	Emails and internal discussions re: OEB licence and mechanics for transfer.
11/16/17	DJG	.50	E-mails Brian Empey;; telephone consultations (x2) Ryan Baulke; review OEB licence.
11/16/17	PDR	.30	Discuss OEB licensing issues with R. Baulke.
11/17/17	BFE	.20	Emails re: further due diligence requests; meeting with R. Baulke re: next steps.
11/20/17	RNB	.50	Teleconference with GTL re: SISP update matters.
11/20/17	BFE	1.00	Preparation for and participation in conference call with Grant Thornton re: various issues including preparation for bid deadline;. issue email re: consent to limited lift stay in construction lien litigation; review, edit and issue email to Cassels Brock re: information sharing protocol for additional bids and follow-up email re: same.
11/21/17	RNB	1.00	Teleconference with Grant Thornton and Cassels Brock re: SISP update; responding to e-mails re: diligence matters.
11/21/17	BFE	.50	Emails and conference call re: questions from potential bidder; emails re: bid deadline.

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Toronto, Ontario M5H 2S7

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Date	TKID	Hours	Description
11/22/17	RNB	1.50	Preparing Monitor's report framework; teleconference with company counsel and the Monitor re: sales process; e-mails advising of accepted bid in sales process.
11/22/17	BFE	.80	Telephone conference with M. Creber; conference call with Monitor team and Cassels Brock re: next steps under SISP; meeting with R. Baulke re: next report to the Court; review email re: cash flow forecast.
11/24/17	RNB	.20	Discussions with B. Empey re: cash flow forecast.
11/24/17	BFE	.20	Discuss cash flow and next steps with R. Baulke.

OUR FEE **$12,309.00**

TKID	NAME	HOURS	RATE	TOTAL
BFE	Empey, Brian F.	6.30 hrs	$925.00	$5,827.50
DJG	Gormley, Daniel J.	0.50 hrs	$950.00	$475.00
PDR	Ruby, Peter	0.30 hrs	$895.00	$268.50
RNB	Baulke, Ryan	10.40 hrs	$495.00	$5,148.00
VKN	Vadasz, Karen	1.00 hrs	$590.00	$590.00
				$12,309.00

TOTAL FEES ON THIS INVOICE	$12,309.00
HST ON FEES	1,600.17
TOTAL THIS INVOICE (CANADIAN DOLLARS)	**$13,909.17**

Goodmans LLP

Barristers & Solicitors

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333 Bay Street, Suite 3400
Toronto, Ontario M5H 2S7

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Facsimile: 416.979.1234
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GOODMANS LLP

E. & O. E.
BFE /

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This is Exhibit "E" referred to in the

affidavit of Brian F. Empey

sworn before me, this 29th

day of November, 2017.

____

A Commissioner for Taking Affidavits

Goodmans LLP
Bill Summary for Matter No. 172195
Bill Period: August 16, 2017 to November 24, 2017

Invoice	Invoice Date	Fees	Cost	Tax	Total
690542	9/7/2017	$ 49,111.50	$ 426.52	$ 6,439.95	$ 55,977.97
691239	9/22/2017	$ 22,814.50	$ 264.35	$ 3,000.26	$ 26,079.11
693423	10/31/2017	$ 6,620.50	$ 18.14	$ 863.03	$ 7,501.67
694548	11/28/2017	$ 12,309.00	$ -	$ 1,600.17	$ 13,909.17
	Total	**$ 90,855.50**	**$ 709.01**	**$ 11,903.41**	**$ 103,467.92**

Timekeeper	Title	Bill Hours	Bill Amount	Average Billing Rate
Brian F. Empey	Partner (Restructuring)	46.4	$ 42,920.00	$ 925.00
Daniel J. Gormley	Partner (Corporate)	0.5	$ 475.00	$ 950.00
Ira Barkin	Partner (Real Estate)	0.4	$ 380.00	$ 950.00
Melaney Wagner	Partner (Restructuring)	8.8	$ 7,700.00	$ 875.00
Peter Ruby	Partner (Litigation)	0.3	$ 268.50	$ 895.00
Ryan Baulke	Associate (Restructuring)	76.2	$ 37,719.00	$ 495.00
Karen Vadasz	Associate (Finance)	1.0	$ 590.00	$ 590.00
Erin Chamberlain	Law Clerk	0.3	$ 75.00	$ 250.00
Heather Wilson	Law Clerk	1.6	$ 728.00	$ 455.00
Total		**135.5**	**90,855.5**	**$ 670.52**

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C 36, AS AMENDED,

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF INDEX ENERGY MILLS ROAD CORPORATION

Court File No.: CV-17-580840-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceeding commenced at Toronto

AFFIDAVIT OF BRIAN F. EMPEY
(sworn November 29, 2017)

GOODMANS LLP
Bay Adelaide Centre
333 Bay Street, Suite 3400
Toronto, Canada M5H 2S7

Brian F. Empey LSUC# 30640G
bempey@goodmans.ca

Ryan Baulke LSUC# 66189O
rbaulke@goodmans.ca

Tel: 416.979.2211
Fax:416.979.1234

Lawyers for the Monitor

6759468

CONFIDENTIAL

APPENDIX 1

[CONFIDENTIAL]

Court File No. CV-17-580840-00CL

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF INDEX ENERGY MILLS ROAD CORPORATION

Applicant

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
Proceeding commenced at Toronto

SECOND REPORT OF THE MONITOR
DATED NOVEMBER 30, 2017

GOODMANS LLP
Barristers & Solicitors
333 Bay Street, Suite 3400
Toronto, Canada M5H 2S7

Brian Empey LSUC#: 30640G
bempey@goodmans.ca

Ryan Baulke LSUC#: 66189O
rbaulke@goodmans.ca

Tel: (416) 979-2211
Fax: (416) 979-1234

Lawyers for the Monitor