

COURT FILE NUMBER 1601-11708

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

**IN THE MATTER OF THE COMPANIES'
CREDITORS ARRANGEMENT ACT, RSC 1985, c C-
36, as amended**

**AND IN THE MATTER OF A PLAN OF
ARRANGEMENT OF QUATTRO EXPLORATION
AND PRODUCTION LTD.**

DOCUMENT **SUPPLEMENTAL AFFIDAVIT**

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
PARTY FILING THIS
DOCUMENT

BLAKE, CASSELS & GRAYDON LLP
Barristers and Solicitors
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Client File No.: 87882/1

SUPPLEMENTAL AFFIDAVIT OF LEONARD B. VAN BETUW

Sworn on September 29, 2016

I, LEONARD B. VAN BETUW, of Calgary, Alberta, SWEAR AND SAY THAT:

1. I am the President and Chief Executive Officer, as well as a Director and the Chairman of the Board of Directors, of Quattro Exploration and Production Ltd. ("**Quattro**"). As such, I have personal knowledge of the matters hereinafter deposed to, except where stated to be based on information and belief, in which case I verily believe the same to be true.

2. I swore an Affidavit in this action on September 27, 2016 (the "**Second Van Betuw Affidavit**"). Where capitalized terms are not defined in this Affidavit, they shall have the meanings ascribed to them in the Second Van Betuw Affidavit.
3. I make this supplemental affidavit (the "**Supplemental Affidavit**") as a supplement to the Second Van Betuw Affidavit in order to provide a revised form of the cash flow statement (the "**Revised Cash Flow Statement**") that was attached as Exhibit "A" to the Second Van Betuw Affidavit.
4. All references to dollar amounts contained herein are to Canadian Dollars unless otherwise stated.

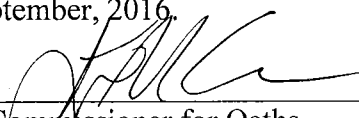
I. REVISED CASH FLOW DURING STAY EXTENTION PERIOD

5. Quattro in conjunction with the Monitor has prepared the Revised Cash Flow Statement covering the Stay Extension Period. Attached hereto and marked as Exhibit "A" is a copy of the Revised Cash Flow Statement.
6. It is my understanding that Quattro will have sufficient cash flow to fund its operations during the Stay Extension Period.

II. CONCLUSION

7. I swear this Supplemental Affidavit in support of an Application for the relief set out in paragraph 4 of the Second Van Betuw Affidavit.

SWORN (OR AFFIRMED) BEFORE ME)
 at Calgary, Alberta this 29th day of)
 September, 2016.)



 _____)
 A Commissioner for Oaths)
 in and for Alberta)

Justin M. McCrae
 Student-at-Law


 _____)
 LEONARD B. VAN BETUW)

Quattro Exploration and Production Ltd
 Cash Flow Forecast
 Prepared September 27th, 2016 For the 14 weeks ended December 31st, 2016
 (Unaudited - prepared by management)

	Week of 26-Sep-16	Week of 3-Oct-16	Week of 10-Oct-16	Week of 17-Oct-16	Week of 24-Oct-16	Week of 31-Oct-16	Week of 7-Nov-16	Week of 14-Nov-16	Week of 21-Nov-16	Week of 28-Nov-16	Week of 5-Dec-16	Total (forecast)
Receipts												
Production revenues	552,796	47,600	-	-	688,435	-	-	-	818,952	-	-	2,070,183
Miscellaneous	-	47,600	-	-	688,435	-	-	-	818,952	-	-	47,600
Disbursements												
Royalties	-	-	(25,000)	-	-	(28,800)	-	-	-	-	-	(56,800)
OPEX	(139,722)	(147,015)	(147,015)	(147,015)	(147,015)	(147,015)	(122,194)	(122,194)	(122,194)	(122,194)	(122,194)	(1,485,769)
Transportation	(18,258)	(19,890)	(19,890)	(19,890)	(19,890)	(19,890)	(25,452)	(25,452)	(25,452)	(25,452)	(25,452)	(244,959)
G&A	(230,000)	-	-	-	-	(230,000)	-	-	-	(230,000)	-	(690,000)
Restructuring	(75,000)	-	-	-	-	(100,000)	-	-	-	(100,000)	-	(275,000)
	(462,980)	(166,905)	(194,905)	(166,905)	(166,905)	(495,905)	(147,846)	(176,446)	(147,846)	(477,646)	(147,846)	(2,152,539)
Investing												
DIP Financing - tranche 1	-	-	230,000	250,000	-	-	150,000	200,000	-	-	-	630,000
DIP Financing - tranche 2	-	(87,500)	-	-	-	-	-	-	-	-	-	(87,500)
Capital expenditures	-	-	-	-	-	-	-	-	-	-	-	-
Sale of assets	-	(87,500)	230,000	250,000	-	-	150,000	200,000	-	-	-	742,500
Financing												
Interest payments	-	-	(64,798)	-	-	-	-	(64,798)	-	-	-	(129,596)
	-	-	(64,798)	-	-	-	-	(64,798)	-	-	-	(129,596)
Cash - beginning	173,668	273,684	66,879	37,175	120,269	641,799	144,894	147,248	106,004	777,310	299,664	173,668
Cash - closing	273,684	66,879	37,175	120,269	641,799	144,894	147,248	106,004	777,310	299,664	152,018	152,018

QUATTRO EXPLORATION AND PRODUCTION LTD.

 Per: Leonard Van Betuw
 President & CEO

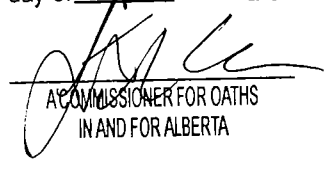
September 27th, 2016
 Calgary, Alberta

QUATTRO EXPLORATION AND PRODUCTION LTD.

General Assumptions:

- Revenue is derived principally from the production and sale of oil and gas products and assumes the continuation of recent pricing and volume levels while also incorporating the benefits from scheduled workover
- Production and operating expenses include but are not limited to transportation, utilities, field operators, trucking and property taxes and are based on recent expenditure level
- General and operating expenses include but are not limited to salaries, benefits, consultants, insurance, telephone and rent
- Restructuring costs relate to fees and expenses of the company's legal counsel, BDC's legal counsel, the Monitor and the Monitor's legal counsel
- Capital expenditures relate to capital maintenance projects designed to maintain and increase current oil and gas production level
- It is assumed that the company will secure interim financing from its principal lender
- Interest payments to the company's secured lender will continue to be made in the ordinary course

THIS IS EXHIBIT " A "
 referred to in the Affidavit of
Leonard B Van Betuw
 Sworn before me this 29th
 day of Sept A.D. 2016


 A COMMISSIONER FOR OATHS
 IN AND FOR ALBERTA

Justin M. McCrae
 Student-at-Law