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<p>Clerk's stamp:</p> <hr/> <p style="text-align: center;">QUESTIONING OF ANTONIO VICTOR GRANT JACKSON CALGARY, ALBERTA BY MR. P. G. CHISWELL AFFIDAVITS SWORN JULY 14, 2020 AND AUGUST 17, 2020 HELD SEPTEMBER 16, 2020 VIA REMOTE VIDEO</p> <hr/> <p>COURT FILE NUMBER 1801-10960</p> <p>COURT OF QUEEN'S BENCH OF ALBERTA</p> <p>JUDICIAL CENTRE Calgary</p> <p>PLAINTIFF(S) PricewaterhouseCoopers Inc., LIT in its capacity as the Trustee in Bankruptcy of Sequoia Resources Corp. and not in its personal capacity</p> <p>DEFENDANT(S) Perpetual Energy Inc., Perpetual Operating Trust, Perpetual Operating Corp., and Susan Riddell Rose</p>	<p>1</p> <p>2 INTERVENOR(S) Orphan Well Association,</p> <p>3 Canadian Natural Resources</p> <p>4 Limited, Cenovus Energy Inc.</p> <p>5 and Torxen Energy Ltd.</p> <p>6</p> <p>7</p> <p>8 DOCUMENT QUESTIONING ON AFFIDAVIT</p> <p>9</p> <p>10</p> <p>11</p> <p>12 Taken before L. D. Stevenson, Official Court Reporter,</p> <p>13 pursuant to Rules 5.26, 6.20, and 13.46 of the Court of</p> <p>14 Queen's Bench of Alberta.</p> <p>15</p> <p>16</p> <p>17 FOR THE PLAINTIFF(S) PRICEWATERHOUSECOOPERS INC., LIT,</p> <p>18 IN ITS CAPACITY AS THE TRUSTEE IN BANKRUPTCY OF SEQUOIA</p> <p>19 RESOURCES CORP., NOT IN ITS PERSONAL CAPACITY:</p> <p>20 R. de Waal</p> <p>21 L. Rasmussen (Not Present)</p> <p>22 de Waal Law</p> <p>23 Suite 1010, 505 3rd Street SW</p> <p>24 Calgary, Alberta</p> <p>25 403-266-0012</p> <p>26</p> <p>27</p>
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<p>1 FOR THE DEFENDANT(S) PERPETUAL ENERGY INC., PERPETUAL</p> <p>2 OPERATING TRUST, PERPETUAL OPERATING CORP.:</p> <p>3 D. J. McDonald, Q.C.</p> <p>4 P. G. Chiswell</p> <p>5 Burnet, Duckworth & Palmer LLP.</p> <p>6 2400, 525 - 8 Avenue SW</p> <p>7 Calgary, Alberta</p> <p>8 403-260-0100</p> <p>9</p> <p>10 FOR THE DEFENDANT SUSAN RIDDELL ROSE:</p> <p>11 S. Leidl (Not Present)</p> <p>12 G. Benediktsson (Not Present)</p> <p>13 Norton Rose Fulbright Canada LLP.</p> <p>14 3700, 400 3rd Avenue SW</p> <p>15 Calgary, Alberta</p> <p>16 403-267-8222</p> <p>17</p> <p>18 FOR THE INTERVENOR(S) ORPHAN WELL ASSOCIATION:</p> <p>19 K. T. Lenz, Q.C.</p> <p>20 Bennett Jones LLP.</p> <p>21 4500, 855 - 2 Street SW</p> <p>22 Calgary, Alberta</p> <p>23 403-298-3100</p> <p>24</p> <p>25</p> <p>26</p> <p>27</p>	<p>1 FOR THE INTERVENOR(S) CANADIAN NATURAL RESOURCES</p> <p>2 LIMITED, CENOVUS ENERGY INC., AND TORXEN ENERGY LTD.:</p> <p>3 G. S. Watson</p> <p>4 K. Gramlich</p> <p>5 Parlee McLaws LLP.</p> <p>6 3300, 421 - 7 Avenue SW</p> <p>7 Calgary, Alberta</p> <p>8 403-294-7000</p> <p>9</p> <p>10 OFFICIAL COURT REPORTER:</p> <p>11 L. D. Stevenson, CSR(A)</p> <p>12 Dicta Court Reporting Inc.</p> <p>13 760, 1015 - 4 Street SW</p> <p>14 Calgary, Alberta</p> <p>15 403-531-0590</p> <p>16</p> <p>17 (PROCEEDINGS COMMENCED AT 2:10 PM)</p> <p>18 ANTONIO VICTOR GRANT JACKSON, Affirmed, Examined by</p> <p>19 Mr. Chiswell</p> <p>20 THE COURT REPORTER: Please state and spell your</p> <p>21 full name for the record.</p> <p>22 A Antonio Victor Grant Jackson. A-N-T-O-N-I-O,</p> <p>23 V-I-C-T-O-R, G-R-A-N-T, Jackson, J-A-C-K-S-O-N.</p> <p>24 THE COURT REPORTER: Thank you.</p> <p>25 Q MR. CHISWELL: Mr. Jackson, you swore two</p> <p>26 affidavits, one on July 14th, 2020, and another one on</p> <p>27 August 17th, 2020. Do you have those in front of you?</p>

<p style="text-align: right;">5</p> <p>1 A I do, yes.</p> <p>2 Q Do you have any changes or corrections to either of</p> <p>3 your affidavits?</p> <p>4 A I do not.</p> <p>5 Q If you have any problems hearing me today, just please</p> <p>6 let me know; and, similarly, if you need me to repeat a</p> <p>7 question, please let me know.</p> <p>8 A Okay.</p> <p>9 Q Sir, what's your current position at Cenovus?</p> <p>10 A The director of enviro regulatory.</p> <p>11 Q And what are your responsibilities?</p> <p>12 A Responsible for regulatory compliance matters and</p> <p>13 responses. I'm in charge of the asset retirement</p> <p>14 obligation portfolio and -- and the general</p> <p>15 environmental monitoring associated to our upstream</p> <p>16 operations.</p> <p>17 Q And how long have you held that position?</p> <p>18 A I've been the director for a couple of years. I've</p> <p>19 been in the team essentially for my entire career with</p> <p>20 Cenovus which is since 2003.</p> <p>21 Q And you're including in that Cenovus's predecessors</p> <p>22 like EnCana?</p> <p>23 A Correct, yeah, started with EnCana.</p> <p>24 Q How long has ARO been within your portfolio?</p> <p>25 A I've worked a couple of different roles, but ARO has</p> <p>26 been in my portfolio for the last two years, but I</p> <p>27 actually started my career as a reclamation remediation</p>	<p style="text-align: right;">6</p> <p>1 advisor back in 2003 with EnCana, so I have quite a --</p> <p>2 quite a lot of variance -- variances with -- with asset</p> <p>3 retirement obligations.</p> <p>4 Q In your affidavit, you talk about the liability</p> <p>5 management team at Cenovus.</p> <p>6 A Yes.</p> <p>7 Q Is that a team that reports to you or that you're part</p> <p>8 of?</p> <p>9 A It's a team that reports to me.</p> <p>10 Q So they're the ones who would calculate ARO and they</p> <p>11 report to you?</p> <p>12 A Correct. They work in tandem with -- with our</p> <p>13 accounting department.</p> <p>14 Q Okay. Is calculating ARO something that you can do</p> <p>15 personally?</p> <p>16 A No, I don't do it personally. It's a -- it's a few</p> <p>17 different people in the team are involved with that.</p> <p>18 Q Seems to be pretty specialized expertise.</p> <p>19 A It can be.</p> <p>20 Q Sir, other than your bachelor of science, do you have</p> <p>21 any other post-secondary education?</p> <p>22 A No.</p> <p>23 Q What was your major in in your -- for your bachelor of</p> <p>24 science?</p> <p>25 A Yeah, it -- I went through the agriculture forestry</p> <p>26 department at U of A, and it's E&CS, so Environmental</p> <p>27 Conservation Sciences, with a specialization in</p>
<p style="text-align: right;">7</p> <p>1 reclamation, remediation and land conservation.</p> <p>2 Q Do you have any professional designations?</p> <p>3 A I'm a professional agrologist.</p> <p>4 THE COURT REPORTER: I'm sorry, professional ...</p> <p>5 A Agrologist.</p> <p>6 THE COURT REPORTER: Thank you.</p> <p>7 Q MR. CHISWELL: What's the governing body for</p> <p>8 professional agrologists?</p> <p>9 A It's Alberta Institute of Agrology.</p> <p>10 Q And how long have you been a member of that -- the</p> <p>11 institute for?</p> <p>12 A Oh, I don't have the exact number of years, but for the</p> <p>13 majority of my professional career.</p> <p>14 Q Do you have any other professional designations?</p> <p>15 A No.</p> <p>16 Q Have you ever practiced as a lawyer?</p> <p>17 A No.</p> <p>18 Q And you'll agree with me you're not an accountant or a</p> <p>19 member of any chartered professional accountant society</p> <p>20 or organization?</p> <p>21 A I'm not.</p> <p>22 Q Before working at Cenovus or EnCana in 2003, did you</p> <p>23 have any other oil and gas industry experience in</p> <p>24 Canada?</p> <p>25 A Yes, I -- I was environmental consultant from the time</p> <p>26 I left university until I started with EnCana in 2003,</p> <p>27 so between the years of 1997 when I graduated and 2003.</p>	<p style="text-align: right;">8</p> <p>1 Q And were you at a specific consulting firm during that</p> <p>2 time?</p> <p>3 A Various, about three different companies.</p> <p>4 Q Okay. Who do you report to at Cenovus?</p> <p>5 A I report to Kendall Dilling, vice president of health</p> <p>6 safety environment regulatory.</p> <p>7 Q How many employees at Cenovus report to you?</p> <p>8 A About 45.</p> <p>9 Q And how many employees are on the Cenovus liability</p> <p>10 management team?</p> <p>11 A I believe there's seven or eight.</p> <p>12 Q Now, sir, because you're not a lawyer, I assume you</p> <p>13 don't provide legal advice at Cenovus on the</p> <p>14 interpretation of legislation or regulations.</p> <p>15 A I do not.</p> <p>16 Q And because you're not an accountant, I assume you also</p> <p>17 don't assist in preparing Cenovus's financial</p> <p>18 statements.</p> <p>19 A We provide information that gets included in those</p> <p>20 financial statements, but as far as crunching numbers,</p> <p>21 that is not -- that's not part of my -- my</p> <p>22 accountability.</p> <p>23 Q Right. Do you review the financial statements before</p> <p>24 they're audited?</p> <p>25 A I do not.</p> <p>26 Q And I assume you also don't approve of financial</p> <p>27 statements before they're audited.</p>

<p style="text-align: right;">9</p> <p>1 A No.</p> <p>2 Q Have you ever been in an executive position or director</p> <p>3 position within any Canadian oil and gas company?</p> <p>4 A No.</p> <p>5 Q Have you ever held an executive or director position</p> <p>6 with any Canadian oil and gas industry organization</p> <p>7 like the Canadian Association of Petroleum Producers?</p> <p>8 A No.</p> <p>9 Q Have you ever held a position within a regulator?</p> <p>10 A No.</p> <p>11 Q Any experience with corporate bankruptcy?</p> <p>12 A No.</p> <p>13 Q Any experience with the Bankruptcy Insolvency Act?</p> <p>14 A Not outside of my involvement in these matters.</p> <p>15 Q These matters you mean in swearing your affidavits?</p> <p>16 A Correct.</p> <p>17 Q In your July 14th affidavit, at paragraph 1, the second</p> <p>18 last sentence says (AS READ):</p> <p>19 I am authorized to swear this affidavit on</p> <p>20 behalf of Cenovus.</p> <p>21 Who at Cenovus authorized you to swear the affidavit?</p> <p>22 A That would be my -- my -- my vice president, so Kendall</p> <p>23 Dilling.</p> <p>24 Q Did he -- did he ask you to swear the affidavit?</p> <p>25 A He didn't ask me to in particular, but he is aware of</p> <p>26 these things.</p> <p>27 Q Was the idea for you to swear an affidavit, did it</p>	<p style="text-align: right;">10</p> <p>1 originate from him?</p> <p>2 A Yes.</p> <p>3 Q Now, Kendall Dilling, are you aware that he's on the</p> <p>4 board of the Orphan Well Association?</p> <p>5 A I am.</p> <p>6 Q And are you also aware whether he is an inspector of</p> <p>7 the Sequoia estate?</p> <p>8 A I am aware of that.</p> <p>9 Q Did you draft your affidavit or did somebody else draft</p> <p>10 it for you?</p> <p>11 MR. WATSON: Well, wait a minute. I can't</p> <p>12 see why that is particularly relevant, but I think</p> <p>13 we're all going to be well aware what the question --</p> <p>14 what the answer would be.</p> <p>15 (OBJECTION)</p> <p>16 MR. CHISWELL: Okay.</p> <p>17 MR. WATSON: It's going to involve lawyers,</p> <p>18 Paul, so ...</p> <p>19 Q MR. CHISWELL: Sir, in paragraph 4 of your</p> <p>20 affidavit sworn July 14th, you say you'll adopt the</p> <p>21 defined terms or the capitalized terms set forth in the</p> <p>22 statement of claim. So if I use those defined terms,</p> <p>23 you'll understand what I'm talking about?</p> <p>24 A Generally. I haven't read the statement of claim.</p> <p>25 Q Okay. Did you -- did you read -- I assume then you</p> <p>26 didn't read it before you swore your affidavit either.</p> <p>27 A No.</p>
<p style="text-align: right;">11</p> <p>1 Q Okay. Well, tell you what, I'll try to use those</p> <p>2 terms, and if you have any problems with them or you're</p> <p>3 not sure what they mean, just let me know.</p> <p>4 A Okay.</p> <p>5 Q Can you tell me maybe what you read before you swore</p> <p>6 your affidavits, what records you might have reviewed?</p> <p>7 A Yes, so I reviewed the Darby affidavit and -- and the</p> <p>8 other affidavits that were issued in July and August of</p> <p>9 this year.</p> <p>10 Q Okay. So you read the affidavit of Mr. Ron Laing and</p> <p>11 the --</p> <p>12 A Yes.</p> <p>13 Q -- affidavit of Mr. -- and I just spoke with this</p> <p>14 morning, so it shouldn't be a memory test for me, but</p> <p>15 Mr. Brannan.</p> <p>16 MR. WATSON: Brannan. Sorry, I'm just</p> <p>17 helping you out, Brannan.</p> <p>18 Q MR. CHISWELL: Yes, Brannan.</p> <p>19 A Yes, correct.</p> <p>20 Q Thanks. You'll have to -- you have to vocalize your</p> <p>21 answer for the court reporter to be able to write it</p> <p>22 down.</p> <p>23 Okay. So when you read Mr. Darby's affidavit, did</p> <p>24 you read the exhibits?</p> <p>25 A I did, and I will say I didn't read all of the exhibits</p> <p>26 word for word, but I'm aware of all the exhibits.</p> <p>27 Q Okay. Does that include the asset PSA?</p>	<p style="text-align: right;">12</p> <p>1 A No, that does not include the asset PSA.</p> <p>2 Q What about the share PSA, did you read that?</p> <p>3 A I did not.</p> <p>4 Q And the retained interest agreement?</p> <p>5 A I did not.</p> <p>6 Q You told me you didn't read the statement of claim, so</p> <p>7 I'm going to assume you didn't read the statement of</p> <p>8 defence either of Ms. Rose or the Perpetual Energy</p> <p>9 defendants. Is that fair?</p> <p>10 A I did read something -- an affidavit of Ms. Rose</p> <p>11 yesterday. I don't recall exactly the date of that,</p> <p>12 but I did read through it yesterday.</p> <p>13 Q Right, I'm talking about the statement of defence of</p> <p>14 Ms. Rose or of --</p> <p>15 A No, I did not, sorry.</p> <p>16 Q Okay, and so, sorry, you said you read yesterday an</p> <p>17 affidavit of Ms. Rose. Is that the October 2018</p> <p>18 affidavit of Ms. Rose?</p> <p>19 A I don't have the -- it was on my computer. I don't</p> <p>20 have the date exactly in front of me.</p> <p>21 Q Okay, and that was -- yesterday was the first time you</p> <p>22 had read that affidavit?</p> <p>23 A I'd read it previously. In preparing for today, I was</p> <p>24 just reviewing documents yesterday.</p> <p>25 Q Okay. Had you read the exhibits to that affidavit?</p> <p>26 A No.</p> <p>27 Q Did you read any transcripts of cross-examinations of</p>

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1 either Mr. Darby, Ms. Rose or Mr. Schweitzer?
 2 A I did not.
 3 Q Have you read any affidavit of Mr. Schweitzer?
 4 A No.
 5 Q Have you written -- have you read, pardon me, the
 6 written reasons of Justice Nixon dated January 13th,
 7 2020?
 8 A I have not.
 9 Q Have you read any sort of other documents other than I
 10 guess the affidavit of Mr. Darby and of Ms. Rose save
 11 their exhibits?
 12 A Other than the one -- the Ron Laing that we mentioned
 13 previously. Again, the ones that have been filed in
 14 August and -- and July of this year.
 15 Q Okay. So other than those -- you know, the affidavits
 16 by the -- by Mr. Laing and Mr. Brannan, and then those
 17 two affidavits except for the exhibits, you haven't
 18 read any other documents in the lawsuit?
 19 A No.
 20 Q Have you reviewed the Sequoia bankruptcy records?
 21 A I have not.
 22 Q Have you reviewed any of the trustee's records,
 23 including their reports?
 24 A No, I have not.
 25 Q Any records of Sequoia itself?
 26 A No.
 27 Q Who did you speak to in preparing your affidavit

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1 Q I assume that includes Mr. Darby -- Paul Darby.
 2 A Correct, correct.
 3 Q And have you spoken with any Sequoia representatives
 4 whether it be management or -- or, employees or
 5 directors?
 6 A No, I have not.
 7 Q Anybody at Perpetual?
 8 A No.
 9 Q At paragraph 29 of your July 14th affidavit --
 10 A Okay.
 11 Q -- the last three lines talk about various expertise
 12 that Cenovus would like to share with the court, and
 13 I'm just wondering of those categories, so, for
 14 example, acquisition, exploration, development,
 15 production, marketing and sale of energy products and
 16 risk benefit assessments, which of those do you have
 17 expertise in, or would you say that you're an expert
 18 in?
 19 A I wouldn't say I'm an expert in any of those things,
 20 but I do participate in some of those activities just
 21 given my environmental regulatory expertise.
 22 Q So which of the ones that you say you participate in
 23 but don't have expertise in -- or, not an expert in,
 24 let's say. That's probably a more fair question.
 25 A I wouldn't say I'm an expert in any of those
 26 particular activities, but I'm part of a team that
 27 helps execute that work, so I wouldn't -- I wouldn't

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1 outside your lawyers?
 2 A No one, just focused on -- on the lawyers and then
 3 again my superior Kendall Dilling.
 4 Q Did you speak to any other of the inspectors of the
 5 estate of Sequoia?
 6 A Sorry, I don't know -- what would be an example of
 7 other inspectors, sorry?
 8 Q Well, I mean you'd said you spoken with Mr. Dilling and
 9 that he was an inspector of the estate and --
 10 A Oh, okay. No, I have not.
 11 Q Did you speak with any of your staff within -- within
 12 your group at Cenovus outside of Mr. Dilling in
 13 preparing your affidavit?
 14 A No.
 15 Q So, for example, earlier we talked about the liability
 16 management team at Cenovus. Did you speak with any of
 17 them?
 18 A They're generally aware of the Sequoia matter as
 19 industry -- as an industry ongoing. Other than my
 20 presence and involvement here, they don't know any of
 21 the details.
 22 Q Right, but I'm wondering did you go and talk to them
 23 about it and ask them questions that might inform your
 24 -- your opinions in the affidavit?
 25 A No.
 26 Q Did you speak to anybody at PWC?
 27 A I have not.

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1 say I'm an expert in any one of those categories.
 2 Q Right, I appreciate you said that, but which one of
 3 these would you say you participate in, notwithstanding
 4 you're not an expert in it?
 5 A Yeah, I would say I participate in acquisition,
 6 exploration, development production, not so much on the
 7 marketing side.
 8 Q Okay. At paragraph 30 of the same affidavit, the July
 9 14th affidavit, you refer to Section 96 of the BIA. I
 10 assume you're not an expert on the Bankruptcy
 11 Insolvency Act.
 12 A I'm not.
 13 Q Have you read the Bankruptcy Insolvency Act?
 14 A I've not read the Act in its entirety, no.
 15 Q I assume then you're also not an expert on Section 96
 16 of the Bankruptcy Insolvency Act.
 17 A I'm not an expert.
 18 Q Have you read Section 96 of the Bankruptcy Insolvency
 19 Act?
 20 A I have.
 21 Q And you did that as part of swearing your affidavits?
 22 A Correct.
 23 Q At the last line of -- well, two last lines of
 24 paragraph 30 of your July 14th affidavit, you talk
 25 about the substantive purposes of the Bankruptcy
 26 Insolvency Act. Can you tell me sitting here today
 27 what the substantive purposes of the Bankruptcy

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1 Insolventcy Act are, or is that not something within
2 your level of expertise?
3 A That would be outside my area of expertise.
4 Q At paragraph 2 of your August 17th affidavit, it says
5 you incorporate -- adopt and incorporate certain
6 paragraphs from the affidavit of Ron Laing that was
7 filed August 12th.
8 A Correct.
9 Q And that includes paragraph -- well, I guess, why don't
10 you tell me what you mean by "adopt and incorporate."
11 A Just reviewing Mr. Laing's affidavit, the sections that
12 have not been struck apply to the regulatory regime in
13 Alberta primarily.
14 Q Okay. So you're talking about paragraphs 3 to 9 of his
15 affidavit sworn August 12th?
16 A Yes.
17 Q One of the paragraphs you say you adopt is paragraph 2
18 of his affidavit, and the second sentence of paragraph
19 2 of his affidavit, Mr. Laing's affidavit, says that he
20 adopts and incorporates paragraphs of the Darby
21 affidavit. Mr. Brannan this morning, his affidavit
22 said the same thing, and I asked him and -- if he had
23 incorporated those parts of Mr. Darby's affidavit as an
24 oversight. He didn't actually intend to adopt and
25 incorporate it as his evidence, Mr. Darby's evidence,
26 just because he was also incorporating Mr. Laing's
27 evidence. Is that the same for you that that's an

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1 oversight and you didn't mean to adopt Mr. Darby's
2 affidavit?
3 A Mr. Laing's affidavit adopts those things, so -- and I
4 adopt Mr. Laing, so it for me is an order of operations
5 thing.
6 Q Right. I appreciate that's how it would work, and I'm
7 wondering if you meant to do that or not.
8 A Yes.
9 Q Okay. One of the issues is paragraphs 14 to 18 of
10 Mr. Darby's affidavit talks about Mr. Darby's
11 experience and the underlying transactions at issue,
12 including what Mr. Darby calls the good year
13 presentation. Do you have any personal experience with
14 those matters?
15 A I do not.
16 Q So did you read the -- or, sorry, you told me you
17 didn't, for example, read all the documents in
18 Mr. Darby's affidavit, so how can you adopt what he
19 says then at paragraphs 14 to 18?
20 A I did, but through the Darby affidavit.
21 Q Right. So just to try to maybe summarize, you can tell
22 me if it's fair or not, you didn't experience anything
23 that Mr. Darby -- you don't have any personal
24 experience of what Mr. Darby says in his affidavit,
25 you've just read it?
26 A Correct.
27 Q Paragraph 9 of your July 14th affidavit -- pardon me.

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1 Before I go there, paragraph 8 talks about the
2 application to strike and for summary dismissal and you
3 called the BIA application. Have you read the BIA
4 application?
5 A I have not.
6 Q Have you read any of the affidavits filed in support of
7 the BIA application?
8 A I don't believe I have.
9 Q At paragraph 9 of your July 14, 2020, affidavit, you
10 say you understand Cenovus learned of the transactions
11 after they occurred. What's the basis of that
12 understanding?
13 A Sorry, the basis of my understanding I learned after
14 they occurred?
15 Q Correct. How did ...
16 A Sorry, I thought you were going to say something there.
17 Q No, my question is what's the basis for your
18 understanding?
19 A I understand from my involvement in this proceeding and
20 my research on informing myself to participate here
21 sort of learning about the transaction itself.
22 Q Okay. When did you first learn of the transactions?
23 A I don't actually have an exact date in my head, but it
24 would be sometime probably in early 2019.
25 Q Like January/February 2019?
26 A I wouldn't have an exact month in my head. Sort of a
27 general industry sort of understanding of -- of the

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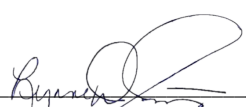
1 transaction.
2 Q Do you know when officers or directors of Cenovus would
3 have first learned of the transactions?
4 A No, I don't.
5 Q So when you say Cenovus learned of the transactions
6 after they occurred, you're just saying that's when you
7 learned of the transactions?
8 A Yeah, it's essentially after, yes, correct.
9 Q When you say "transactions," with an 'S,' what do you
10 understand that term to mean?
11 A Just there was multiple transactions.
12 Q Right. Which ones?
13 A The ones essentially that are outlined in the -- in the
14 Paul Darby affidavit.
15 Q Okay. So that includes the asset purchase and sale
16 agreement or the asset transaction?
17 A I -- as previously stated, I didn't review the PSA, but
18 Mr. Darby's characterization highlights multiple
19 transactions, so speaking more in a general term.
20 Q Okay. When you say "transactions," do you also mean
21 the share transaction?
22 A I'm not sure I could be that specific.
23 Q Okay, and, again, are you not able to be specific as to
24 whether the transactions, when you talk about
25 transactions, whether that includes the retained
26 interest agreement and the transaction that it -- that
27 went through relating to the retained interest

<p style="text-align: right;">21</p> <p>1 agreement?</p> <p>2 A Yeah, I don't know the specifics other than retained</p> <p>3 interest agreement is -- is highlighted in Mr. Darby's</p> <p>4 affidavit, so I'm aware of the term and -- and -- but I</p> <p>5 don't know the specifics of it.</p> <p>6 Q Is it fair to say you don't know the -- what each one</p> <p>7 of the individual transactions that make up the</p> <p>8 transactions, plural, did?</p> <p>9 A I'm generally aware of, from Mr. Darby's affidavit, the</p> <p>10 purpose of the transactions and the -- the</p> <p>11 representation of the good year asset restructuring I</p> <p>12 believe it's called, but I don't know the specifics of</p> <p>13 those transactions that you speak of.</p> <p>14 Q Okay. I appreciate you're generally aware that they</p> <p>15 exist, but, for example, can you tell me what the asset</p> <p>16 transaction did?</p> <p>17 A No, I cannot.</p> <p>18 Q Or could you tell me what the share transaction did?</p> <p>19 A Not specifically, no.</p> <p>20 Q Can you tell me what the retained interest agreement,</p> <p>21 once that transaction went through, what that did?</p> <p>22 A Not completely and specifically, no.</p> <p>23 Q At paragraph 11 of your affidavit from July 14th, you</p> <p>24 say (AS READ):</p> <p>25 Cenovus accepts and endorses the plaintiff's</p> <p>26 timeline of events as related to the impugned</p> <p>27 transactions.</p>	<p style="text-align: right;">22</p> <p>1 What -- which transactions do you mean by "impugned</p> <p>2 transactions"?</p> <p>3 A I am not -- I'm not -- I'm not -- impugned, I'm not</p> <p>4 aware of what that -- what transactions that</p> <p>5 specifically relates to other than this -- this subset</p> <p>6 of the whole.</p> <p>7 Q Okay. I'm also not sure which of the ones are the</p> <p>8 impugned ones unless it just means the same as the</p> <p>9 capital 'T' transactions, too.</p> <p>10 You're aware that the trustee is not trying to set</p> <p>11 aside any other transaction other than the asset</p> <p>12 transaction; correct?</p> <p>13 A Generally, yes.</p> <p>14 Q So do you think impugned transactions just means the</p> <p>15 asset transaction, or does it mean other transactions</p> <p>16 as well?</p> <p>17 A I'm unsure.</p> <p>18 Q Do you have any personal experience with the timeline</p> <p>19 of events as related to the impugned transactions</p> <p>20 outside of what you read in Mr. Darby's affidavit?</p> <p>21 A I do not have personal experience in that area, no.</p> <p>22 Q Paragraph 12 says (AS READ):</p> <p>23 Parties seeking to transfer oil and gas</p> <p>24 assets, as per the transactions, would</p> <p>25 typically require the approval of the AER.</p> <p>26 Do you know if one of the transaction or transactions</p> <p>27 transferred oil and gas assets, and if so, which ones?</p>
<p style="text-align: right;">23</p> <p>1 A Sorry, you're asking me which transaction transferred</p> <p>2 oil and gas assets?</p> <p>3 Q Correct.</p> <p>4 A Again, I'm speaking to them as a whole. It's the</p> <p>5 transfer of the good year assets. I'm not sure which</p> <p>6 specific transaction.</p> <p>7 Q Okay. When you say "would typically require the</p> <p>8 approval of the AER," you're not suggesting that any</p> <p>9 one of the transaction or the transactions as a whole</p> <p>10 actually required approval of the AER, are you?</p> <p>11 A Typically transaction licenses do require approval from</p> <p>12 the AER.</p> <p>13 Q Right, but you agree with me that the transactions --</p> <p>14 or, at least you'll agree with me that the asset</p> <p>15 transaction didn't require a transfer of licenses;</p> <p>16 correct?</p> <p>17 A Yes.</p> <p>18 Q You're agreeing with me?</p> <p>19 A Yes.</p> <p>20 Q And you agree with me that the share transaction didn't</p> <p>21 require a transfer of licenses; correct?</p> <p>22 A Not specific with respect to the details of the share</p> <p>23 transaction, so I can't speak to whether the AER should</p> <p>24 have been involved or not.</p> <p>25 Q Well, sir, you're involved with Cenovus's liability</p> <p>26 management team. You know that when a company sells</p> <p>27 its shares and that company is a licensee that the sale</p>	<p style="text-align: right;">24</p> <p>1 of those shares doesn't require AER approval; correct?</p> <p>2 A That is correct.</p> <p>3 Q Paragraph 13 you refer to the assignment of significant</p> <p>4 regulatory obligations to Sequoia, and then at</p> <p>5 paragraph 14 you talk about the transactions enabling</p> <p>6 PEOC to transfer and effectively avoid abandonment and</p> <p>7 reclamation obligations as well as municipal taxes. Is</p> <p>8 it your understanding of the transactions that they</p> <p>9 transferred abandonment and reclamation obligations and</p> <p>10 taxes from PEOC to Sequoia?</p> <p>11 A Sorry, can you rephrase the question?</p> <p>12 Q Yeah, at paragraph 13 --</p> <p>13 A Yes.</p> <p>14 Q -- you talk about the assignment of regulatory</p> <p>15 obligations to Sequoia.</p> <p>16 A Correct.</p> <p>17 Q Paragraph 14, you talk about PEOC transferring</p> <p>18 obligations and municipal taxes, so is it your</p> <p>19 understanding, sir, that the transactions were a</p> <p>20 transfer or an assignment of regulatory obligations and</p> <p>21 municipal property taxes from PEOC to Sequoia?</p> <p>22 A Yes.</p> <p>23 Q At paragraph 16, you say (AS READ):</p> <p>24 I understand that if the transaction ...</p> <p>25 singular, and that's not a defined term anywhere. So</p> <p>26 did you have a specific transaction in mind, or is that</p> <p>27 an error and you meant "transactions," plural?</p>

25

1 A I'm not sure if that is an oversight, but I would say
 2 it means plural.
 3 Q Okay. When you talk about in paragraph 16 the 200
 4 million cost -- approximate 200 million cost to abandon
 5 and reclaim the good year assets as estimated by the
 6 trustee, you're just relying on Paul Darby's affidavit
 7 for that estimate. Is that fair?
 8 A Correct.
 9 Q And is that the same for paragraph 19, when you talk
 10 about the 200 million in paragraph 19? You're relying
 11 on Paul Darby's affidavit for that number?
 12 A Yes.
 13 Q And I'm assuming, because you told me you didn't
 14 consult with your management liability team at Cenovus,
 15 that they didn't manually calculate the ARO of the good
 16 year assets. You're just relying on Paul Darby's
 17 estimate; correct?
 18 A Correct. Correct.
 19 Q And I'm assuming, because you told me that you can't
 20 calculate or you don't calculate ARO, that you didn't
 21 do your own independent assessment of the ARO of the
 22 good year assets; correct?
 23 A I did not.
 24 Q MR. CHISWELL: Okay. Let's take a five or
 25 ten-minute break, and I'll go through my questions and
 26 see if I have much remaining.
 27 (ADJOURNMENT)

27

1 (WHICH WAS ALL THE EVIDENCE TAKEN AT 2:54 PM)
 2 _____
 3 CERTIFICATE OF TRANSCRIPT:
 4
 5 I, L. D. Stevenson, certify that the foregoing
 6 pages are a complete and accurate transcript of the
 7 Proceedings conducted in accordance with the Alberta
 8 Protocol for Remote Questioning, taken down by me in
 9 shorthand and transcribed from my shorthand notes to
 10 the best of my skill and ability.
 11 Dated at the City of Calgary, Province of Alberta,
 12 this 17th day of September, 2020.
 13
 14
 15 
 16 _____
 17 L. D. Stevenson, CSR(A)
 18 Official Court Reporter
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26

1 Q MR. CHISWELL: At paragraph 7 of your August
 2 17 affidavit, you refer to Cenovus's 2019 Consolidated
 3 Financial Statements. Do you have that in front of
 4 you?
 5 A There is a copy here, yes.
 6 Q So you recognize the document in front of you as being
 7 Cenovus's 2019 Consolidated Financial Statements?
 8 A Yes, correct.
 9 MR. WATSON: Just for the record, Paul, I'm
 10 simply showing him what you sent us.
 11 Q MR. CHISWELL: Right, so it's 56-page
 12 document that says Cenovus Energy Inc. Consolidated
 13 Financial Statements for the year ended December 31st,
 14 2019?
 15 A Yes, correct.
 16 Q And you recognize that as being, in fact, Cenovus's
 17 financial statements for the fiscal yearend December
 18 31st, 2019?
 19 A Yes.
 20 Q I'd like to mark that as an exhibit.
 21 MR. WATSON: All right.
 22 EXHIBIT 1 - 56-page document entitled Cenovus
 23 Energy Inc. Consolidated Financial Statements
 24 for the year ended December 31st, 2019
 25 MR. CHISWELL: And that concludes my
 26 questions for today.
 27 MR. WATSON: Okay. Thank you.

28

1 EXHIBITS ENTERED IN THE QUESTIONING OF
 2 ANTONIO VICTOR GRANT JACKSON
 3 SEPTEMBER 16, 2020
 4
 5 PAGE NUMBER:
 6
 7 EXHIBIT 1 - 56-page document entitled 26
 8 Cenovus Energy Inc. Consolidated Financial
 9 Statements for the year ended December
 10 31st, 2019
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1 OBJECTIONS ENTERED IN THE QUESTIONING OF
2 ANTONIO VICTOR GRANT JACKSON
3 SEPTEMBER 16, 2020
4

5 PAGE NUMBER:
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7 OBJECTION 10
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