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COURT FILE NUMBER B301-135903
COURT COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY
PROCEEDING **IN THE MATTER OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c. B-3, as amended**
AND IN THE MATTER OF ERIKSON NATIONAL ENERGY INC.

DOCUMENT **ORDER (Sales Approval and Vesting)**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT
BENNETT JONES LLP
Barristers and Solicitors
4500 Bankers Hall East
855 – 2nd Street S.W.
Calgary, Alberta T2P 4K7

Attention: Keely Cameron / Sarah Aaron
Telephone No.: 403-298-3324/3177
Fax No.: 403-265-7219
Client File No.: 88323.6

DATE ON WHICH ORDER WAS PRONOUNCED: December 9, 2024

NAME OF JUDGE WHO MADE THIS ORDER: The Honourable Justice G.A. Campbell

LOCATION OF HEARING: Calgary, Alberta

UPON the application of Erikson National Energy Inc. (“**Erikson**”) for an Order approving the sale transaction (the "**Transaction**") contemplated by the Asset Purchase and Sale Agreement (the "**Sale Agreement**") between Erikson and Gryphon Digital Mining, Inc. (the "**Purchaser**"); **AND UPON having read** the Affidavit of Peter Neelands, sworn December 3, 2024, the Affidavit of Service of Stephanie Dumoulin, and the Proposal Trustee’s Third Report (the "**Third Report**"); **AND UPON hearing** the

submissions of counsel for the Applicant, counsel for KSV Restructuring Inc. (the "**Proposal Trustee**"), and any other interested parties appearing at the application;

IT IS HEREBY ORDERED AND DECLARED THAT:

SERVICE

1. Service of notice of this application and the supporting materials is hereby declared to be good and sufficient, no other person is required to have been served with notice of this application.

APPROVAL OF TRANSACTIONS

2. The Transaction is hereby approved, subject to incidental amendments as may be approved by the Proposal Trustee, provided that any substantive amendments will be made on notice to any affected parties, and the Sale Agreement is commercially reasonable and in the best interests of Erikson and its stakeholders. Erikson is hereby authorized and directed to execute the Sale Agreement and take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the transaction and for the conveyance of the assets set out in Schedule "A" hereto (the "**Purchased Assets**") to the Purchaser.

VESTING OF PROPERTY

3. Subject only to approval by the British Columbia Energy Regulator ("**Energy Regulator**") of transfer of any applicable licenses, permits and approvals pursuant to section 26, 29, and 30 of the *Energy Resource Activities Act*, SBC 2008, c 36, and upon the delivery of a Proposal Trustee's Certificate to the Purchaser substantially in the form attached as Schedule "B" hereto (the "**Proposal Trustee's Certificate**"), all of Erikson's right, title and interest in and to the Purchased Assets shall vest absolutely in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**") including, without limiting the generality of the foregoing:

- (a) any Encumbrances or Charges (as created by and defined in any Orders granted in this Action);

- (b) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act*, the *Mines and Minerals Act*, the *Land Titles Act* or any other personal, mineral or real property registry system;
- (c) any liens or claims of lien under the *Builders' Lien Act* (Alberta) or the *Prompt Payment and Construction Lien Act* (Alberta);
- (d) any linear or non-linear municipal property tax claims; and
- (e) any outstanding amounts owing to the Energy Regulator;

(all of which are collectively referred to as the "**Encumbrances**", which term shall not include the permitted encumbrances, caveats, interests, easements, and restrictive covenants listed in Schedule "C" (collectively, "**Permitted Encumbrances**")) and for greater certainty, this Court orders that all Claims including Encumbrances other than Permitted Encumbrances, affecting or relating to the Purchased Assets are hereby expunged, discharged and terminated as against the Purchased Assets.

4. Upon delivery of the Proposal Trustee's Certificate, and upon filing of a certified copy of this Order, together with any applicable registration fees, all governmental authorities including those referred to below in this paragraph (collectively, "**Governmental Authorities**") are hereby authorized, requested and directed to accept delivery of such Proposal Trustee's Certificate and certified copy of this Order as though they were originals and to register such transfers, interest authorizations, discharges and discharge statements of conveyance as may be required to convey to the Purchaser or its nominee clear title to the Purchased Assets subject only to Permitted Encumbrances. Without limiting the foregoing:

- (a) the Registrar of British Columbia Land Titles ("**Land Titles Registrar**") for the lands defined below shall and is hereby authorized, requested and directed to forthwith:
 - (i) cancel existing Certificates of Title identified and legally described in Schedule "A" of the Sale Agreement (the "**Lands**");
 - (ii) issue a new Certificate of Title for the Lands in the name of the Purchaser (or its nominee), namely, Gryphon Digital Mining Inc.; and
 - (iii) discharge and expunge any Claims including Encumbrances (but excluding Permitted Encumbrances);

- (b) The British Columbia Ministry of Energy, Mines and Petroleum Resources shall and is hereby authorized, requested and directed to forthwith:
- (i) cancel and discharge those Claims including builders' liens, security notices, assignments under section 426 (formerly section 177) of the *Bank Act* (Canada) and other Encumbrances (but excluding Permitted Encumbrances) registered (whether before or after the date of this Order) against the estate or interest of the Applicant in and to any of the Purchased Assets located in the Province of British Columbia.
- (c) the Registrar of the Alberta Personal Property Registry, British Columbia Personal Property Registry and Ontario Personal Property Registry (collectively, the "**PPR Registrar**") shall and is hereby directed to forthwith cancel and discharge any registrations at the personal property registry (whether made before or after the date of this Order) claiming security interests (other than Permitted Encumbrances) in the estate or interest of the Applicant in any of the Purchased Assets which are of a kind prescribed by applicable regulations as serial-number goods.
5. In order to effect the transfers and discharges described above, this Court directs each of the Governmental Authorities to take such steps as are necessary to give effect to the terms of this Order and the Sale Agreement. Presentment of this Order and Proposal Trustee's Certificate shall be the sole and sufficient authority for the Governmental Authorities to make and register transfers of title or interest and cancel and discharge registrations against any of the Purchased Assets of any Claims including Encumbrances but excluding Permitted Encumbrances.
6. No authorization, approval or other action by and no notice to or filing with any governmental authority or regulatory body exercising jurisdiction over the Purchased Assets is required for the due execution, delivery and performance by Erikson of the Sale Agreement.
7. Upon delivery of the Proposal Trustee's Certificate together with a certified copy of this Order, this Order shall be immediately registered by the Land Titles Registrar notwithstanding that the appeal period in respect of this Order has not elapsed. The Land Titles Registrar is hereby directed to accept all Affidavits of Corporate Signing Authority submitted by Erikson.
8. For the purposes of determining the nature and priority of Claims, the net proceeds from sale of the Purchased Assets shall stand in the place and stead of the Purchased Assets from and after delivery


of the Proposal Trustee's Closing Certificate and all Claims (but excluding Permitted Encumbrances) shall not attach to, encumber or otherwise form a charge, security interest, lien, or other Claim against the Purchased Assets and may be asserted against the net proceeds from sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale. Unless otherwise ordered (whether before or after the date of this Order), no distributions shall be made to creditors of net proceeds from sale of the Purchased Assets without further order of this Court.

9. Except as expressly provided for in the Sale Agreement, the Purchaser (or its nominee) shall not, by completion of the Transaction, have liability of any kind whatsoever in respect of any Claims against Erikson.
10. Upon completion of the Transaction, Erikson and all persons who claim by, through or under Erikson in respect of the Purchased Assets, and all persons or entities having any Claims of any kind whatsoever in respect of the Purchased Assets, save and except for persons entitled to the benefit of the Permitted Encumbrances, shall stand absolutely and forever barred, estopped and foreclosed from and permanently enjoined from pursuing, asserting or claiming any and all right, title, estate, interest, royalty, rental, equity of redemption or other Claim whatsoever in respect of or to the Purchased Assets, and to the extent that any such persons or entities remain in the possession or control of any of the Purchased Assets, or any artifacts, certificates, instruments or other indicia of title representing or evidencing any right, title, estate, or interest in and to the Purchased Assets, they shall forthwith deliver possession thereof to the Purchaser (or its nominee).
11. The Purchaser (or its nominee) shall be entitled to enter into and upon, hold and enjoy the Purchased Assets for its own use and benefit without any interference of or by Erikson, or any person claiming by, through or against Erikson.
12. Immediately upon closing of the Transaction, holders of Permitted Encumbrances shall have no claim whatsoever against Erikson associated with the Purchased Assets.
13. The Proposal Trustee is directed to file with the Court a copy of the Proposal Trustee's Closing Certificate forthwith after delivery thereof to the Purchaser (or its nominee).

MISCELLANEOUS MATTERS

14. Notwithstanding:
- (a) the pendency of these proceedings and any declaration of insolvency made herein;
 - (b) the pendency of any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c.B-3, as amended (the "**BIA**"), in respect of the Applicant, and any bankruptcy order issued pursuant to any such applications;
 - (c) any assignment in bankruptcy made in respect of Erikson; and
 - (d) the provisions of any federal or provincial statute,
- the vesting of the Purchased Assets in the Purchaser (or its nominee) pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of Erikson and shall not be void or voidable by creditors of Erikson, nor shall it constitute nor be deemed to be a transfer at undervalue, settlement, fraudulent preference, assignment, fraudulent conveyance, or other reviewable transaction under the BIA or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.
15. Erikson, the Proposal Trustee, the Purchaser (or its nominee) and any other interested party, shall be at liberty to apply for further advice, assistance and direction as may be necessary in order to give full force and effect to the terms of this Order and to assist and aid the parties in closing the Transaction.
16. This Honourable Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in any of its provinces or territories or in any foreign jurisdiction, to act in aid of and to be complimentary to this Court in carrying out the terms of this Order, to give effect to this Order and to assist Erikson and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such order and to provide such assistance to Erikson, as may be necessary or desirable to give effect to this Order or to assist Erikson and its agents in carrying out the terms of this Order.

17. Service of this Order shall be deemed good and sufficient by:
- (a) Serving the same on:
 - (i) the persons listed on the service list created in these proceedings;
 - (ii) any other person served with notice of the application for this Order;
 - (iii) any other parties attending or represented at the application for this Order;
 - (iv) the Purchaser or the Purchaser's solicitors; and
 - (a) Posting a copy of this Order on the Proposal Trustee's website at: <https://www.ksvadvisory.com/experience/case/Erikson> and service on any other person is hereby dispensed with.
18. Service of this Order may be effected by facsimile, electronic mail, personal delivery or courier. Service is deemed to be effected the next business day following transmission or delivery of this Order.


J.C.K.B.A

SCHEDULE A

The Parties acknowledge and agree that it is their intention that, in addition to those Assets included and specified in the Schedules hereto, the Assets shall include Vendor's entire interest in and to all Tangibles and Miscellaneous Interests (as those terms are defined herein) which fall within the Whitemap Area set out in the below Maps.

SCHEDULE B

Form of Proposal Trustee's Certificate

COURT FILE NUMBER B301-135903

COURT COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

PROCEEDING **IN THE MATTER OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c. B-3, as amended**

AND IN THE MATTER OF ERIKSON NATIONAL ENERGY INC.

DOCUMENT SALE AND VESTING ORDER

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF BENNETT JONES LLP

PARTY FILING THIS Barristers and Solicitors
DOCUMENT 4500 Bankers Hall East
 855 – 2 Street SW
 Calgary, Alberta T2P 4K7

Attention: Keely Cameron / Luc Rollingson
Telephone No.: 403-298-3324
Fax No.: 403-265-7219
Client File No.: 87754.38

RECITALS

- A. Pursuant to an Order of the Court dated December 9, 2024, the Court approved the agreement of purchase and sale made as of _____ between Erikson National Energy Inc. ("**Erikson**") and Gryphon Digital Mining, Inc (the "**Purchaser**")(the "**Sale Agreement**") and provided for the vesting in the Purchaser of Erikson's right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Proposal Trustee to the Purchaser of a certificate confirming: (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing of the Sale Agreement have been satisfied or waived by Erikson and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Proposal Trustee.

B. Unless otherwise indicated herein, capitalized terms have the meanings set out in the Sale Agreement.

THE PROPOSAL TRUSTEE CERTIFIES the following:

1. The Purchaser (or its nominee) has paid the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the Sale Agreement;
2. The conditions to Closing of the Sale Agreement have been satisfied or waived by Erikson and the Purchaser (or its nominee); and
3. The Transaction has been completed to the satisfaction of the Proposal Trustee.
4. This Certificate was delivered by the Proposal Trustee at [Time] on [Date].

**KSV Restructuring Inc., in its
capacity as Proposal Trustee of
Erikson National Energy Ltd., and
not in its personal capacity.**

Per: _____

Name: Andrew Basi

SCHEDULE "C"

Permitted Encumbrances

Permitted Encumbrances consist of the following (with capitalized terms having the definitions given to them in the Sale Agreement, unless otherwise defined in this Order):

- (i) All personal property security agreement registrations registered against the Assets by Canadian Natural Resources Limited, and Canadian Natural Resources, a General Partnership by its Managing Partner;
- (ii) any overriding royalties, net profits interests and other burdens, which are provided for under the Title Documents;
- (iii) the terms and conditions of the Assumed Contracts and the Title Documents, including ROFRs, the requirement to pay any rentals or royalties to the grantor thereof to maintain the Title Documents in good standing and any royalty or other burden reserved to the grantor thereof or any gross royalty trusts applicable to the grantor's interest in any of the Title Documents;
- (iv) the right reserved to or vested in any grantor, Governmental Authority or other public authority by the terms of any Title Document or by Applicable Laws to terminate any Title Document;
- (v) easements, rights of way, servitudes or other similar rights in land, including rights of way and servitudes for highways, railways, sewers, drains, gas and oil pipelines, gas and water mains, electric light, power, telephone or cable television conduits, poles, wires or cables;
- (vi) taxes on Petroleum Substances or the income or revenue therefrom, unless specifically excluded and governmental restrictions on production rates from the Wells or on operations being conducted on the Lands or otherwise affecting the value of any of the Assets;
- (vii) agreements for the sale, processing, transmission or transportation of Petroleum Substances entered into by the Vendor, subsequent to the date of this Agreement;
- (viii) any obligation of the Vendor to hold any portion of their interest in and to any of the Assets in trust for Third Parties;
- (ix) any rights reserved to or vested in any Governmental Authority to control or regulate the ownership, use or operation of any of the Assets in any manner, including governmental requirements imposed by statute or Governmental Authorities as to rates of production from operations or otherwise affecting recoverability of Petroleum Substances;
- (x) undetermined or inchoate liens incurred or created as security in favour of any Person with respect to the development or operation of any of the Assets, as regards the Vendor's share of the costs and expenses thereof which are not due or delinquent as of the date hereof;
- (xi) the reservations, limitations, provisos and conditions in any grants or transfers from the Crown of any of the Lands or interests therein, and statutory exceptions to title;

- (xii) provisions for penalties and forfeitures under Title Documents as a consequence of non-participation in operations;
- (xiii) any requirement to post or maintain any deposits or other form of security required by any Governmental Authority; and
- (xiv) liens granted in the ordinary course of business to a public utility, municipality or Governmental Authority with respect to operations pertaining to any of the Assets as regards the Vendor's share of amounts owing to such public utility, municipality or Governmental Authority which are not due or delinquent as of the date hereof.