

COURT FILE NUMBER 2501-09028

COURT COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

IN THE MATTER OF THE RECEIVERSHIP OF
CLEO ENERGY CORP.

APPLICANT UCAPITAL – ULOAN SOLUTIONS INC.

RESPONDENT CLEO ENERGY CORP.

DOCUMENT **AFFIDAVIT**

ADDRESS FOR
SERVICE AND
CONTACT
INFORMATION OF
PARTY FILING THIS
DOCUMENT

Alberta Justice, Legal Services Division
Suite 1710, 639 – 5th Avenue SW
Calgary, Alberta T2P 0M9

Attention: Melissa N. Burkett
Telephone: (403) 297-2001
Facsimile: (403) 662-3824
Email: melissa.burkett@gov.ab.ca



AFFIDAVIT OF TRACY WADSON

Sworn on October 22, 2025

I, Tracy Wadson, of the City of Edmonton, in the Province of Alberta, MAKE OATH AND SWEAR THAT:

1. I am the Executive Director, Royalty Operations, with the Government of Alberta, Department of Energy and Minerals. I have personal knowledge of the facts and matters in this Affidavit, except those made on information and belief, in which case I believe them to be true.
2. In my role as Executive Director, Royalty Operations, I am responsible for management of the leasing of Alberta Crown petroleum and natural gas (“**Crown PNG**”) mineral rights, including administration of the rental and royalty collection processes for Alberta Crown mineral leases.

Public Offering of PNG rights

3. The Crown in right of Alberta (the “**Alberta Crown**”) owns 81% of the province’s mineral rights. The Minister of Energy and Minerals (through the Alberta Department of Energy

and Minerals (“**Alberta Energy**”)) administers, manages, and regulates these resources on behalf of the citizens of the Province.

4. The Alberta Crown no longer develops its own petroleum and natural gas (“**PNG**”) minerals. Instead, industry develops public PNG minerals.

5. The Alberta Crown offers its Crown PNG mineral rights primarily through public offering: industry can bid for Crown PNG mineral rights. Alberta Energy issues a PNG Lease (a “**Mineral Lease**”) to the successful bidder.

6. A Mineral Lease grants the lessee the right to drill for, and recover, Crown PNG within the leased area. However, a Mineral Lease does not grant mineral ownership to the lessee; the Alberta Crown remains the owner of the Crown PNG. A sample Mineral Lease is attached as **Exhibit “A”**.

Crown Liabilities

7. Crown PNG minerals are publicly owned and, therefore, the lessee must pay for each unit produced, whether oil or natural gas. This payment is called a “royalty”. A royalty is not a tax; it is a payment to the public for the use of its minerals.

8. Mineral Leases for Crown PNG minerals identify two lessee obligations to the Alberta Crown (“**Crown Liabilities**”):

- (a) An ongoing obligation to pay royalties to the Alberta Crown for all minerals produced; and
- (b) an ongoing obligation to pay rent for the right to win, work and recover minerals on Alberta Crown land.

Collection of Crown Liabilities in Insolvency Proceedings

9. The use of Crown PNG minerals is regulated by the *Mines and Minerals Act*, RSA 2000, c M-17 (the “**Act**”). Under s. 20 of the Act, all lessees are jointly and severally liable for the debts accrued under a Mineral Lease. If multiple lessees are listed alongside an insolvent lessee, Alberta Energy can collect the Crown Liabilities from solvent co-lessees.

10. In response to unpaid royalties, Alberta Energy sends a leaseholder default letter (“**Default Letter**”) that outlines the remedies and actions that it may pursue against a delinquent lessee. A sample of Alberta Energy’s standard Default Letter is attached as **Exhibit “B”**.

11. A separate but similar process and letter exists for rental arrears.

12. Alberta Energy does not pursue remedial action against assets protected by an insolvency stay of proceedings, specifically, the insolvent’s lease interest.

13. If, the insolvent lessee holds a 100% lease interest, the stay of proceedings prevents any remedial action. In this circumstance, Alberta Energy awaits completion of a sale transaction (usually an asset sale of the insolvent's Mineral Leases).
14. Upon sale of an insolvent's Mineral Leases (in an asset sale, not a share purchase arrangement), the receiver or trustee requests that Alberta Energy transfer those Mineral Leases to the name of the purchaser.
15. Under s. 18(2) of the Act, and, in particular, s. 5(1)(g) of the *Crown Minerals Registration Regulation*, AR 264/1997 (the "**Regulation**"), the Minister (through Alberta Energy) is authorized to refuse the transfer of a Crown agreement.
16. Alberta Energy requires payment of cure costs (i.e., the Crown Liabilities - the monetary defaults under the Mineral Lease) before it will transfer Mineral Leases to the purchaser (the "**Transfer Requirement**").
17. Alberta Energy routinely enforces the Transfer Requirement in insolvency asset transactions and, based on my experience, both industry and receivers/trustees are aware of the Transfer Requirement.
18. For example, the following information is publicly available:

- | | | |
|--|---|--------------------|
| a. Guide for Transfers | It is the transferor's responsibility to disclose [outstanding agreement debts] to any potential buyer since <u>any debts associated with the agreement are transferred along with agreement ownership.</u>

... the agreement <u>must be in good standing</u> for a [transfer] to proceed. | Exhibit "C" |
| b. Indebtedness Guide | If a company is in debt to the Crown, [Energy] may... [remove] a company's ability to transfer an agreement. | Exhibit "D" |
| c. IL 2024-32: Obligations of Receiver to Crown during Insolvencies | [Energy] will process agreement transfer requests only when agreements are in good standing... [Energy] requires full payment of any rental, royalty, and debt obligations prior to approving transfer of mineral agreements. | Exhibit "E" |
| d. IL 2024-11: ETS Permission Suspension for Leaseholder Debt | Remedies [for Crown Liabilities] may include... the suspension of a company's ability to... transfer mineral agreements. | Exhibit "F" |

Assumption of Cure Costs

19. In my experience, the Transfer Requirement is often reflected in the terms of asset purchase transactions which, following approval from the Court, are submitted to Alberta Energy for review and transfer upon payment of Crown Liabilities.

20. The Revitalize Energy Inc. receivership is a recent example where a Sale Approval and Vesting Order was granted transferring the debtor's assets to the purchaser (the "**Baytex SAVO**"). A Mineral Lease was one of the assets transferred. Under the asset purchase agreement approved by the Court (the "**Baytex APA**"), the Crown Liabilities (including cure costs) were transferred to the purchaser. Excerpts of the Baytex SAVO and the redacted Baytex APA are attached as **Exhibits "G" and "H"**.

21. In my experience, both the Baytex SAVO and the Baytex APA employed the standard approach to addressing Crown Liabilities.

22. In the Alhabow Energy Ltd. ("**Alhabow**") insolvency, the Court approved a reverse vesting order for the purchase of all of Alhabow's outstanding shares. That reverse vesting order did not assign Crown Liabilities to "ResidualCo." for settlement by the transaction proceeds, which would effectively extinguish those Crown Liabilities. Instead, Alhabow retains responsibility for Crown Liabilities under the retained Mineral Leases, with specific inclusion of cure costs.

23. Excerpts of the redacted Alhabow Subscription Agreement and the Alhabow RVO are attached as **Exhibits "I" and "J"**.

Alberta Energy's concerns regarding the proposed CLEO Energy transaction

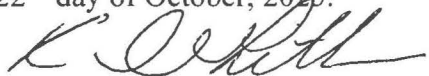
24. To date, CLEO Energy Ltd.'s ("**CLEO Energy**") Crown Liabilities total \$240,000.00. This consists of \$170,000.00 in royalties and \$70,000 in unpaid rental payments, all of which derive from CLEO's Mineral Leases.

25. It is my understanding that \$150,000 of the Crown Liabilities consists of pre-filing debt (i.e., pre-receivership). I am advised by Emmett Larsen, solicitor with the Alberta Justice Energy Law Team, and do believe, that the Receiver has confirmed that the Purchaser or the Receiver will pay the post-filing Crown Liabilities in the amount of \$90,000.00.

26. I have reviewed the share purchase agreement ("**CLEO SPA**") transaction and reverse vesting order ("**CLEO RVO**") proposed in this receivership and note that, as structured, the transaction vests pre-receivership Crown Liabilities in "ResidualCo.", while Mineral Leases remains in the name of CLEO Energy. The CLEO RVO allows CLEO Energy to retain its Mineral Leases without satisfying its accrued pre-receivership Crown Liabilities.

27. Because of this proposed arrangement, Alberta Energy is unable to use the Transfer Requirement to enforce its entitlement to the pre-existing Crown Liabilities. However, CLEO Energy will continue to hold the Mineral Leases and benefit from the publicly owned Crown PNG minerals without satisfying the cure costs.
28. Alberta Energy has no information about the entity that is proposed to purchase CLEO Energy's shares. Without detailed information regarding the purchaser of CLEO Energy, Alberta Energy cannot assess the likelihood of future financial trouble (i.e., does the purchaser have sufficient productive assets or balances to mitigate risk from assuming CLEO Energy's assets?)
29. Alberta Energy is concerned that this new entity will accumulate further Crown Liabilities and then subsequently be placed into receivership. Alberta Energy is aware of a recent RVO transaction in which the successor entity was placed into receivership within six months.
30. Alberta Energy wants to avoid situations which simultaneously undermine the public's resources and wealth while allowing companies to benefit from public resources without fulfilling their obligations.
31. I make this Affidavit in opposition to the application for the Reverse Vesting Order in the form proposed.

SWORN BEFORE ME at the City of
Edmonton, in the Province of Alberta,
this 22nd day of October, 2025.



A Commissioner of Oaths in and for
the Province of Alberta

Kenneth M. Whitelaw
Barrister and Solicitor, Notary Public and
A Commissioner for Oaths in and for Alberta

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) 
) **Tracy Wadson**
)

This is Exhibit "A"
referred to in the Affidavit of Tracy Wadson
Sworn before me this 22nd day of October, 2025



A Commissioner of Oaths
in and for the Province of Alberta

Kenneth M. Whitelaw
Barrister and Solicitor, Notary Public and
A Commissioner for Oaths in and for Alberta



PETROLEUM AND NATURAL GAS LEASE

NO.

Term Commencement Date:

Lessee:

WHEREAS His Majesty is the owner of the minerals in respect of which rights are granted under this Lease;

THEREFORE, subject to the terms and conditions of this Lease, His Majesty grants to the Lessee, insofar as His Majesty has the right to grant the same, the exclusive right to drill for and recover the Leased Substances within the Location, together with the right to remove from the Location any Leased Substances recovered, for the term of five years computed from the Term Commencement Date and, subject to the *Mines and Minerals Act*, for so long after the expiration of that term as this Lease is permitted to continue under that Act.

RESERVING AND PAYING to His Majesty,

- (a) in respect of each year during which this Lease remains in effect, a clear yearly rental computed at the rate prescribed by, and payable in accordance with, the *Mines and Minerals Act*, and
 - (b) the royalty on all Leased Substances recovered pursuant to this Lease, that is now or may hereafter from time to time be prescribed by, and that is payable in accordance with, the *Mines and Minerals Act*, such royalty to be calculated free of any deductions except those that are permitted under the *Mines and Minerals Act*.
- 1(1) In this Lease, a reference to the *Mines and Minerals Act* or to any other Act of the Legislature of Alberta referred to in section 2(2)(b) of this Lease shall be construed as a reference to
- (a) that Act, as amended from time to time,
 - (b) any replacement of all or part of that Act from time to time enacted by the Legislature, as amended from time to time, and
 - (c) any regulations, orders, directives or other subordinate legislation from time to time made under any enactment referred to in clause (a) or (b), as amended from time to time.
- (2) In this Lease,
- (a) "His Majesty" means His Majesty in right of Alberta, as represented by the Minister of Energy of the Province of Alberta;
 - (b) "Leased Substances" means the minerals described under the heading "Description of Location and Leased Substances" in the Appendix to this Lease;
 - (c) "Location" means the subsurface area or areas underlying the surface area of the Tract and described in the Appendix to this Lease under the heading "Description of Location and Leased Substances";

- (d) "Oil Sands Area" means an oil sands deposit designated by the Alberta Energy and Utilities Board under section 7 of the *Oil Sands Conservation Act*, c. O-5.5;
- (e) "Term Commencement Date" means the date shown on the first page of this Lease as the Term Commencement Date;
- (f) "Tract" means the tract or tracts of land described under the heading "Description of Location and Leased Substances" in the Appendix to this Lease.

2. This Lease is granted upon the following conditions:

- (1) The Lessee shall pay to His Majesty the rental and royalty reserved under this Lease.
- (2) The Lessee shall comply with the provisions of
 - (a) the *Mines and Minerals Act*, and
 - (b) any other Acts of the Legislature of Alberta that prescribe, apply to or affect the rights and obligations of a lessee of petroleum and natural gas rights that are the property of His Majesty, or that relate to, apply to or affect the Lessee in the conduct of its operations or activities under this Lease.
- (3) The provisions of the Acts referred to in subsection (2) of this section are deemed to be incorporated in this Lease.
- (4) In the event of conflict between a provision of this Lease and a provision referred to in subsection (2) of this section, the latter provision prevails.
- (5) The Lessee shall not claim or purport to exercise any rights, prerogatives, privileges or immunities that would otherwise exempt the Lessee from compliance with any of the provisions of the *Mines and Minerals Act* or of any other Act of the Legislature of Alberta referred to in subsection (2)(b) of this section.
- (6) Natural gas produced pursuant to this Lease shall be used within Alberta unless the consent of the Lieutenant Governor in Council to its use elsewhere is previously obtained.
- (7) The Lessee shall keep His Majesty indemnified against
 - (a) all actions, claims and demands brought or made against His Majesty by reason of anything done or omitted to be done, whether negligently or otherwise, by the Lessee or any other person in the exercise or purported exercise of the rights granted and duties imposed under this Lease, and
 - (b) all losses, damages, costs, charges and expenses that His Majesty sustains or incurs in connection with any action, claim or demand referred to in clause (a).

- (8) The use in this Lease of the word "Lessee", "Lease", "Leased Substances" or "rental," or of any other word or expression,
 - (a) does not create any implied covenant or implied liability on the part of His Majesty, and
 - (b) does not create the relationship of landlord and tenant between His Majesty and the Lessee for any purpose.
- (9) This Lease is also subject to the special provisions, if any, contained in the Appendix to this Lease.

- 5 -

APPENDIX

TO

PETROLEUM AND NATURAL GAS LEASE NO.

TERM COMMENCEMENT DATE:

AGGREGATE AREA:

DESCRIPTION OF LOCATION AND LEASED SUBSTANCES:

PETROLEUM AND NATURAL GAS

SPECIAL PROVISIONS:

NIL

This is Exhibit "B"
referred to in the Affidavit of Tracy Wadson
Sworn before me this 22nd day of October, 2025



A Commissioner of Oaths
in and for the Province of Alberta

Kenneth M. Whitelaw
Barrister and Solicitor, Notary Public and
A Commissioner for Oaths in and for Alberta



EO/Royalty Operations Branch
 7th Floor, North Petroleum Plaza
 9945 – 108 Street
 Edmonton, Alberta T5K 2G6
 Canada
 Telephone: 780-427-8050
www.alberta.ca

Insert date

File No: Company name.
 BA ID, G94 Account

Insert to whom the letter is for
 Company name
 Company address

Gas Royalty Arrears: Leaseholder Default Letter

To date, **[company name]**'s Gas Royalty Account G94 **[account number]** has an outstanding balance of **[\$[amount due]]**, including interest calculated to **[due date]**. Despite our requests to have the account brought to current status, the account remains in arrears. If an agreement's royalty obligations remain unsatisfied, the Crown may pursue all available recourse to remedy these arrears.

This recourse includes pursuing payment from all current leaseholders.

I. Notice of Default

This letter constitutes notice of default under MMA¹ section 45(2). Alberta Energy and Minerals (Alberta Energy) requires full payment of the arrears within 30 days of the date of this letter. If payment is not made Alberta Energy may, without further notice, cancel Petroleum and Natural Gas Mineral agreements associated with this debt.

II. Remedies – Potential Crown Action

All lessees are jointly responsible for the full amount of this royalty debt, regardless of their proportion of interest in a lease.² Full payment is required or Alberta Energy may pursue remedies against your company until the debt is satisfied, including but not limited to:

1. Refusing to issue new agreements.
2. Cancellation of affected leases.
3. Set-off of arrears against credits owing to the company from the Crown.
4. Suspension of electronic transfer systems privileges, including:
 - (a) posting lands for sale;
 - (b) bidding on lands posted for sale;
 - (c) registration of mineral agreement transfers; and

¹ *Mines and Minerals Act*, RSA 2000, c M-17 [MMA].

² MMA, s 20(2.1).

- (d) requests to obtain search products.

In connection with the above remedies, we reference the following statutory authority.

MMA, s 18(2)	The Minister may refuse to issue an agreement to a person who is indebted to the Crown.
MMA, s 20(2.1)	Where 2 or more parties are recorded as lessees to an agreement, all co-lessees are responsible for its obligations and liabilities.
CMRR,³ s 5(1)(g)	The Minister may refuse to register lease transfers to or from persons owing money to the Crown.
MMA, s 45	The Minister may cancel an agreement if there is a breach of any condition in the agreement.
MMA, s 46(4)	The Minister may recover any debt owed to the Crown by way of set-off.

Payment is required in full on each lease, including accrued interest, by **[due date]**. Liability is not apportioned by leaseholder responsibility. Each lessee is responsible for the full amount accrued under a lease, and lessees must resolve severality of arrears among themselves. Partial payment will not prevent further collections action.

III. Remedial Exception: Insolvency Proceedings & Vested Assets

Alberta Energy will not act in a manner contravening a court order or proceeding, where:

- (1) An insolvent co-lessee is subject to insolvency proceedings, protected by a stay of proceedings; or
- (2) A party has obtained an interest in an agreement via court order discharging their liability for these debts.

The insolvency of one lessee under an agreement does not absolve any co-lessees of their joint and several responsibilities for agreement arrears arising prior to the co-lessee's insolvency. Co-lessees must prove they are no longer responsible for prior arrears by providing documents absolving them of the liability. Documents must specify both the agreements and the parties who are absolved from liability. Absolution of one co-lessee does not absolve any others, except as expressly stated in a court order.

IV. Royalty Regime – Statutory Authority

Alberta Energy relies on the following sections of the NGRR 2017⁴ in pursuing the arrears:

NGRR 2017, s 37(2):	Interest is payable to the Crown on a royalty under an agreement from the due date to the actual date of payment.
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³ Crown Minerals Registration Regulation, AR 264/1997 [CMRR].

⁴ Natural Gas Royalty Regulation, 2017, A.R. 221/2008 [NGRR 2017]

**NGRR 2017, s
37(4)(c)**

Rate of interest is the regular prime rate plus 1%.

**NGRR 2017, s
2**

Establishes that lessees are ultimately liable for paying royalty to the Crown.

Please make the payment necessary to eliminate this debt.

If payment has been made, please contact us to ensure your payment has been correctly allocated to your gas royalty account and any agreements associated with the outstanding amount.

If you have any questions, you can contact us at:
Energy.GasRoyaltyCollections@gov.ab.ca

Sincerely,

[Analyst name],
Gas Royalty Collections

cc:
(Insert affected leaseholder's company names)

This is Exhibit "C"
referred to in the Affidavit of Tracy Wadson
Sworn before me this 22nd day of October, 2025



A Commissioner of Oaths
in and for the Province of Alberta

Kenneth M. Whitelaw
Barrister and Solicitor, Notary Public and
A Commissioner for Oaths in and for Alberta

Guide for Transfers

This general guide has been created to outline the responsibilities and the various options available to Alberta's Petroleum and Natural Gas (PNG), Oil Sands and Coal and Mineral Development and Geothermal Industry as it pertains to the transfer of ownership of a mineral agreement between Alberta registered companies.

This includes full transfers of ownership, partial location transfers, divisions and consolidations of mineral agreements contemplated under section 12 of the [Mines and Minerals Administration Regulation \(MMAR\)](#).

Types of Transfers

Full ownership transfer – Where an Alberta Registered Company (the transferor) transfers 100% of its interest in a mineral agreement to one or more other Alberta Registered companies (the Transferee). These transfers include:

- Prorate Transferor and Transferee Percentage
- Set Transferor and Transferee Percentage
- Variable Transferor and Transferee Percentage
- Designated Representative Change Only

Partial Land Transfer – Where some land in an existing Mineral Agreement is transferred as directed by the transferor to a resulting new agreement held by a Transferee who is another Alberta Registered company.

Division– Where a Transferor who holds an Alberta Registered company chooses to divide an existing Mineral Agreement and all

agreements (original and new) remain the property of the same company.

Consolidation of Agreements – Where two or more PNG mineral agreements, that meet the distancing criteria of no more than one intervening section, are consolidated into one agreement.

Nonresponsive Designated Representative - occurs when the current designated representative of an agreement is deemed nonresponsive in accordance with section 20(5) of the *Mines and Minerals Act* and may be replaced by a new representative. For further details please refer to [Information Letter 2021-44](#).

How to submit a Transfer:

Requests to divide or consolidate agreements or request a Nonresponsive Designated Representative change must be submitted to Alberta Energy via letter. For specifics related to the change of a nonresponsive designated representative, please refer to [IB 2022-01](#).

All other transfer requests must be submitted through the [Electronic Transfer System](#) (ETS) for review by Alberta Energy. If your company does not have ETS permission's it requires to submit a transfer, contact Crown Land Data at 780-644-2300 or email CrownLandDataSupport@gov.ab.ca to submit a request to have your permissions updated.

Cost:

As per the Schedule in the MMAR, there is a \$625 fee for a partial land transfer or division and a \$25 fee for the transfer of a Soldier Settlement Agreement. There is no charge for the registration of a standard transfer with Alberta Energy.

Please note that the fee will be billed to the appropriate agreement once the transfer is completed.

Processing Times:

Standard Ownership Transfers:

Once all parties to a transfer have concurred with the transfer, and barring any administrative issues surrounding the proposed transfer, it will be registered within 48 hours.

Administrative examples that may prolong the response time are:

- The agreement falls within the Canadian Forces base and a fully executed Surface Access Agreement is required prior to transfer completion.
- One of the companies is tied to a Bankruptcy/Receivership or Credit Protection action by the Court of Alberta.

Part Land Transfers

Partial Land Transfers are processed within 3 months.

Nonresponsive Designated Representative change requests are processed within two weeks.

These timelines may be extended due to complexity of the requests.

Other Considerations:

Alberta Energy cannot accept a partial transfer, division or a consolidation of any agreements in their initial term as outlined in section 12(4) of the MMAR.

Alberta Energy does not transfer specific zonal rights from one company to another. The transfer must be for lands and include all zones associated with those lands.

Alberta Energy in accordance with Section 9(1) of the MMAR may refuse to issue an agreement if any of the lessees would hold less than a 1% undivided interest in the agreement.

In some circumstances, full ownership transfers are processed automatically following an electronic screening. This electronic screening does not include a review of outstanding rentals or other debts associated with a mineral agreement. **It is the transferor's responsibility to disclose this information to any potential buyer since any debts associated with the agreement are transferred along with agreement ownership.**

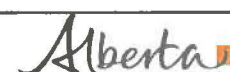
All rentals must be paid and the agreement must be in good standing for a Partial Land Transfer, Division, Consolidation or a Nonresponsive Designated Representative change to proceed.

All builders' liens or security notices that are registered against an agreement are transferred with the agreement. Therefore, it is the responsibility of the companies to work together to have any encumbrances discharged (if required) prior to requesting a transfer.

The transfer of any agreement that resides within a Canadian Forces Base within the Province of Alberta requires the full execution of a Surface Access Agreement with the Base Commander and your company. If this is not in place, Alberta Energy may reject your transfer. The transfer will need to be re-submitted at a later date and Alberta Energy advised that the proper Surface Access Agreement has been obtained and registered in our records.

General Information

Alberta Energy has created training modules to assist companies requesting a transfer through Alberta Energy.



The modules can be accessed at: [on-line training](#).

Alberta Energy Tenure Operation also provides a help desk that can be accessed between 8:15 AM and 4:30 PM Monday-Friday at 780-644-2300 or by email at transfers.energy@gov.ab.ca for any questions that you may have.

Alberta Energy is obligated under the Excise Tax Act to charge GST on all new agreements. If we do not have your GST number registered, please provide it to Alberta Energy, Crown Land Data at 780-644-2300 or through email at CrownLandDataSupport@gov.ab.ca

Submitting a payment:

Alberta Energy requires payment of \$625 when a new agreement is created (Partial Land Transfer or Division). If you are currently unable to make payments electronically, payments can be made in person or by Canada post to one of the following locations:

Calgary office – AMEC Place

#300 801 – 6th Ave SW

Telephone: 403-297-8955

Or

Edmonton Office – North Petroleum Plaza

Main Reception 2nd Floor, 9945 – 108 Street.

Telephone: 780-427-8050

Cheques must be made payable to the Government of Alberta.

Or a payment may be made via credit card by emailing AEP.AgrnPymt.mailbox@gov.ab.ca and include the following information

- Leaseholder name/Company name.
- Activity ID/disposition number – (please include the region identifier 004, 005, or 006 etc plus the agreement number).
- Amount of Payment \$.
- E-Mail address of the person the payment request is to go to.

Notification Emails for Clients'

ETS sends Transfer notification emails to the ETS application contact as a courtesy to notify your company that documents are available for review and/or action. Ensure contact information is current so all notification emails are sent to the appropriate person. The email includes information on where to

locate the ETS Request (e.g., Work in Progress, Authorization or Request Status).

Note: Email notifications should not be relied on to track Transfer submissions in ETS. Best practise is for clients to monitor their requests on a regular basis. Users can search the status of a request any time in the Work in Progress screen by ETS Request number or agreement number. Requests can also be searched and sorted by the status of the request.

This is Exhibit "D"
referred to in the Affidavit of Tracy Wadson
Sworn before me this 22nd day of October, 2025



A Commissioner of Oaths
in and for the Province of Alberta

Kenneth M. Whitelaw
Barrister and Solicitor, Notary Public and
A Commissioner for Oaths in and for Alberta

Indebtedness Guide

This guide has been created to outline the responsibilities and the various options available to Alberta's Petroleum and Natural Gas (PNG) and Geothermal Industries as it pertains to any outstanding rental or royalty owing to the Alberta Crown.

Annual rental must be paid in full each year to keep an agreement in good standing.

Rental Default

- The deemed due date for annual rental for PNG agreements and Geothermal Leases is the 15th of the expiry term month, or the first business day thereafter.
- If the rent due is not paid in full by the deemed due date, interest will be applied to the account and an overdue invoice will be mailed through Canada Post to the designated representative and confidential rental payor, if applicable.
- Payments, as outlined in section 23(1) of the *Mines and Minerals Administration Regulation (MMAR)*, are applied to fees, rentals and interest owing before being applied to rent. If there is an outstanding rental amount, the agreement is in default and may be cancelled.

PNG Royalty Defaults

- Alberta Energy and Minerals is responsible for the assessment, levy and collection of royalties for oil, natural gas and by-products.
- If royalties for natural gas or by-products are not paid, a Royalty default notice may be issued. For more information, please refer to [Gas Royalty Operations Information Bulletin April 2023](#).

- If the royalty remains outstanding the mineral agreement may result in the agreement cancellation.
- An agreement cancellation letter is sent through the Electronic Transfer System (ETS) to the designated representative, all registered participants of the Petroleum and Natural Gas (PNG) agreement, the Gas Royalty client and the well operator(s).

Please note: Royalties for Geothermal Leases are not being calculated at this time

Debt Collection

- All debts owed to the Crown for rent, royalty, interest and/or other charges remain owing after an agreement is cancelled. Pursuant to section 20(2.1) of the *MMAR*, all lessees are jointly liable for the outstanding debt.
- Alberta Energy and Minerals will accept payment from any party wishing to pay the debt owing on a PNG agreement or Geothermal lease to bring it into good standing.
- If a company is in debt to the Crown, Alberta Energy and Minerals may use one or more remedies to collect monies owed in accordance with Section 46 of the *Mines and Minerals Act*. Remedies that may be used include:



- Cancelling the PNG mineral agreement or Geothermal lease
- Removal of the following permissions within the Electronic Transfer System as applicable:
 - Ability to post mineral rights or bid and obtain new PNG agreements through the Mineral Land Sale.
 - Remove ability to obtain new Geothermal leases.
 - Removal of a company's ability to transfer an agreement.
 - Removal of a Company's ability to obtain a Crown Mineral Authorization.
 - Removal of a company's ability to obtain searches.
 - Removal of a company's ability to participate in the Site Rehabilitation Program.

Please note: Unpaid debts, may be referred to the Treasury Board and Finance the Crown Debt Collections unit which will result in a court filed action against your company.

General Information

Goods and Services Tax (GST)

- If we do not have your GST number registered, please provide it to Alberta Energy and Minerals, Crown Land Data at 780-780-644-2300 option 4 or through email at CrownLandDataSupport@gov.ab.ca.
- Otherwise, Alberta Energy and Minerals is obligated under the Excise Tax Act to assess and collect GST.

Submitting a payment

Payments can be made by Cheque, Credit Card or Electronic Funds Transfer (EFT).

If you are making payment by cheque, make it payable to the Government of Alberta.

If you are planning to mail the cheque, send to:
 Alberta Energy and Minerals
 9945 108 St NW
 Edmonton AB T5K 2G6

Or the cheque can be dropped off at the Calgary office:

AMEC Place #300 801 – 6th Ave SW
 Telephone: 403-297-8955

Please ensure that payment instructions are included along with your payment to ensure correct allocation.

Payments by credit card, must be directed to: AEP.AgrPynt.mailbox@gov.ab.ca and please include the following information:

- **Leaseholder name/Company name –**
- **Activity ID/disposition number – (if there are multiple agreements, please itemize and provide specific allocation instructions for each agreement to assist the department in allocation of payment.)**
- **Amount of Payment – i.e., \$000,000.00**
- **Provide E-mail address of the person the payment request is to be directed to.**

Payment can also be made by EFT. Please contact CARS.HelpDesk@gov.ab.ca for EFT assistance.

Notification Emails for Clients

ETS sends default notification emails to the ETS submission contact as a courtesy to notify your company that documents are available for review and/or action. Ensure contact information is current so all notification emails are sent to the appropriate person. The email includes information on where to locate the ETS Request (e.g., Work in Progress, Authorization or Request Status). Note: Email notifications should not be relied on. Best practise is for clients to monitor ETS on a regular basis. Users can check for default notices that have been sent by going into Request Status.



This is Exhibit "E"
referred to in the Affidavit of Tracy Wadson
Sworn before me this 22nd day of October, 2025



A Commissioner of Oaths
in and for the Province of Alberta

Kenneth M. Whitelaw
Barrister and Solicitor, Notary Public and
A Commissioner for Oaths in and for Alberta



Energy Operations
PNG Tenure Operations
Petroleum Plaza – North Tower
9945 – 108 Street
Edmonton, Alberta
Canada T5K 2G6
www.alberta.ca

September 26, 2024

INFORMATION LETTER 2024-32

Subject: Obligations of a Receiver to the Alberta Crown During Insolvencies

This information letter reinforces that receivers, monitors, or trustees (the “receiver”) must ensure that all agreements are in good standing (i.e., all rental and royalty balances are satisfied, and outstanding debts are paid) before the Department of Energy and Minerals (“Energy and Minerals”) will consider approving agreement transfers.

During insolvency proceedings, the Court assigns a receiver to act on behalf of the insolvent corporation. The receiver’s duties include managing the insolvent corporation’s Crown mineral rights and royalty obligations until the insolvent party is fully discharged by the Court. As part of its role in managing Crown minerals on behalf of Albertans, Energy and Minerals freezes all Crown assets subject to insolvency actions.

During insolvencies, Energy and Minerals works with the receiver to appropriately manage Crown mineral assets and financial accounts. This process includes regular correspondence with the receiver in the receiver’s capacity as the representative of the lessees and royalty clients. Energy and Minerals expects that the receiver is responsive to communications respecting the insolvent party’s tenure and royalty obligations.

Note, Energy and Minerals will process agreement transfer requests only when agreements are in good standing. If, during the insolvency proceedings, the receiver considers selling and transferring active mineral agreements to a purchaser, Energy and Minerals requires full payment of any outstanding rental, royalty, and debt obligations prior to approving the transfer of any mineral agreements.

Any interested parties considering the acquisition of Crown mineral agreements forming part of an insolvency proceeding are advised to solicit information from the receiver regarding outstanding royalty and rental debts prior to finalizing any purchase agreements. This information will help avoid unexpected delays in transferring mineral agreements and clarify purchaser obligations respecting existing agreement arrears.

For further information please contact:

Director, Crown Agreement Management
PNG Tenure Operations
transfers.energy@gov.ab.ca.

Director, Coal and Mineral Development
Oil Sands, Coal and Mineral Operations
cmd.energy@gov.ab.ca

Director, Gas Royalty Operations
Royalty Operations
Energy.GasRoyaltyCollections@gov.ab.ca

Director, Oil Royalty Operations
Royalty Operations
oil.gas.royalty@gov.ab.ca

Director, Oil Sands Royalty and Tenure
Oil Sands, Coal and Mineral Operations
Oil Sands Royalty: OSReport@gov.ab.ca
Oil Sands Tenure: OSTenure@gov.ab.ca

Authorized by: Doug Lammie

Assistant Deputy Minister
Energy Operations

This is Exhibit "F"
referred to in the Affidavit of Tracy Wadson
Sworn before me this 22nd day of October, 2025



A Commissioner of Oaths
in and for the Province of Alberta

Kenneth M. Whitelaw
Barrister and Solicitor, Notary Public and
A Commissioner for Oaths in and for Alberta



Energy Operations
9945 - 108 Street
Edmonton AB T5K 2G6
www.alberta.ca

April 11, 2024

INFORMATION LETTER 2024-11

Subject: ETS Permission Suspension for Outstanding Leaseholder Debt

Energy Operations is standardizing its collection processes on outstanding debts owed by Alberta's energy sector to Alberta Energy and Minerals. Supplementing [Information Bulletin \(IB\) 2018-02](#), effective immediately, the following will be applied to all lessees on an agreement.

All parties jointly holding an agreement with the Crown are responsible for all obligations and liabilities that arise under the agreement(s) as indicated in section 20(2.1)(a) of the *Mines and Minerals Act*.

At its discretion, the Crown may use one or more of the available remedies to collect any outstanding debts owed and may apply those remedies to all registered lessees on an agreement. Remedies may include, but are not limited to, cancellation of an agreement, the suspension of a company's ability within the Electronic Transfer System (ETS) to post or bid in a public land sale, transfer mineral agreements, conduct mineral land searches, obtain a Geothermal or Carbon Capture lease agreement, Crown Mineral Authorizations, or be granted any agreement extensions.

Energy and Minerals is expanding the application of these remedies to include non-payment of unpaid royalties or any outstanding fees. Suspension of ETS permissions will be applied consistently across all commodity areas to ensure companies meet their financial obligations. The suspension of ETS permissions, once imposed, will remain in effect until all outstanding debts are paid.

Alberta's energy sector is encouraged to work with its partners to review and pay any outstanding debt owed to the Crown to avoid any remedies being applied against their company.

Additionally, please be aware that the cancellation of any mineral agreement occurring as a result of outstanding debt, will not relieve the lessees' obligations to pay that debt, including applicable accruing interest owed to the Crown, until the debt is satisfied.

For further information please contact:

Natural Gas Royalty:

Richard Stokl

Director

Gas Royalty Operations

Energy Operations

Phone: (780) 422-9247

Metallic and Industrial Minerals, Coal,
Ammonite Shell:

Micheal Moroskat

Director

Coal and Mineral Development

Energy Operations

Phone: (780) 638-4034

Petroleum and Natural Gas Tenure:

Mahendra Samaroo

Director

Crown Agreement Management

Energy Operations

Phone: (780) 422-9480

Oil Sands:

Luis Serpa

Director

Royalty & Tenure – Oil Sands

Energy Operations

Phone: (780) 422-1729

Oil Royalty:

Perry Zyla

Director

Oil Royalty Operations

Energy Operations

Phone: (780) 415-2112

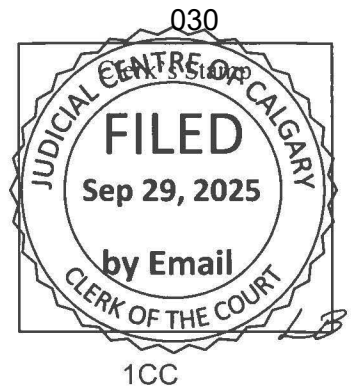
Authorized by: Doug Lammie
Assistant Deputy Minister
Energy Operations

This is Exhibit "G"
referred to in the Affidavit of Tracy Wadson
Sworn before me this 22nd day of October, 2025



A Commissioner of Oaths
in and for the Province of Alberta
Kenneth M. Whitelaw
Barrister and Solicitor, Notary Public and
A Commissioner for Oaths in and for Alberta

COURT FILE NUMBER 2501-00481
COURT COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY
APPLICANTS ORPHAN WELL ASSOCIATION



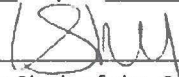
RESPONDENT REVITALIZE ENERGY INC.
DOCUMENT SALE APPROVAL AND VESTING ORDER

ADDRESS FOR
SERVICE AND
CONTACT
INFORMATION OF
PARTY FILING THIS
DOCUMENT

Fasken Martineau DuMoulin LLP
Barristers and Solicitors
3400 First Canadian centre
350 – 7th Avenue SW
Calgary, AB, T2P 3N9

I hereby certify this to be a true copy of
the original order

Dated this 29 day of September


for Clerk of the Court

Attention: Robyn Gurofsky / Tiffany Bennett

Telephone: (403) 261-9469 / (403) 261-5355

Email: rgurofsky@fasken.com / tbenett@fasken.com

File No.: 277219.00023

DATE ON WHICH ORDER WAS PRONOUNCED: September 17, 2025
LOCATION OF HEARING: Edmonton Law Courts
NAME OF JUSTICE WHO MADE THIS ORDER: The Honourable Justice J. T. Neilson

UPON THE APPLICATION of PricewaterhouseCoopers Inc. LIT in its capacity as the Court-appointed receiver and manager (“**Receiver**”) of the undertakings, properties, and assets of Revitalize Energy Inc. (the “**Debtor**”) for an order, *inter alia*, (a) approving the sale transaction (the “**Transaction**”) contemplated by an agreement of purchase and sale between the Receiver and Baytex Energy Ltd. (the “**Purchaser**”) dated August 18, 2025 (the “**Sale Agreement**”) and appended in redacted form as Appendix “B-1” to the Receiver’s First Report, dated September 8, 2025, filed (the “**First Report**”) and in unredacted form as Appendix “A-1” to the Confidential Supplement to the First Report, dated September 8, 2025 and (b) vesting in the Purchaser all of the Debtor’s right, title and interest in and to the Assets (as defined in the Sale Agreement) (the “**Purchased Assets**”);

AND UPON HAVING READ the Receivership Order, dated January 20, 2025 (the “**Receivership Order**”), the First Report, the Affidavit of Service of Kim Picard, filed, and all other material and evidence filed to date in the within proceedings; **AND UPON HEARING** the submissions of counsel for the Receiver, the Purchaser, and any other interested parties appearing at the hearing of this Application,

IT IS HEREBY ORDERED AND DECLARED THAT:

SERVICE

1. Service of notice of this Application and supporting materials is hereby declared to be good and sufficient, and no other person is required to have been served with notice of this Application, and time for service of this Application is abridged to that actually given.

DEFINED TERMS

2. Unless otherwise defined herein, all capitalized terms shall have the meanings ascribed thereto in the Sale Agreement.

APPROVAL OF THE TRANSACTION

3. The Transaction is hereby approved and the execution of the Sale Agreement by the Receiver is hereby authorized, ratified and approved, with such minor amendments as the Receiver may deem necessary. The Receiver is hereby authorized to take such additional steps and execute such additional documents as may be necessary or desirable for completion of the Transaction and conveyance of the Purchased Assets to the Purchaser.

VESTING OF PROPERTY

4. Subject only to approval by the Alberta Energy Regulator (the “**AER**”) of the transfers of any applicable licenses, permits and approvals pursuant to section 24 of the *Oil and Gas Conservation Act* (Alberta) and section 18 of the *Pipeline Act* (Alberta), upon delivery of a Receiver’s certificate to the Purchaser substantially in the form set out in **Schedule “A”** hereto (the “**Receiver’s Closing Certificate**”), all of the Debtor’s right, title and interest in and to the Purchased Assets listed in **Schedule “B”** hereto, shall vest absolutely in the

name of the Purchaser, free and clear of and from any and all caveats, security interests, hypothecs, pledges, mortgages, liens, trusts or deemed trusts, reservations of ownership, royalties, options, rights of pre-emption, privileges, interests, assignments, actions, judgements, executions, levies, taxes, fees, writs of enforcement, charges, or other claims, whether contractual, statutory, financial, monetary or otherwise, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise, and whether by payment, set off or otherwise (collectively, “**Claims**”), including, without limiting the generality of the foregoing:

- (a) any encumbrances or charges created by the Receivership Order;
- (b) all charges, security interests or claims against the Purchased Assets, whether or not evidenced by registrations pursuant to the *Personal Property Security Act* (Alberta) or any other personal property registry system;
- (c) any liens or claims under the *Prompt Payment and Construction Lien Act* (Alberta) or its predecessor statute, the *Builders’ Lien Act* (Alberta);
- (d) any outstanding amounts owing to the AER, including in respect of the AER Orphan Fund Levy and the AER Administration Fees; and
- (e) those Claims listed in **Schedule “C”** hereto,

(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 “D”** (collectively, the “**Permitted Encumbrances**”). For greater certainty, this Court orders that all Claims including the Encumbrances affecting or relating to the Purchased Assets and all charges, security interests or Claims evidenced by registrations under any personal property registry system or otherwise where any Claim of any kind may be registered or recorded are hereby expunged, ordered removed and otherwise unconditionally discharged and terminated as against the Purchased Assets.

5. Upon delivery of the Receiver’s Closing Certificate, and upon filing a certified copy of this Order, together with any applicable registration fees, all governmental authorities including

SCHEDULE "B"
PURCHASED ASSETS

The Purchased Assets mean:

TITLE DOCUMENTS	LANDS/RIGHTS	VENDOR'S WORKING INTEREST	ENCUMBRANCES
Ptn. Alberta Crown PNG Lease 0400090434 dated September 14, 2000	Twp 049 Rge 01 W4M: Ptn. NE9 PNG to base General Petroleum	100%	Crown Sliding Scale Royalty 5% non-convertible overriding royalty (no deductions) payable to Baytex Energy Ltd. 100% by Vendor 100%

For greater certainty, the Purchased Assets exclude the following:

100/09-09-049-01W4/02 – license 0389352

100/09-09-041-01W4/03 – license 0389352

and any related surface rights, pipelines and facilities relating thereto

This is Exhibit "H"
referred to in the Affidavit of Tracy Wadson
Sworn before me this 22nd day of October, 2025



A Commissioner of Oaths
in and for the Province of Alberta

Kenneth M. Whitelaw
Barrister and Solicitor, Notary Public and
A Commissioner for Oaths in and for Alberta

**PRICEWATERHOUSECOOPERS INC. LIT SOLELY IN ITS CAPACITY AS THE
RECEIVER AND MANAGER OF THE ASSETS, PROPERTY AND UNDERTAKING
OF REVITALIZE ENERGY INC. AND NOT IN ITS PERSONAL OR CORPORATE
CAPACITY**

-and-

BAYTEX ENERGY LTD.

ASSET PURCHASE AND SALE AGREEMENT

AUGUST 18, 2025

AGREEMENT OF PURCHASE AND SALE

THIS AGREEMENT OF PURCHASE AND SALE dated as of August 18, 2025,

BETWEEN:

REVITALIZE ENERGY INC. (the “**Debtor**”) by and through **PRICEWATERHOUSECOOPERS INC. LIT**, solely in its capacity as the receiver and manager of the assets, property and undertaking of the Debtor (excluding any licensed oil and gas assets of the Debtor located in the province of Saskatchewan), and not in its personal or corporate capacity (herein referred to as the “**Vendor**”)

- and -

BAYTEX ENERGY LTD., a corporation existing under the laws of Alberta (herein referred to as the “**Purchaser**”)

WHEREAS:

- A. pursuant to the Receivership Order, the Vendor was appointed as receiver and manager of all of the Debtor’s current and future assets, undertakings and properties of every nature and kind whatsoever, (including all proceeds thereof, but excluding any of the licensed oil and gas assets of the Debtor located in the Province of Saskatchewan); and
- B. the Purchaser has agreed to purchase and acquire and the Vendor has agreed to sell, transfer and assign to the Purchaser, all of the Debtor’s interest in and to the Assets, on the terms and conditions set forth herein.

NOW THEREFORE, this Agreement witnesses that in consideration of the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt and adequacy of which are acknowledged by each Party to the other, the Parties covenant and agree as follows:

ARTICLE 1 INTERPRETATION

1.1 Definitions

In this Agreement:

- (a) “**Abandonment and Reclamation Obligations**” means all past, present and future obligations to:
 - (i) abandon, shut-in, close, decommission, dismantle or remove any and all wells and Tangibles, including all structures, foundations, buildings, pipelines, equipment and other facilities forming part of the wells and Tangibles or otherwise located on the Lands or used or previously used in

order to be substantially in the form attached hereto as SCHEDULE "B" together with such modifications and amendments to such form as may be approved by both the Vendor and the Purchaser, acting reasonably;

- (g) **"Assets"** means the Petroleum and Natural Gas Rights, and the Miscellaneous Interests, however in all cases excludes the Excluded Assets;
- (h) **"Assumed Contracts"** means the contracts referenced in subsection (ii)(i) of the definition of Miscellaneous Interests, which contracts shall be assigned by the Vendor for and on behalf of the Debtor and assumed by the Purchaser in accordance with the terms of this Agreement, the relevant contracts and/or the Approval and Vesting Order, and/or other order of the Court in form and substance satisfactory to the Parties;
- (i) **"Assumed Liabilities"** means, collectively, all liabilities and obligations arising from the possession, ownership and/or use of the Assets following Closing (including for greater certainty, any municipal or property taxes that accrue commencing on the Closing Date), along with Environmental Liabilities, Abandonment and Reclamation Obligations, costs relating to the Municipal Tax Liabilities and Cure Costs;
- (j) **"Business Day"** means any day other than a Saturday, Sunday or a statutory holiday in the City of Calgary in the Province of Alberta;
- (k) **"Claim"** means any caveats, security interests, hypothecs, pledges, mortgages, liens, trusts or deemed trusts, reservations of ownership, royalties, options, rights of pre-emption, privileges, interests, assignments, actions, judgments, executions, levies, taxes, writs of enforcement, charges, or other claims, whether contractual, statutory, financial, monetary or otherwise, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise, including, without limiting the generality of the foregoing:
 - (i) any encumbrances or charges created by the Receivership Order;
 - (ii) any charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Alberta) or any other personal property registry system;
 - (iii) any liens or claims of lien under the *Prompt Payment and Construction Lien Act* (Alberta); and
 - (iv) those claims which may be specifically identified SCHEDULE "C" in the Approval and Vesting Order, as applicable;
- (l) **"Closing"** means the completion of the purchase by the Purchaser, and sale by the Vendor, of the Debtor's interest in and to the Assets and the completion of all other transactions contemplated by this Agreement that are to occur contemporaneously

with such purchase and sale, all subject to and in accordance with the terms and conditions of this Agreement;

- (m) **“Closing Date”** means the date on which Closing occurs, being the date which is two Business Days following the date upon which all conditions in Sections 12.1, 12.2 and 12.3 have been satisfied or waived (other than such conditions which are to be satisfied on the Closing Date), or such other date as the Parties may agree in writing, provided, however, that the Closing Date shall not be later than the Outside Date;
- (n) **“Confidentiality Agreement”** means the confidentiality agreement between Vendor and Purchaser in respect of the evaluation by the Purchaser of potential transactions involving the assets of the Debtor, dated May 9, 2025;
- (o) **“Consequential Damages”** has the meaning ascribed to that term in Section 15.5;
- (p) **“Court”** means the Court of King’s Bench of Alberta, Judicial Centre of Calgary;
- (q) **“Cure Costs”** means, in respect of any Assumed Contracts, all amounts, required to be paid to remedy all of the Vendor’s or the Debtor’s monetary defaults under such Assumed Contracts or required to secure a counterparty’s or any other necessary Person’s consent to the assignment of such Assumed Contracts pursuant to its terms (including any deposits or other forms of security required by any Governmental Authority) or as may be required pursuant to the Approval and Vesting Order, and includes any other fees and expenses required to be paid to a counterparty or any other Person in connection with the assignment of the Assumed Contracts pursuant to its terms or Applicable Laws;
- (r) **“Deposit”** has the meaning ascribed to that term in Section 3.3(a)(i);
- (s) **“Due Diligence Information”** means all information made available (by the Vendor, the Debtor or otherwise) for the Purchaser’s review in paper or electronic form in relation to the Debtor, its Affiliates and/or the Assets;
- (t) **“Effective Time”** means 12:01 a.m. on the Closing Date;
- (u) **“Environment”** means the components of the earth and includes the air, the surface and subsurface of the earth, bodies of water (including rivers, streams, lakes and aquifers) and plant and animal life (including humans);
- (v) **“Environmental Laws”** means all Applicable Laws relating to pollution or protection of human health or the Environment (including ambient air, water, surface water, groundwater, land surface, soil, or subsurface) or natural resources, including Applicable Laws relating to the storage, transfer, transportation, investigation, cleanup, treatment, or use of, or release or threatened release into the Environment of, any Hazardous Substances;

judicial, regulatory or administrative functions of, or pertaining to, government, having jurisdiction over a Party, the Assets or this Transaction;

- (bb) **“GST”** means taxes, interest, penalties and other additions thereto imposed under Part IX of the *Excise Tax Act* (Canada) and the regulations made thereunder; and **“GST Legislation”** means such act and regulations collectively;
- (cc) **“Hazardous Substances”** means any substance, material or waste defined, regulated, listed or prohibited by Environmental Laws, including pollutants, contaminants, chemicals, deleterious substances, dangerous goods, hazardous or industrial toxic wastes or substances, radioactive materials, flammable substances, explosives, Petroleum Substances and products of Petroleum Substances, polychlorinated biphenyls, chlorinated solvents and asbestos;
- (dd) **“Interim Statement of Adjustments”** has the meaning set forth and defined in Section 9.2(a);
- (ee) **“Lands”** means the lands set out and described in SCHEDULE "A" under the heading entitled “Assets”, and the Petroleum Substances within, upon or under such lands (subject to the restrictions and exclusions identified in the Title and Operating Documents as to Petroleum Substances and geological formations);
- (ff) **“Leased Substances”** means all Petroleum Substances, rights to or in respect of which are granted, reserved or otherwise conferred by or under the Title and Operating Documents (but only to the extent that the Title and Operating Documents pertain to the Lands);
- (gg) **“Legal Proceeding”** means any litigation, action, suit, investigation, hearing, claim, complaint, grievance, arbitration proceeding or other proceeding and includes any appeal or review or retrial of any of the foregoing and any application for same;
- (hh) **“Losses and Liabilities”** means any and all assessments, charges, costs, damages, debts, expenses, fines, liabilities, losses, obligations and penalties, whether accrued or fixed, absolute or contingent, matured or unmatured or determined or determinable, including those arising under any Applicable Law, Claim by any Governmental Authority or any order, writ, judgment, injunction, decree, stipulation, determination or award entered by or with any Governmental Authority, and those arising under any contract, agreement, arrangement, commitment or undertaking and costs and expenses of any Legal Proceeding, assessment, judgment, settlement or compromise relating thereto, and all interest, fines and penalties and reasonable legal fees and expenses incurred in connection therewith (on a full indemnity basis);
- (ii) **“Miscellaneous Interests”** means, subject to any and all limitations and exclusions provided for in this definition, the Debtor’s interest in and to all property, assets, interests and rights pertaining to the Petroleum and Natural Gas Rights (other than the Petroleum and Natural Gas Rights), but only to the extent that such property,

assets, interests and rights pertain to the Petroleum and Natural Gas Rights, including any and all of the following:

- (i) all contracts relating to the Petroleum and Natural Gas Rights (including the Title and Operating Documents);
- (ii) all warranties, guarantees and similar rights relating to the Petroleum and Natural Gas Rights, including warranties and guarantees made by suppliers, manufacturers and contractors under the Assets, and claims against other Third Parties in connection with the contracts relating to the Petroleum and Natural Gas Rights;
- (iii) all subsisting rights to carry out operations relating to the Lands;
- (iv) rights to enter upon, use, occupy and enjoy the surface of any lands which are used or may be used to gain access to or otherwise use the Petroleum and Natural Gas Rights; and
- (v) all records, books, documents, licences, reports and data which relate to the Petroleum and Natural Gas Rights, including any of the foregoing that pertain to geological or geophysical matters and, including plans, surveys, maps, cross-sections, production records, electric logs, cuttings, cores, core data, pressure data, decline and production curves, well files, and related matters, division of interest records, lease files, title opinions, abstracts of title, title curative documents, lease operating statements and all other accounting information, marketing reports, statements, gas balancing information, and all other documents relating to customers, sales information, supplier lists, records, literature and correspondence, physical maps, geologic or geophysical interpretation, electronic and physical project files,

provided that unless otherwise agreed in writing by the Parties, the Miscellaneous Interests shall not include any documents or data to the extent that they are owned or licensed by Third Parties with restrictions on their deliverability or disclosure by the Vendor or the Debtor to an assignee;

- (jj) **“Municipal Tax Liabilities”** has the meaning given in Section 2.4(b);
- (kk) **“Notice Period”** has the meaning ascribed to that term in Section 8.2(b);
- (ll) **“Order”** means any order, writ, judgment, injunction, decree, stipulation, determination, decision, verdict, ruling, subpoena, or award entered by or with any Governmental Authority (whether temporary, preliminary, or permanent);
- (mm) **“Outside Date”** means the date which occurs 90 days following the date of execution of this Agreement, or such other date as the Parties may agree;
- (nn) **“Outstanding ROFR Assets”** has the meaning set forth in Section 11.2(e)(ii);

ARTICLE 2 PURCHASE AND SALE

2.1 Agreement of Purchase and Sale

Subject to the terms and conditions of this Agreement, and in consideration of the Purchase Price, the Vendor hereby agrees to sell, assign and transfer to the Purchaser, and the Purchaser agrees to purchase, accept and receive from the Vendor, the Debtor's interest in and to the Assets.

2.2 Transfer of Property and Assumption of Liabilities

Provided that Closing occurs and subject to the terms and conditions of this Agreement, possession, risk, and legal and beneficial ownership of the Assets shall transfer from the Vendor or the Debtor, as applicable, to the Purchaser on the Closing Date, and the Purchaser agrees to assume, discharge, perform and fulfill all Assumed Liabilities. Without limiting the provisions of this Agreement relating to the General Conveyance, Assignment and Assumption Agreement (and such agreement itself), or any other provisions of this Agreement relating to sale, transfer, assignment, conveyance or delivery, the Assets shall be sold, assigned, transferred, conveyed, and delivered by the Vendor on behalf of the Debtor to the Purchaser by way of the Specific Conveyances and other appropriate instruments of transfer, bills of sale, endorsements, assignments, and deeds, in recordable form, or by way of an Order of the Court, as appropriate, and free and clear of any and all Claims other than Permitted Encumbrances, as applicable.

2.3 Specific Conveyances

- (a) Within a reasonable time following its receipt of the Title and Operating Documents from Vendor, Purchaser shall prepare and provide for the Vendor's review all Specific Conveyances. None of the Specific Conveyances shall confer or impose upon either Party any greater right or obligation than as contemplated in this Agreement. Promptly after Closing, the Purchaser shall register and/or distribute (as applicable), all such Specific Conveyances and shall bear all costs incurred therewith and in preparing and registering any further assurances required to convey the Assets to the Purchaser.
- (b) As soon as practicable following Closing, the Vendor shall deliver or cause to be delivered to the Purchaser such original copies of the Title and Operating Documents and any other agreements and documents to which the Assets are subject and such original copies of contracts, agreements, records, books, documents, licenses, reports and data comprising Miscellaneous Interests which are now in the possession or control of the Vendor or of which the Vendor gains possession or control of prior to Closing.
- (c) Notwithstanding Sections 2.3(a) and 2.3(b), requests for the transfers from the Vendor to the Purchaser of registered Crown leases or licences and any other Title and Operating Documents which are administered by a Governmental Authority shall be submitted by the Vendor and accepted by the Purchaser as soon as is practicable after Closing.

2.4 Assumed Liabilities

Provided that Closing occurs, Purchaser agrees to assume, pay, discharge, perform and fulfill all liabilities and obligations of the Vendor or the Debtor arising on or after the Effective Time and which relate to the Assets, excluding any liabilities or obligations relating to the Excluded Assets. For greater certainty, the Purchaser shall assume, without limitation:

- (a) all Abandonment and Reclamation Liabilities and Environmental Liabilities in respect of the Assets however and whenever arising or occurring;
- (b) all municipal property tax liabilities associated with the Assets owed by the Debtor to the County of Vermilion River (the "**Municipal Tax Liabilities**"); and
- (c) all Cure Costs in respect of the Assets.

ARTICLE 3 PURCHASE PRICE

3.1 Purchase Price

The consideration payable by the Purchaser for the Assets shall be the sum of [REDACTED] (the "**Purchase Price**"). The Purchase Price shall be satisfied in accordance with Section 3.3(b) subject to any adjustments in accordance with Article 9. The Purchaser and the Vendor acknowledge and agree that the Purchase Price reflects the fair market value of the Assets as of the Closing Date, having due regard to the Environmental Liabilities connected to and embedded in the Assets that depress the value of the Assets.

3.2 Allocation of Purchase Price

The Purchase Price shall be allocated among the Assets as follows:

- (a) to the Petroleum and Natural Gas Rights, [REDACTED]; and
- (b) to the Miscellaneous Interests, [REDACTED].

3.3 Deposit and Satisfaction of Purchase Price

- (a) The Parties acknowledge that:
 - (i) on the date hereof, the Purchaser paid the amount equal to [REDACTED] of the Purchase Price (the "**Deposit**") to the Vendor;
 - (ii) the Deposit has been delivered to and shall be held in trust by the Vendor; and
 - (iii) the Deposit shall be held and administered by the Vendor in accordance with the terms and conditions of this Agreement (including this Section 3.3).

This is Exhibit "I"
referred to in the Affidavit of Tracy Wadson
Sworn before me this 22nd day of October, 2025



A Commissioner of Oaths
in and for the Province of Alberta

Kenneth M. Whitelaw
Barrister and Solicitor, Notary Public and
A Commissioner for Oaths in and for Alberta

AMENDED AND RESTATED SUBSCRIPTION AGREEMENT

BETWEEN:

ALPHABOW ENERGY LTD.

- and -

2628071 ALBERTA LTD.

Dated:

December ~~9~~16, 2024

AMENDED AND RESTATED SUBSCRIPTION AGREEMENT

THIS AMENDED AND RESTATED SUBSCRIPTION AGREEMENT made as of December 9th, 2024:

BETWEEN:

ALPHABOW ENERGY LTD. (the "Company")

- and -

2628071 ALBERTA LTD. (the "Purchaser")

WHEREAS:

- A. the Company commenced proceedings (the "**CCAA Proceedings**") in the Court of King's Bench of Alberta in the Judicial District of Calgary, Alberta (the "**Court**") under the *Companies' Creditors Arrangement Act*, RSC 1985, c. C-36 (the "**CCAA**") and on April 26, 2024, the Company was granted creditor protection pursuant to an initial order granted by the Court under the CCAA (the "**Initial Order**");
- B. pursuant to the Initial Order, among other things, KSV Restructuring Inc. ("**KSV**") was appointed as monitor of the Company;
- C. on April 26, 2024, the Court granted an amended and restated order (the "**ARIO**");
- D. all licensed assets and properties of the Company are currently subject to a suspension order and have been under the care and maintenance of the Orphan Well Association since September 6, 2023;
- E. pursuant to an order of the Court dated April 26, 2024 (the "**SISP Order**"), the Court approved a sale and investment solicitation process in connection with the CCAA Proceedings;
- F. further to the SISP Order, the Company and the Purchaser entered into negotiations for the subscription for and purchase of the Purchased Shares by the Purchaser, to be completed through a series of transactions between the Company and the Purchaser to proceed by way of the Reverse Vesting Order;
- G. On December 9, 2024, the Purchaser and the Company entered into a Subscription Agreement for the subscription for and purchase of the Purchased Shares by the Purchaser Parent (the "**Subscription Agreement**"). to be completed through a series of transactions among the Parties and to proceed by way of the Reverse Vesting Order;
- H. This Agreement amends and restates, in its entirety, the Subscription Agreement;
- I. ~~G.~~ the Company wishes to issue to the Purchaser, and the Purchaser has agreed to subscribe for and purchase from the Company, the Purchased Shares, upon the terms and conditions set forth herein;

- J. ~~H.~~ the Company shall effect a reorganization of its Articles of Incorporation pursuant to which, among other things, all existing Equity Interests shall be redeemed for nominal consideration and then extinguished, immediately prior to the subscription for and purchase of the Purchased Shares by the Purchaser pursuant to this Agreement (the "**Reorganization**");
- K. ~~I.~~ at Closing, the Purchased Shares shall represent all of the issued and outstanding equity of the Company;
- L. ~~J.~~ the Transactions contemplated by this Agreement are subject to the approval of the Court and will be consummated only pursuant to and in accordance with this Agreement and the approval of the Court pursuant to the Reverse Vesting Order.

NOW THEREFORE, THIS AGREEMENT WITNESSETH that in consideration of the premises and the mutual covenants and agreements hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties have agreed as follows:

ARTICLE 1 INTERPRETATION

1.1 Definitions

In this Agreement, unless the context otherwise requires:

- (a) "**2628069 Alberta**" means 2628069 Alberta Ltd., which is an Affiliate of the Purchaser;
- (b) "**2628069 Transaction**" means the transactions contemplated in the asset purchase and sale agreement dated the date hereof between 2628069 Alberta and the Company;
- (c) "**2628071 Asset Transaction**" means the asset sale transaction contemplated in the asset purchase and sale agreement dated the date hereof between the Purchaser and the Company;
- (d) "**Abandonment and Reclamation Obligations**" means all past, present and future obligations to:
 - (i) abandon, shut-down, close, decommission, dismantle or remove any and all Wells and Tangibles, including all structures, foundations, buildings, pipelines, equipment and other facilities forming part of the Wells and Tangibles or otherwise located on the Lands or used or previously used in respect of Petroleum Substances produced or previously produced from the Lands; and
 - (ii) restore, remediate and reclaim the surface and subsurface locations of the Wells and the Tangibles and any lands used to gain access thereto, including such obligations relating to wells, pipelines and facilities which were abandoned or decommissioned prior to the Closing Date that were located on the Lands or that were located on other lands and used in respect of Petroleum Substances produced or previously produced from the Lands, and including the remediation, restoration and reclamation of any other surface and sub-surface lands affected by any environmental damage, contamination or other environmental issues emanating from or relating to the sites for the Wells or the Tangibles;

- (r) **"Closing"** means the completion of the Transaction pursuant to this Agreement;
- (s) **"Closing Date"** means the date on which Closing occurs, which date shall be no later than three (3) Business Days from the date on which all conditions set out in Article 4 (other than those conditions that by their nature can only be satisfied on the Closing Date) have been satisfied or waived or such other date as may be agreed upon by the Parties;
- (t) **"Closing Place"** means the office of the Company or its counsel, or such other place as may be agreed upon in writing by the Parties, including electronically;
- (u) **"Closing Sequence"** has the meaning ascribed thereto in the Section 3.3;
- (v) **"Common Shares"** means common shares in the capital of the Company;
- (w) **"Company"** has the meaning ascribed thereto in the recitals;
- (x) **"Company Release"** has the meaning ascribed thereto in Section 3.4(b)(iv);
- (y) **"Confidentiality Agreement"** means the confidentiality agreement between the Company, the Purchaser and the Monitor and executed prior to the date hereof in respect of the evaluation by the Purchaser of potential transactions involving the Company;
- (z) **"Confidential Materials"** has the meaning ascribed thereto in Section 9.12;
- (aa) **"Court"** has the meaning set out in the recitals;
- (bb) **"Creditor Trust"** means the trust to be formed pursuant to the Reverse Vesting Order and named "AlphaBow Energy Residual Trust", which shall hold the Transferred Assets and the Transferred Liabilities for the benefit of the creditors of the Company, and subject to the claims under the Reverse Vesting Order, all in the manner specified herein and set forth in the Reverse Vesting Order;
- (cc) **"Creditor Trust Settlement"** means the Creditor Trust Settlement attached as a schedule to the Reverse Vesting Order;
- (dd) **"Cure Costs"** means, in respect of any Retained Contract, all amounts required to be paid, as determined in accordance with the claims process established by an Order of the Court dated September 20, 2024 (the **"Claims Process"**), to remedy all of the Company's monetary defaults under such Retained Contract or required to secure a counterparty's or any other necessary Person's consent to the assignment of such Retained Contract pursuant to its terms (including any deposits or other forms of security required by any Governmental Authority) or as may be required pursuant to the Reverse Vesting Order. For greater certainty, any claims for cure costs not submitted in accordance with the Claims Process, or not determined to be valid in accordance with the Claims Process, shall not be considered "Cure Costs" for the purposes of this Agreement;
- (ee) **"Deposit"** has the meaning ascribed thereto in Section 2.4;
- (ff) **"Encumbrances"** means all security interests (whether contractual, statutory, or otherwise), hypothecs, pledges, mortgages, liens, trusts or deemed trusts (whether contractual, statutory or otherwise), reservations of ownership, royalties, options, rights of

curves, well files, and related matters, division of interest records, lease files, title opinions, abstracts of title, title curative documents, lease operating statements and all other accounting information, marketing reports, statements, gas balancing information, and all other documents relating to customers, sales information, supplier lists, records, literature and correspondence, physical maps, geologic or geophysical interpretation, electronic and physical project files; and

- (vi) the Wells, including the wellbores and any and all casing and down-hole monitoring and pumping equipment;

however, the Miscellaneous Interests shall not include: (x) the Transferred Assets or the Transferred Contracts, (y) agreements, documents or data to the extent that they solely consist of the Transferred Assets or the Transferred Contracts, or (z) the Excluded Assets;

- (yy) **"Monitor"** means KSV, in its capacity as the Court-appointed monitor of the Company during the CCAA Proceedings and not in its personal or corporate capacity;
- (zz) **"Monitor's Certificate"** means the certificate to be filed by the Monitor certifying that all conditions of Closing of the Transactions contemplated by this Agreement and approved by the Reverse Vesting Order have been satisfied;
- (aaa) **"O&G Assets"** means the Petroleum and Natural Gas Rights, Tangibles and Miscellaneous Interests (including for certainty, the Company's interest in the Wells) but excluding, for greater certainty, the Excluded Assets;
- (bbb) **"Order"** means all judicial, arbitral, administrative, ministerial, departmental or regulatory judgments, injunctions, orders, decisions, rulings, determinations, awards, or decrees of any Governmental Authority (in each case, whether temporary, preliminary or permanent);
- (ccc) **"Outside Date"** means 180 days following the date of this Agreement, or such other date as may be agreed upon between the parties in writing;
- (ddd) **"Parties"** means, collectively, all of the parties to this Agreement; and **"Party"** means a party to this Agreement;
- (eee) **"Permits"** means, all licences, permits, approvals and authorizations granted or issued by any Governmental Authorities and relating to the construction, installation, ownership, use or operation of the Retained Assets;
- (fff) **"Person"** means any individual, corporation, limited or unlimited liability company, joint venture, partnership (limited or general), trust, trustee, executor, Governmental Authority or other entity;
- (ggg) **"Petroleum and Natural Gas Rights"** means all of Company's right, title and interest in and to:
 - (i) rights in, or rights to explore or drill for and to recover, produce, save and market, Petroleum Substances;
 - (ii) rights to a share of production of Petroleum Substances therefrom;

Incorporation will be amended and all existing Equity Interests shall be redeemed for nominal consideration and then extinguished immediately prior to the subscription for and purchase of the Purchased Shares by the Purchaser pursuant to this Agreement;

- (ooo) **"Representative"** means, with respect to any Party, its Affiliates, and its and their respective directors, officers, agents, advisors, employees and consultants and with respect to the Company includes its employees and consultants, and its and their respective directors, officers, agents, advisors, employees and consultants and, with respect to the Company, includes the Monitor;
- (ppp) **"Retained Assets"** means all of the Company's right, title and interest in and to the assets described under the heading "Retained Assets" and "Retained Contracts" in Schedule "B" hereto, excluding, for greater certainty, the Transferred Assets and the Excluded Assets;
- (qqq) **"Retained Contracts"** means those contracts, agreements and commitments described under the heading "Retained Contracts" in Schedule "B" hereto, excluding, for greater certainty, the Transferred Contracts and any contracts comprising the Excluded Assets;
- (rrr) **"Retained Liabilities"** means those liabilities described under the heading "Retained Liabilities" in Schedule "B" hereto, excluding, for greater certainty, the Transferred Liabilities and the Excluded Liabilities;
- (sss) **"Reverse Vesting Order"** means an Order of the Court, in substantially the form attached hereto as Schedule "A", or in such other form as may be agreed to by the Parties in writing that, among other things: (a) approves this Agreement and the Transactions contemplated hereby upon the Transactions being determined by the Court to be a Successful Bid (including the redemption for nominal consideration, and subsequent cancellation, of all of the issued and outstanding Equity Interests of the Company, other than the Purchased Shares); and (b) upon the delivery of a copy of the Monitor's Certificate to the Purchaser, among other things: (i) transfers all of the Company's right, title and interest in and to the Transferred Assets to the Creditor Trust; (ii) transfers all Transferred Liabilities to the Creditor Trust; (iii) releases and discharges the Company from all of the Transferred Liabilities; and (iv) releases the Company from the purview of the CCAA Proceedings and adding the Creditor Trust as an entity in the CCAA Proceedings;
- (ttt) **"SISP Order"** has the meaning ascribed thereto in the recitals;
- (uuu) **"Subscription Agreement"** has the meaning ascribed thereto in the recitals;
- (vvv) ~~(tttt)~~ **"Surface Rights"** means all rights to occupy, cross or otherwise use or enjoy the surface of the Lands and any lands pooled or unitized therewith or any other lands: (i) upon which the Tangibles are situate, (ii) used in connection with the ownership or operation of the Petroleum and Natural Gas Rights, the Tangibles or the Wells, or (iii) used to gain access to any of the Lands (or any lands pooled or unitized therewith), the Tangibles or the Wells, whether the same are fee simple, held by right of way or otherwise;
- (www) ~~(yyyy)~~ **"Tangibles"** means all of the Company's right, title and interest in and to all tangible depreciable property, apparatus, plant, equipment, machinery, field inventory

THE FOLLOWING COMPRISES SCHEDULE "B" ATTACHED TO AND FORMING PART OF AN AMENDED AND RESTATED SUBSCRIPTION AGREEMENT DATED DECEMBER 916, 2024 BETWEEN ALPHABOW ENERGY LTD. AND 2628071 ALBERTA LTD.

Transferred Assets

The Transferred Assets, being those assets proposed to be transferred to the Creditor Trust through operation of the Reverse Vesting Order, mean:

- all cash, bank balances, funds, deposits, or monies owned or held by the Company, the Monitor or any other Person (including any bank or depository) on behalf of the Company at Closing and all cash equivalents, securities and investments of the Company at Closing;
- all accounts receivable, bills receivable, trade accounts, holdbacks, retention, book debts, insurance claims and other amounts due or accruing to the Company and includes, for greater certainty, any and all Tax Refunds, and together with any unpaid interest accrued on such items and any security or collateral for such items, including recoverable deposits, which arise prior to Closing;
- all Tax Refunds which arise prior to Closing; and
- any other assets of the Company designated as a Transferred Asset upon the mutual agreement of the Purchaser and the Monitor, in writing prior to Closing.

Transferred Liabilities

The Transferred Liabilities, being those liabilities proposed to be transferred to the Creditor Trust through operation of the Reverse Vesting Order, mean:

- any and all liabilities with respect to any employees of the Company, including for wages or other work-related benefits, bonuses, fees, accrued vacation, workers' compensation, employee deferred compensation including stock option plans, equity grants, other grants and agreements, retention, or other payments other than liabilities with respect to any vacation entitlement and notice entitlement upon termination of employment; and
- the Gross Overriding Royalty Agreement between AlphaBow and Advance Drilling Ltd. dated November 23, 2018;
- the Royalty Agreement between AlphaBow and Advance Drilling Ltd. dated October 28, 2021;
- the Settlement Agreement between AlphaBow and Advance Drilling Ltd. dated November 12, 2021;
- all Orders of any Governmental Authority excluding, for greater certainty, any regulatory Orders of the AER;

- any and all ~~other~~ liabilities pertaining to the Transferred Assets and arising under the Transferred Contracts except as otherwise set out herein; and
- any and all other liabilities of the Company other than the Retained Liabilities.

Transferred Contracts

The Transferred Contracts, being those contracts proposed to be transferred to the Creditor Trust through operation of the Reverse Vesting Order, mean:

- all surface leases related to freehold mineral lands including those set forth in Appendix "1" to this Schedule; and
- any and all other contracts of the Company other than the Retained Contracts.

Retained Assets

The Retained Assets, being those assets proposed to be retained by the Company, mean:

- the O&G Assets;
- the Real Property;
- all prepaid expenses or other security or collateral provided by the Company; all books and records of the Company, including minute books, books of account, ledgers, general, financial and accounting records, tax returns and other records in the possession and control of the Company or the Monitor, but in each case excludes all books and records in respect of the Transferred Assets, Transferred Liabilities, the Excluded Assets and the Excluded Liabilities and excludes any email correspondence of the Company (including any of its present and former, directors, officers, employees, contractors and other representatives) prior to Closing;
- the Company's bank accounts and all agreements related thereto;
- all regulatory and license attributes of the Company, including without limitation: business numbers; payroll numbers; GST numbers; and regulatory operator codes;
- letters of intent, non-disclosure agreements, confidentiality agreements and non-compete/non-solicitation agreements (other than any employment agreements);
- all shares of capital stock or other Equity Interests in any subsidiary of the Company;
- any intercompany indebtedness or claim owing to the Company by an Affiliate of the Company;
- all organizational documents, corporate books and records, income tax returns and the corporate seal of the Company;
- any records that are required by law to be retained by the Company;

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- all computer servers and websites;
- all office equipment;
- all leased or owned vehicles;
- all inventory;
- legal opinions and all other documents prepared by or on behalf of the Company in contemplation of acquisition or litigation and any other documents within the possession of the Company which are subject to solicitor-client privilege under the laws of the Province of Alberta or any other jurisdiction, except with respect to those matters, if any, in respect of which the Purchaser is assuming responsibility for and indemnifying the Company;
- all tax attributes (including for certainty all government credits of any nature) if any, of the Company inherent to it, including tax pools, all rights related to former tax returns, operating, non-operating, and capital loss balances or carry forwards and tax audits, excluding any tax attributes which have been transferred to the purchaser(s) of any of the Excluded Assets, if applicable;
- all rights to payments and benefits under government support and subsidy programs;
- all existing insurance policies maintained by the Company with respect to the O&G Assets;
- all current and prior director and officer insurance policies of the Company and all rights of any nature with respect thereto running in favor of the Company;
- any and all rights of the Company under this Agreement and the Reverse Vesting Order;
- all Claims, rights, Losses or causes of action by or on behalf of the Company against any Person;
- all intellectual property;
- all goodwill and intangibles;
- the Facilities and Wells referred to in Appendix "2" to this Schedule "B"; and
- any and all other assets or interests of the Company other than the Transferred Assets and the Excluded Assets.

Retained Liabilities

The Retained Liabilities, being those liabilities proposed to be retained by the Company, mean:

- all liabilities and obligations arising from the possession, ownership and/or use of the Retained Assets and the business of the Company from and after Closing including for greater certainty, all Cure Costs;
- non-disclosure agreements, confidentiality agreements and non-compete/non-solicitation agreements;
- all new liabilities incurred, assumed or accepted by the Company after Closing;
- all Environmental Liabilities relating to the Retained Assets but excluding, for greater certainty, the Excluded Liabilities;
- all regulatory and government liabilities related to the Retained Assets, except to the extent such government liabilities are monetary in nature;
- all regulatory Orders of the AER;
- any and all surface lease payments related to the Retained Assets and Crown surface leases; and
- any other obligation designated as a Retained Liability by the Purchaser in writing to the Company or the Monitor prior to the closing of the Transactions.

Retained Contracts

The Retained Contracts, being those assets to be retained by the Company through operation of the Reverse Vesting Order, mean:

- All Crown surface leases; and
- those Contracts which may be designated as Retained Contracts pursuant to Section 3.6(a).

This is Exhibit "J"
referred to in the Affidavit of Tracy Wadson
Sworn before me this 22nd day of October, 2025



A Commissioner of Oaths
in and for the Province of Alberta

Kenneth M. Whitelaw
Barrister and Solicitor, Notary Public and
A Commissioner for Oaths in and for Alberta

CERTIFIED *E. Lethbridge*
by the Court Clerk as a true copy of
the document digitally filed on Jan
2, 2025

CLERK'S STAMP



COURT FILE NUMBER: 2401-05179

COURT

COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE

CALGARY

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
ALPHABOW ENERGY LTD.

DOCUMENT

**TRANSACTION APPROVAL AND REVERSE
VESTING ORDER**

ADDRESS FOR SERVICE
AND CONTACT
INFORMATION OF
PARTY FILING THIS
DOCUMENT:

BENNETT JONES LLP

Suite 4500, 855 – 2nd Street S.W.
Calgary, AB 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: Thursday, December 19, 2024

LOCATION OF HEARING OR TRIAL: Calgary Law Courts, via Webex

NAME OF JUSTICE WHO MADE THIS ORDER: The Honourable Justice J. R. Jeffrey

UPON the application of AlphaBow Energy Ltd. ("**AlphaBow**" or the "**Applicant**") for an Order approving the sale transaction (the "**Transaction**") contemplated by the Amended and Restated Subscription Agreement dated December 16, 2024 (the "**Subscription Agreement**") between AlphaBow and 2628071 Alberta Ltd. (the "**Purchaser**"); **AND UPON** having read the Affidavit of Ben Li, sworn on December 9, 2024, the Supplemental Affidavit of Ben Li, sworn on December 16, 2024, the Affidavit of Service of Stephanie Dumoulin, and the Monitor's Sixth

Report (the "**Sixth Report**"); **AND UPON hearing** the submissions of counsel for the Applicant, counsel for KSV Restructuring Inc. (the "**Monitor**"), and any other interested parties appearing at the application **AND UPON** the Court being satisfied based on the written submissions that the factors set out in *Harte Gold Corp (Re)*, 2022 ONSC 653 have been met and the transaction has not been structured to override voting on a plan;

IT IS HEREBY ORDERED AND DECLARED THAT:

SERVICE

1. Service of notice of this application and supporting materials is hereby declared to be good and sufficient, no other person is required to have been served with notice of this application and time for service of this application is abridged to that actually given.

CAPITALIZED TERMS

2. Capitalized terms used but not otherwise defined in this Order shall have the meaning given to such terms in the Subscription Agreement.

APPROVAL OF TRANSACTION

3. The Subscription Agreement and Transaction are hereby approved, and execution of the Subscription Agreement by the Applicant is hereby authorized and approved, with such amendments as the Applicant and the Purchaser (in consultation with the Monitor) may agree to. The Applicant is hereby authorized and directed to complete the Transaction subject to the terms of the Subscription Agreement, to perform its obligations under the Subscription Agreement and any ancillary documents related thereto, and to take such additional steps and execute such additional documents as may be necessary or desirable for completion of the Transaction. In the event of any conflict between the terms of the Subscription Agreement and this Order, this Order shall prevail.
4. Subject to the terms of the Subscription Agreement, this Order shall constitute the only authorization required in respect of the Applicant proceeding with and completing the Transaction.

REORGANIZATION AND ISSUANCE OF SHARES OF THE COMPANY

5. On the Closing Date, the Applicant is hereby authorized and directed to complete the Transaction, including the Reorganization and issuance of the Purchased Shares to the Purchaser (or its nominee) in consideration of the Purchase Price.
6. The Purchased Shares shall be issued by AlphaBow to the Purchaser (or its nominee) free and clear of and from any Losses or Encumbrances.
7. The Purchaser (or its nominee) and the Applicant, in completing the Transaction, are authorized to:
 - (a) execute and deliver any documents and assurances governing or giving effect to the Transaction as the Purchaser (or its nominee) and/or the Applicant in consultation with the Monitor, may deem to be reasonably necessary or advisable to conclude the Transaction, including the execution of all such ancillary documents as may be contemplated in the Subscription Agreement or necessary or desirable for the completion and implementation of the Transaction, and all such ancillary documents are hereby ratified, approved and confirmed; and
 - (b) take such steps as are, in the opinion of the Monitor, the Purchaser (or its nominee) and/or the Applicant, necessary or incidental to the implementation of the Transaction.
8. The Registrar appointed pursuant to Section 243 of the *Business Corporations Act*, RSA 2000, c B-9, as applicable, shall accept and receive any documents or instruments as may be required to permit or enable and effect the Transaction contemplated in the Subscription Agreement, filed by the Applicant and/or the Monitor.

VESTING OF ASSETS AND LIABILITIES

9. Subject to the terms of the Subscription Agreement, upon delivery of the Monitor's certificate to the Purchaser substantially in the form set out in Schedule "A" hereto (the "**Monitor's Certificate**"), the following shall occur and be deemed to occur

commencing at the time of delivery of the Monitor's Certificate (the "**Effective Time**") in the following sequence:

- (a) all right, title and interest of AlphaBow in and to the Transferred Assets shall be transferred to and shall vest absolutely and exclusively, without recourse, in the Creditor Trust and all Losses and Encumbrances attached to the Transferred Assets (other than the Retained Liabilities) shall continue to attach to the Transferred Assets with the same nature and priority as they had immediately prior to their transfer. For greater certainty, the O&G Assets, Abandonment and Reclamation Obligations, and Environmental Liabilities, as defined in the Subscription Agreement, shall not constitute Transferred Assets and form part of the Creditor Trust.
- (b) all Losses and Encumbrances in respect of the Company (including the "Transferred Liabilities" as defined in Schedule "B" to the Subscription Agreement), other than the Retained Liabilities, shall be transferred to and assumed by and shall vest absolutely and exclusively without recourse in the Creditor Trust, and shall no longer be liabilities of the Company, and such Losses and Encumbrances (including the Transferred Liabilities) shall continue to attach to the Transferred Assets with the same nature and priority as they had immediately prior to the Effective Time, as if the Transferred Assets had not been conveyed and had remained in the possession or control of the person having that possession or control immediately prior to the transfer;
- (c) all Losses and Encumbrances (including without limitation, the Transferred Liabilities) other than the Retained Liabilities shall be irrevocably and forever expunged, released and discharged as against the Company, the Purchaser (or its nominee), the Purchased Shares and the Retained Assets;
- (d) without limiting subparagraph 9(c), any and all security registrations against AlphaBow shall be and are hereby forever released and discharged as against AlphaBow, and all such security registrations shall attach to the Transferred Assets vested in the Creditor Trust and maintain the same attributes, rights, nature,

perfection and priority as they had immediately prior to the Effective Time, as if the Transferred Assets had not been conveyed and remained in the possession or control of the person having that possession or control immediately prior to the transfer, and no financing change statements in any applicable personal property or other registry system are required to reflect the transfer of and assumption by the Creditor Trust of such security registrations; and

- (e) the Company shall cease to be a Party in this Action and shall be released from the purview of the Amended and Restated Initial Order ("**ARIO**") and all other orders of this Court granted in these proceedings.

10. As of the Effective Time:

- (a) AlphaBow shall continue to hold all right, title and interest in and to the Retained Assets, free and clear of all Losses and Encumbrances other than the Retained Liabilities; and
- (b) AlphaBow shall be deemed to have disposed of the Transferred Assets and shall have no right, title or interest in or to the Transferred Assets.

11. For greater certainty, any person that, prior to the Effective Time, had a Loss or Encumbrance (other than a Retained Liability) against AlphaBow or its assets, properties or undertakings shall, as of the Effective Time, no longer have any such Loss or Encumbrance against or in respect of AlphaBow or the Retained Assets, but shall have an equivalent Loss or Encumbrance, as applicable, against the Transferred Assets to be administered by the Creditor Trust from and after the Effective Time, with the same attributes, rights, security, nature and priority as such Loss or Encumbrance had immediately prior to its transfer to the Creditor Trust, and nothing in this Order limits, lessens, modifies (other than by change in debtor) or extinguishes the Loss or Encumbrance of any Person as against the Transferred Assets to be administered by the Creditor Trust.

12. From and after the Effective Time, the Purchaser (or its nominee) and/or AlphaBow (or the Monitor on its behalf) shall be authorized to take all steps as may be necessary to effect