

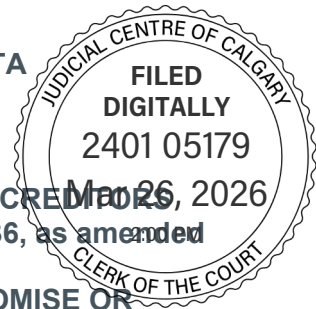


COURT FILE NUMBER **2401-05179**

COURT **COURT OF KING'S BENCH OF ALBERTA**

JUDICIAL CENTRE **CALGARY**

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



**AND IN THE MATTER OF THE COMPROMISE OR ARRANGEMENT OF ALPHABOW ENERGY LTD.**

DOCUMENT **THIRTEENTH REPORT OF THE MONITOR**

**MARCH 26, 2026**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

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## 1.0 Introduction

1. On March 28, 2024 (the “**Filing Date**”), Alhabow Energy Ltd. (“**Alhabow**”, the “**Company**”, or the “**Applicant**”) filed a Notice of Intention to Make a Proposal (“**NOI**”), pursuant to Section 50.4(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the “**BIA**”) (the “**NOI Proceeding**”). KSV Restructuring Inc. (“**KSV**”) consented to act as proposal trustee (the “**Proposal Trustee**”) in the NOI Proceeding.
2. On April 26, 2024, the Applicant sought and obtained an initial order (the “**Initial Order**”) from the Court of Kings’ Bench of Alberta (the “**Court**”) granting, among other things, a continuation of the NOI Proceedings under the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c C-36, as amended (the “**CCAA**”) (the “**CCAA Proceeding**”). This report (the “**Thirteenth Report**”) is filed by KSV in its capacity as monitor (the “**Monitor**”) in the CCAA Proceeding.
3. The Initial Order granted, among other things, the following relief within the CCAA Proceeding:
  - a) declaring the NOI Proceeding previously filed by the Applicant is taken up and continued under the CCAA, pursuant to section 11.6(a) of the CCAA;
  - b) terminating the NOI Proceeding;
  - c) granting a stay of all proceedings, rights, and remedies against or in respect of the Applicant until May 6, 2024 (the “**Stay Period**”); and
  - d) granting a charge to not exceed \$100,000 as security for the fees and disbursements of the Monitor, the Monitor’s counsel, Cassels Brock & Blackwell LLP (“**Cassels**”), and the Applicant’s counsel, Bennett Jones LLP (“**Bennett Jones**”) (the “**Administration Charge**”), against the Applicant’s current and future assets, undertakings and properties of every nature and kind whatsoever (including all real and personal property), and wherever situated, including all proceeds thereof (collectively the “**Property**”).
4. Further on April 26, 2024, the Court granted the Applicant’s application for an amended Initial Order (the “**Amended and Restated Initial Order**”) which included, amongst other matters, the following relief:

- a) extending the Stay Period to, and including, July 31, 2024; and
  - b) increasing the quantum of the Administration Charge to \$500,000.
5. In addition, on April 26, 2024, the Court granted the Applicant's application for a sale and investment solicitation process order (the "**SISP Order**") which includes, amongst other matters, the following relief:
- a) approval of a sale and investment solicitation process ("**SISP**"); and
  - b) authorizing the Monitor and Sayer Energy Advisors (the "**Sales Advisor**") to conduct the SISP and approving the engagement agreement between the Applicant and the Sales Advisor.
6. Finally, on April 26, 2024, the Court approved the Applicant's application for a sale approval and vesting order approving the sale transaction pursuant to the purchase and sale agreement dated April 15, 2024, between Alphabow and Cascade Capture Ltd. This transaction subsequently closed on May 8, 2024.
7. On July 23, 2024, the Court granted an extension to the Stay Period to August 31, 2024. The Stay Period was then subsequently extended to September 30, 2024, by an order issued by this Court on August 27, 2024.
8. On September 20, 2024, the Court granted Alphabow's applications for:
- a) a sale approval and vesting order approving a sale transaction (the "**Cenovus Transaction**") pursuant to the purchase and sale agreement dated September 4, 2024, between Alphabow and Cenovus Energy Inc. The Cenovus Transaction subsequently closed on October 2, 2024;
  - b) an order (the "**Claims Process Order**") authorizing Alphabow to undertake a claims process for the purpose of ascertaining the quantum of cure costs associated with certain assets included as part of the SISP (the "**Claims Process**"); and
  - c) an order, which amongst other things, extended the Stay Period to, and including, October 31, 2024.

9. On November 4, 2024, the Court granted Alhabow's applications for multiple sale approval and vesting orders approving several transactions pursuant to purchase and sale agreements between Alhabow and various parties (the "**November 4<sup>th</sup> Transactions**"). All of the November 4<sup>th</sup> Transactions have now closed. Further on November 4, 2024, the Court granted Alhabow's application for an Order, which amongst other things, extended the Stay Period to, and including, November 29, 2024.
10. On November 5, 2024, on application by the Company, the Court declared that two royalty agreements (the "**Advance GORR**") between Alhabow and Advance Drilling Ltd. ("**Advance**") did not create an interest in land and will be vested off as part of the sale of Alhabow's assets.
11. On November 21, 2024, the Court granted Alhabow's applications for multiple sale approval and vesting orders approving several transactions pursuant to purchase and sale agreements entered into between Alhabow and various parties (the "**November 21<sup>st</sup> Transactions**"). All of the November 21<sup>st</sup> Transactions have since closed or have been abandoned. Further on November 21, 2024, the Court granted Alhabow's application for an Order, which amongst other things, extended the Stay Period to, and including, December 31, 2024.
12. On December 19, 2024, the Court granted Alhabow's applications for multiple sale approval and vesting orders approving several transactions pursuant to purchase and sale agreements between Alhabow and various parties including:
  - i. North 40 Resources Ltd. ("**North40**");
  - ii. 2628071 Alberta Ltd. ("**071 AB**" or referred to as "**Resurgent**"); and
  - iii. 2628069 Alberta Ltd. ("**069 AB**" or referred to as "**Cascade**").
13. The North 40 sale approval and vesting order was amended and restated on January 21, 2025, to reflect amendments to Schedule "F" of the sales agreement between Alhabow and North 40. Such amendments corrected omissions in the schedule of registrations to be transferred.

14. Also on December 19, 2024, the Court granted Alhabow's applications for:
  - a) an approval and reverse vesting order (the "**RVO**"), approving, among other things, the transaction (the "**Corporate Transaction**") for the transfer of all the common shares of Alhabow to Resurgent pursuant to an Amended and Restated Subscription Agreement dated December 16, 2024 (the "**Subscription Agreement**"); and
  - b) an order, which amongst other things, extended the Stay Period to, and including, February 14, 2025 (the "**December Stay Extension Order**") and required Alhabow to pay to the Monitor from the proceeds of transactions contemplated in paragraph 4 of the Seventh Li Affidavit a holdback amount of \$3 million from net proceeds from the transactions to satisfy the pre and post filing amounts claimed by the Orphan Well Association ("**OWA**") for the provision of reasonable care and measures costs ("**RCAM Amounts**"). The provision in the December Stay Extension Order related to RCAM Amounts was without prejudice to the ability of the Municipalities to advance opposition to the payment of pre-filing amounts at the application scheduled on January 8, 2025.
15. On January 8, 2025, the Court granted Alhabow's application for an Order amending the December Stay Extension Order, reducing the RCAM Amounts from \$3.0 million to \$1.9 million. This amount was held in the interim in the Monitor's trust account and continues to be used to fund ongoing RCAM Amounts as they are incurred.
16. On February 4, 2025, the Court granted Alhabow's application for an Order extending the Stay Period to, and including, May 9, 2025.
17. On February 25, 2025, the Court granted Alhabow's application for:
  - a) a sale approval and vesting order approving a sale transaction pursuant to a purchase and sale agreement between Alhabow and 2661707 Alberta Ltd. ("**707 AB**") dated February 18, 2025 (the "**707 AB Transaction**");
  - b) a sale approval and vesting order approving a sale transaction pursuant to a purchase and sale agreement between Alhabow and Response Energy Corporation dated February 14, 2025 (the "**Response Transaction**"); and

- c) an Order assigning Alhabow's interest in an agreement dated February 3, 1978, between Hudson's Bay Oil and Gas Company Limited and Westcoast Petroleum Ltd. to Signalta.
18. On May 8, 2025, the Court granted Alhabow's application for an extension of the Stay Period to, and including, September 30, 2025.
  19. On June 26, 2025, the Court granted an Order, which authorized certain amendments to the purchase and sale agreements between Alhabow and 071 AB, 069 AB, and 707 AB.
  20. On September 22, 2025, the Court granted an Order which, among other things, extended the Stay of Proceedings to, and including, March 31, 2026.
  21. On November 19, 2025, the Company filed an application for permission to appeal the order of the Honourable Justice Bourque which dismissed the Company's application heard on September 15, 2025 for a declaration that any request by the Alberta Energy Regulator ("**AER**") for a security deposit is stayed and the failure of the Company to pay a security deposit cannot be relied upon for the purposes of considering whether to approve a license transfer application. The leave to appeal was heard on January 22, 2026, and on February 9, 2026, the Company's application for leave for appeal was denied.

## 1.1 Purposes of this Thirteenth Report

1. This Thirteenth Report is intended to provide the Court with further information related to the relief sought by the Company in its application scheduled for hearing on March 30, 2026. This Thirteenth Report specifically provides information regarding:
  - a) the Monitor's activities since the Monitor's twelfth report dated January 15, 2026 (the "**Twelfth Report**");
  - b) the Company's activities since the Twelfth Report;
  - c) the Monitor's comments and report on the Company's actual performance to date versus the eleventh cash flow forecast for the period from September 15, 2025 and ending March 15, 2026 (the "**Eleventh Cash Flow Statement**");

- d) the Monitor's comments and report on the Company's cash flow statement for the period commencing on March 16, 2026 and ending August 2, 2026 (the "**Twelfth Cash Flow Statement**");
- e) an update on the SISP;
- f) Alphabow's application for an Order, which among other things extends the Stay Period to, and including July 30, 2026 (the "**Stay Extension**"); and
- g) the Monitor's comments and recommendations.

## 1.2 Scope and Terms of Reference

1. In preparing this Thirteenth Report, the Monitor has relied upon the Applicant's unaudited financial information, books and records, information available in the public domain and discussions with the Applicant's management and legal counsel.
2. The Monitor has not audited or otherwise attempted to verify the accuracy or completeness of the financial information relied on to prepare this Thirteenth Report in a manner that complies with Canadian Auditing Standards ("**CAS**") pursuant to the Chartered Professional Accountants of Canada Handbook and, accordingly, the Monitor expresses no opinion or other form of assurance contemplated under the CAS in respect of such information. Any party wishing to place reliance on the financial information should perform its own due diligence.
3. An examination of the Twelfth Cash Flow Statement as outlined in the Chartered Professional Accountants of Canada Handbook has not been performed. Future-oriented financial information relied upon in this Thirteenth Report is based upon the Applicant's assumptions regarding future events; actual results achieved may vary from this information, and these variations may be material. The Monitor does not express any opinion or other form of assurance on whether the Twelfth Cash Flow Statement will be achieved.

4. This Thirteenth Report should be read in conjunction with the materials filed by the Applicant, including the First Li Affidavit, sworn April 15, 2024, the Supplement to the First Li Affidavit, sworn April 24, 2024, the Second Li Affidavit, sworn July 15, 2024, the Third Li Affidavit, sworn August 15, 2024, the Fourth Li Affidavit, sworn September 9, 2024, the Fifth Li Affidavit, sworn October 21, 2024, the Sixth Li Affidavit, sworn November 12, 2024, the Supplement to the Sixth Li Affidavit, sworn November 18, 2024, the Seventh Li Affidavit, sworn December 9, 2024, the Supplement to the Seventh Li Affidavit, sworn December 16, 2024, the Eighth Li Affidavit, sworn January 27, 2025, the Ninth Li Affidavit, sworn February 18, 2025, the Supplement to the Ninth Li Affidavit, sworn February 20, 2025, the Tenth Li Affidavit, sworn April 28, 2025, the Eleventh Li Affidavit, sworn June 17, 2025, the Twelfth Li Affidavit, sworn September 15, 2025, the Thirteenth Li Affidavit, sworn March 23, 2026, and any supplement affidavit(s) filed by the Applicant prior to the upcoming hearings (the “**Li Affidavits**”). Capitalized terms not defined in this Thirteenth Report have the meanings ascribed to them in the Li Affidavits.

### 1.3 Currency

1. Unless otherwise noted, all currency references in this Thirteenth Report are in Canadian dollars.

### 1.4 Court Materials

1. Court materials filed in these proceedings are made available by KSV on its case website at [www.ksvadvisory.com/experience/case/alphabow](http://www.ksvadvisory.com/experience/case/alphabow) (the “**Case Website**”).

## 2.0 Update on the Sale and Investment Solicitation Process (SISP) <sup>1</sup>

1. As more fully described in the Monitor’s previous reports, Alphabow’s SISP has resulted in multiple transactions that have been approved by the Court. As of the date of this Thirteenth Report, there were several transactions that were not closed as they had license transfer approval conditions from the AER that could not be met by the Company (the “**Remaining Transactions**”).

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<sup>1</sup> Capitalized terms in this section have the meaning provided to them in the SISP, unless otherwise defined herein.

2. Since the Twelfth Report, the Company has taken a series of steps to obtain the license transfer approvals and close the Remaining Transactions:
  - a) Alphabow met with the AER on December 1, 2026 to fully understand the AER’s position on the license transfers;
  - b) Alphabow provided updated financial information to the AER;
  - c) Alphabow engaged Environmental 360 Solutions Ltd. (“**E360**”) to identify evidence that the outstanding retirement obligations associated with the assets involved in the Remaining Transactions was materially lower than the amounts assessed by AER; and
  - d) Alphabow resubmitted the license transfer applications on January 11, 12 and 19, 2026 for certain of the Remaining Transactions with additional information so that Alphabow’s remaining retirement obligations can be better understood (the “**Resubmitted Transfer Applications**”).
  
3. As a result, on March 16, 2026, the Company received the AER’s renewed decision in respect of the Resubmitted Transfer Applications requiring Alphabow to post certain security (the “**Resubmitted Transfer Application Decision**”). A copy of the Resubmitted Transfer Application Decision is attached hereto as **Appendix “A”**.
  
4. The following is a summary of the status of the Remaining Transactions following receipt of the Resubmitted Transfer Application Decision:

Purchaser	Closing Date	AER Transfer Application Deposit Decision for AlphaBow	Monitor’s Comments
Corporate Transaction	Not Closed	N/A – License transfer approval not needed	The Corporate Transaction will close following the completion of the transaction with Cascade
Cascade	Not Closed	Application # 1960293 \$9,053,918	The Monitor understands Cascade intends to post the requested security deposit required pursuant to the Resubmitted Transfer Application and Alphabow will pay the required security deposit requested of it.
707 AB	February 3, 2026	Application #1960222 \$6,018,537	Two applications were submitted for the 707 AB transaction due to the urgency of the application decisions in January. This portion of the transaction is not expected to be completed as AlphaBow will not be posting the security required by AER in respect of Application #1960222
		Application #1960224 \$655,959	The Company intends to complete this portion of the transaction as 707 AB has committed to posting security for Application #1960224 for both Alphabow and 707 AB

Resurgent	Not Closed	N/A	The asset transaction contemplated with Resurgent is not expected to be completed as neither the Company nor Resurgent elected to resubmit a transfer application in respect of this transaction
Rockeast Energy Corp. ("Rockeast")	January 29, 2025	Application #1960216 \$5,162,028	This license transfer is not expected to be completed as neither the Company nor Rockeast will be posting the security required by the AER

5. As summarized above, the license transfer for the assets included in the Rockeast transaction and certain portions of the 707 AB transaction are not expected to be completed (the "**Non-Transferred Assets**"). The Company retains a 1% working interest in the Non-Transferred Assets and, in lieu of completing the license transfer, intends to enter into an operating agreement with Rockeast and 707 AB.
6. The Resubmitted Transfer Application Decision required security to be posted within 30 days of the security conditions being accepted. Cascade requested a payment plan be approved by the AER to satisfy the security deposit requirements under the Resubmitted Transfer Application Decision. On March 24, 2026 the Monitor understands the AER notified Cascade that they would review a reasonable payment plan proposal if one was submitted by 4:00 PM on April 7, 2026.
7. It is expected the Corporate Transaction will close following closing of the transaction with Cascade.

### 3.0 Other Matters

#### 3.1 Activities of the Monitor

1. Since the Twelfth Report, the Monitor has performed the following key activities:
  - a) monitored the Company's performance against the Eleventh Cash Flow Statement;
  - b) assisted the Company in its preparation of the Twelfth Cash Flow Statement;
  - c) met with the AER to discuss the license transfers and assisted in facilitating additional information being provided to the AER from purchasers;
  - d) ongoing dialogue with the OWA with respect to care and custody of Alhabow's sites and site suspension matters;

- e) attended hearing heard by the Alberta Court of Appeal and Court of King's Bench hearing by Kikinos Metis seeking to lift the stay of proceedings;
- f) responded to stakeholder inquiries;
- g) reviewed the Resubmitted Transfer Application Decision and corresponded with the Company and Bennett Jones regarding same;
- h) attended ongoing meetings with the Applicant, Cassels and Bennett Jones to discuss the transactions, AER matters, and the Claims Process;
- i) maintained the Case Website; and
- j) prepared this Thirteenth Report.

### **3.2 Activities of the Company**

1. Since the Twelfth Report, the Monitor has observed the Company continue to perform the following key activities:
  - a) responded to inquiries from stakeholders;
  - b) regularly corresponded with Bennett Jones and the Monitor;
  - c) reported the Company's performance against the Eleventh Cash Flow Statement;
  - d) prepared the Twelfth Cash Flow Statement;
  - e) closed the 707 AB Transaction;
  - f) with assistance from Bennett Jones, reviewed the Resubmitted Transfer Application Decision and corresponded with the AER regarding same;
  - g) attended ongoing meetings with the Monitor, Cassels and Bennett Jones to discuss the SISF and the Claims Process; and
  - h) worked with its legal counsel and the Monitor to prepare materials for the application to be heard on March 30, 2026.

## 4.0 Cash Flow Statement

1. At the time of the eleventh report dated September 18, 2025, the Applicant, with assistance from the Monitor, prepared the Eleventh Cash Flow Statement. The Eleventh Cash Flow Statement and the Applicant's statutory report pursuant to section 10(20)(b) of the CCAA is attached hereto as **Appendix "B"**.

### 4.1 Performance Against the Eleventh Cash Flow Statement

1. The Monitor has continued to review and evaluate the state of the Applicant's business and financial affairs since the Eleventh Report.
2. A review process was established with the Company to review weekly cash variances. A comparison of the Applicant's actual receipts and disbursements to the Eleventh Cash Flow Statement for the period from September 15, 2025 and ending March 15, 2026 (the "**Post Filing Reporting Period**") is as follows:

Post Filing Reporting Period (\$CAD)	Actual	Eleventh Cash Flow Statements	Favourable / (Unfavourable) Variance
Opening Cash Balances <sup>1</sup>	12,323,404	12,318,614	4,790
Receipts	569,892	-	569,892
Disbursements	(1,342,395)	(999,000)	(343,395)
Non-operating disbursements	(603,061)	(450,000)	(153,061)
Net Cash Flow	(1,375,564)	(1,449,000)	
Closing cash balance	10,947,840	10,869,614	

#### Monitor's Comments

1. For the Post Filing Reporting Period, the Company's actual cash balances were higher than forecasted primarily as a result of cash receipts received from working interest partners and government credits. Disbursements were higher primarily as a result of expenses incurred to engage contractors such as E360 to address concerns raised by the AER and complete an assessment of the Company's remaining reclamation liabilities. Non-operating disbursements were higher than forecast primarily as a result of timing of professional fees.

2. The Applicant has remained current in respect of its obligations that have arisen since the Filing Date except for certain amounts related to certain accruing obligations, including certain post-filing amounts that include property tax, mineral and surface lease costs and other contractual accruing costs for services that are currently not being used by the Company.

#### **4.2 The Twelfth Cash Flow Statement**

1. The Applicant prepared the Twelfth Cash Flow Statement, which is largely consistent with the Eleventh Cash Flow Statement except for the period covered and revisions on the timing of certain payments.
2. The Twelfth Cash Flow Statement and the Applicant's statutory report on the cash flow pursuant to Section 10(2)(b) of the CCAA is attached as **Appendix "C"**.
3. The Twelfth Cash Flow Statement reflects that the Applicant has sufficient liquidity for the duration of the Stay Period based on the listed assumptions.
4. Based on the Monitor's review of the Twelfth Cash Flow Statement, the assumptions contained therein appear reasonable. The Monitor's statutory report on the Twelfth Cash Flow Statement is attached as **Appendix "D"**.

#### **5.0 Company's Request for a Stay Extension**

1. The Stay of Proceedings currently expires on March 31, 2026. The Applicant is requesting an extension of the Stay of Proceedings until July 30, 2026, to allow further time for Alphabow to close the Cascade transaction and the Corporate Transaction.
2. The Monitor supports the request for the extension of the Stay Period and believes that it is appropriate in the circumstances for the following reasons:
  - a) the Applicant is acting, and continues to act, in good faith and with due diligence;
  - b) the Monitor does not believe that any creditor will be materially prejudiced by the requested extension of the Stay Period;
  - c) it will provide the Applicant with the additional time required to close the Cascade transaction and the Corporate Transaction and allow the Company and purchasers to post the required security deposit directed by the Resubmitted Transfer Application Decision;

- d) as of the date of this Thirteenth Report, neither the Applicant nor the Monitor is aware of any party opposed to an extension of the Stay Period; and
- e) the Twelfth Cash Flow Forecast reflects that the Applicants are projected to have sufficient liquidity to fund their operations and the costs of these CCAA proceedings during the proposed extension of the Stay Period.

## 6.0 Conclusion and Recommendation

1. Based on the foregoing, the Monitor respectfully recommends that this Honourable Court grant the stay extension sought by the Applicant.

\* \* \*

All of which is respectfully submitted,

*KSV Restructuring Inc.*

**KSV RESTRUCTURING INC.,  
in its capacity as Monitor of  
AlphaBow Energy Ltd.  
and not in its personal capacity**

## **Appendix “A”**



**Applications No. 1960216, 1960222, 1960224 and 1960293**

March 16, 2026

By email only

Jan Zhao

**AlphaBow Energy Ltd. (BA Code A7H2)**

**Licence Transfers from AlphaBow Energy Ltd. to:  
Rockeast Energy Corp., 2661707 Alberta Ltd., and Cascade Capture Ltd.  
Conditional Approval Decision**

**Dear Jan Zhao,**

The Alberta Energy Regulator (AER) received the subject licence transfer applications from AlphaBow Energy Ltd. (AlphaBow) to Rockeast Energy Corp. (Rockeast), 2661707 Alberta Ltd. (2661707 AB), and Cascade Capture Ltd. (Cascade) on January 11, 12, and 19, 2026, respectively, and has now completed its review.

Licence transfer applications are considered in accordance with the requirements of *Directive 088: Licensee Life-Cycle Management (Directive 088)*, section 6, and supplemental guidance within *Manual 23: Licensee Life-Cycle Management (Manual 23)*. The AER conducts a holistic licensee assessment of all applicants to determine whether any pose unreasonable risk as a result of the transfer.

The following elements were considered in the AER's review of the subject applications:

- The type and status of inventory included in the applications.
- The value of AlphaBow's remaining inventory post-transfer of \$208,904,444.87 estimated total liability, all of which is inactive in accordance with AER's [Order 202306-09](#), issued to AlphaBow on June 5, 2023.
- AlphaBow's high level of financial distress as shown in the LCA, according to the December 31, 2024, financial statements submitted to the AER.
- The financial risk presented by AlphaBow, as it pertains to its ability to address its remaining post-transfer closure obligations.
- The supplemental information submitted by email on January 19, 2026, from Ben Li on behalf of AlphaBow, in support of the subject applications.

- The letter of support dated January 14, 2026, from Rick Ironside on behalf of Resurgent Energy (Resurgent), discussing the acquisition of AlphaBow through a Reverse Vesting Order (RVO) and the proposed plans of Resurgent should the RVO transaction proceed.

*Data referenced on the above list was in effect as of March 9, 2026. Any changes to this data between then and the date of this decision were not considered.*

**The AER has decided to approve Application No. 1960216 with the following condition:**

- 1) AlphaBow Energy Ltd. must pay security in the amount of \$5,162,028.83, due 30 calendar days from acceptance of this condition.

**The AER has decided to approve Application No. 1960222 with the following condition:**

- 1) AlphaBow Energy Ltd. must pay security in the amount of \$6,018,537.06, due 30 calendar days from acceptance of this condition.

**The AER has decided to approve Application No. 1960224 with the following condition:**

- 1) AlphaBow Energy Ltd. must pay security in the amount of \$655,959.96, due 30 calendar days from acceptance of this condition.

**The AER has decided to approve Application No. 1960293 with the following condition:**

- 1) AlphaBow Energy Ltd. must pay security in the amount of \$9,053,918.64, due 30 calendar days from acceptance of this condition.

Typically, security as a condition of approval for a licence transfer is determined in accordance with Section 6.1.2 of *Manual 23*. AlphaBow's near post-transfer crossover timeline, and high financial distress, result in an amount of security that falls within the 97-100% range (\$202,637,311.52 - \$208,904,444.87) of table 9 in *Manual 23*.

However, the AER has decided to calculate the security required for each of the subject licence transfers based on 10% of the remaining inactive liability AlphaBow will continue to hold post-transfer, should the subject applications be approved. This aligns with how security was calculated within AER Order 202303-58 (page 5, item #8). The resulting security amounts are contingent on all conditions being accepted across the subject applications.

With respect to Resurgent's submissions in support of the transfer application involving Cascade, the AER notes that contractual arrangements, working interest structures, and projected performance are not considered in the calculation to determine transfer security.

Application decisions are final and the amount of security that has been calculated as a condition of this approval will not be negotiated or adjusted. Information regarding security deposits and refunds can be found in [Directive 068: Security Deposits](#).

AlphaBow may choose which applications it accepts the above conditions for. If AlphaBow accepts some or all of the conditions, please sign<sup>1</sup> and date the section below indicating which conditions it is agreeing to, and return a completed copy of this letter to [Directive088Transfers@aer.ca](mailto:Directive088Transfers@aer.ca) by March 23, 2026. Requests for an extension to this deadline will be considered if submitted in writing.

Rockeast, 2661707 AB, and Cascade have also been issued conditional approval decisions under separate cover and notified that a conditional approval has been issued to AlphaBow. Security or payment amounts within a conditional approval are only disclosed to the party being conditioned.

For Application No. 1960216, AlphaBow and RockEast must each fulfill all conditions within their conditional approvals before the transfer will be finalized, and formal licence transfer approval documents are issued.

For Applications No. 1960222 and 1960224, AlphaBow and 2661707 AB must each fulfill all conditions within their conditional approvals before the transfer will be finalized, and formal licence transfer approval documents are issued.

For Application No. 1960293, AlphaBow and Cascade must each fulfill all conditions within their conditional approvals before the transfer will be finalized, and formal licence transfer approval documents are issued.

Please notify [Directive088Transfers@aer.ca](mailto:Directive088Transfers@aer.ca) once AlphaBow has sent payment of the security deposit.

For Application No. 1960216, if AlphaBow or Rockeast does not agree to the conditions or does not respond to this letter by the above deadline, the application will be closed. If the application is closed, AlphaBow and Rockeast can resubmit a transfer application at any time. Regardless of the terms of a sale agreement between parties, the responsibilities and obligations to the AER would remain with AlphaBow as licensee of record.

For Applications No. 1960222 and 1960224, if AlphaBow or 2661707 AB does not agree to the conditions or does not respond to this letter by the above deadline, the applications will be closed. If the applications are closed, AlphaBow and 2661707 AB can resubmit transfer applications at any time. Regardless of the terms of a sale agreement between parties, the responsibilities and obligations to the AER would remain with AlphaBow as licensee of record.

For Application No. 1960293, if AlphaBow or Cascade does not agree to the conditions or does not respond to this letter by the above deadline, the application will be closed. If the application is closed, AlphaBow and Cascade can resubmit a transfer application at any time. Regardless of the terms of a sale agreement between parties, the responsibilities and obligations to the AER would remain with AlphaBow as licensee of record.

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<sup>1</sup> Acceptance of conditions must be executed by an individual with an ability to bind the entity.

AlphaBow may file a request for a regulatory appeal against an appealable AER decision if it meets the criteria within section 36 of the *Responsible Energy Development Act*. Filing instructions and forms can be found on the AER's [Regulatory Appeal Process](#) webpage.

If AlphaBow has any questions, please reach out to [Directive088Transfers@aer.ca](mailto:Directive088Transfers@aer.ca).

**Sincerely,**



**Trevor Gosselin, MDS**

Director, Transfers, SOC & Support

Regulatory Applications

/mw

Enclosure (1): Security Deposit Submission Form

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Accepted and agreed to on \_\_\_\_\_.

Month, Day, Year

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Title

**ALPHABOW ENERGY LTD.**

## **Appendix “B”**

AlphaBow Energy Ltd.  
**Cash Flow Forecast**  
September 15, 2025 to March 31, 2026  
(Unaudited, C\$000s)

	Note	21-Sep-25	28-Sep-25	05-Oct-25	12-Oct-25	19-Oct-25	26-Oct-25	02-Nov-25	09-Nov-25	16-Nov-25	23-Nov-25	30-Nov-25	07-Dec-25	14-Dec-25	21-Dec-25	28-Dec-25	04-Jan-26	11-Jan-26	18-Jan-26	25-Jan-26	01-Feb-26	08-Feb-26	15-Feb-26	22-Feb-26	01-Mar-26	08-Mar-26	15-Mar-26	22-Mar-26	31-Mar-25	Total	
Receipts	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Asset sales	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Receipts		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Disbursements																															
Care and Custody Costs	3	-	-	85	-	-	-	259	-	-	-	-	85	-	-	-	85	-	-	-	85	-	-	-	85	-	-	-	-	85	769
Contractors	4	-	-	60	-	-	-	45	-	-	-	-	45	-	-	-	45	-	-	-	45	-	-	-	45	-	-	-	-	45	330
Storage	5	-	-	5	-	-	-	5	-	-	-	-	5	-	-	-	5	-	-	-	5	-	-	-	5	-	-	-	-	5	35
Total Operating disbursements		-	-	150	-	-	-	309	-	-	-	-	135	-	-	-	135	-	-	-	135	-	-	-	135	-	-	-	-	135	1,134
Net Cash Flow before the Undernoted		-	-	(150)	-	-	-	(309)	-	-	-	-	(135)	-	-	-	(135)	-	-	-	(135)	-	-	-	(135)	-	-	-	-	(135)	(1,134)
Professional Fees	6	-	-	75	-	-	-	75	-	-	-	-	75	-	-	-	75	-	-	-	75	-	-	-	75	-	-	-	-	75	625
Net Cash Flow		-	-	(225)	-	-	-	(384)	-	-	-	-	(210)	-	-	-	(210)	-	-	-	(210)	-	-	-	(210)	-	-	-	-	(210)	(1,659)
Opening Cash balance	7	12,319	12,319	12,319	12,094	12,094	12,094	12,094	11,710	11,710	11,710	11,710	11,710	11,500	11,500	11,500	11,500	11,290	11,290	11,290	11,290	11,080	11,080	11,080	11,080	10,870	10,870	10,870	10,870	12,319	
Net Cash Flow		-	-	(225)	-	-	-	(384)	-	-	-	-	(210)	-	-	-	(210)	-	-	-	(210)	-	-	-	(210)	-	-	-	-	(210)	(1,659)
Closing cash balance		12,319	12,319	12,094	12,094	12,094	12,094	11,710	11,710	11,710	11,710	11,710	11,500	11,500	11,500	11,500	11,290	11,290	11,290	11,290	11,080	11,080	11,080	11,080	10,870	10,870	10,870	10,870	10,660	10,660	

The above financial projections are based on management's assumptions detailed in Appendix "1-1".  
The note references correspond to the assumption numbers shown in Appendix "1-1".

AlphaBow Energy Ltd.

**Notes to Projected Statement of Cash Flows**

September 15, 2025 to March 31, 2026

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**Purpose and General Assumptions**

1. The purpose of the projection is to present a forecast of the cash flow of AlphaBow Energy Ltd. (the "Applicant") for the period September 15 to March 31, 2025 (the "Period").

**Hypothetical**

2. Asset sales reflect the sale proceeds from certain asset sales as a result of the SISP and, for purposes of the sealing order, have been omitted.

**Most Probable**

3. The cash flow includes payment for the estimated monthly RCAM fees billed by the Orphan Well Association and for costs incurred to abandon certain redundant assets.
4. Contractor costs incurred monthly for the Applicant's personnel.
5. Reflects monthly expense for document storage.
6. Includes the estimated payments to the Applicant's legal counsel, the Monitor, and the Monitor's legal counsel.
7. Opening cash reflected as of September 14, 2025 and includes funds held in the Monitor's trust account.

IN THE COURT OF KING'S BENCH OF ALBERTA

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

AND IN THE MATTER OF ALPHABOW ENERGY LTD.

MANAGEMENT'S REPORT ON THE ELEVENTH CASH FLOW  
STATEMENT (paragraph 23(1)(b) of the CCAA)

The management of Alhabow Energy Ltd. (the "**Applicant**") has developed the assumptions and prepared the attached statement of projected cash flow as of the 17<sup>th</sup> day of September, 2025 for the period September 15, 2025 to March 31, 2026 ("**Eleventh Cash Flow Statement**"). All such assumptions are disclosed in the notes to the Eleventh Cash Flow Statement.

The hypothetical assumptions are suitably supported and consistent with the purpose of the Eleventh Cash Flow Statement as described in Note 1 to the Eleventh Cash Flow Statement, and the probable assumptions are suitably supported and consistent with the plans of the Applicant and provide a reasonable basis for the Eleventh Cash Flow Statement.

Since the Eleventh Cash Flow Statement is based on assumptions regarding future events, actual results will vary from the information presented and the variations may be material.

The Eleventh Cash Flow Statement has been prepared solely for the purpose outlined in Note 1 using a set of probable assumptions set out therein. Consequently, readers are cautioned that the Eleventh Cash Flow Statement may not be appropriate for other purposes.

Dated at Calgary, AB this 17<sup>th</sup> day of September, 2025.

**ALPHABOW ENERGY LTD.**

*songsong Li*

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Per: Ben Li

## **Appendix “C”**

AlphaBow Energy Ltd.  
**Cash Flow Forecast**  
 March 16, 2026 to August 2, 2026  
 (Unaudited; C\$000s)

	Note	22-Mar-26	29-Mar-26	05-Apr-26	12-Apr-26	19-Apr-26	26-Apr-26	03-May-26	10-May-26	17-May-26	24-May-26	31-May-26	07-Jun-26	14-Jun-26	21-Jun-26	28-Jun-26	05-Jul-26	12-Jul-26	19-Jul-26	26-Jul-26	02-Aug-26	Total
Receipts	1																					
Miscellaneous receipts	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Receipts		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Disbursements																						
Care and Custody Costs	3	-	-	250	-	-	-	100	-	-	-	-	100	-	-	-	100	-	-	-	100	650
Contractors	4	-	-	65	-	-	-	65	-	-	-	-	65	-	-	-	65	-	-	-	65	325
Rent		-	-	10	-	-	-	10	-	-	-	-	10	-	-	-	10	-	-	-	10	50
Other Miscellaneous	5	-	-	5	-	-	-	5	-	-	-	-	5	-	-	-	5	-	-	-	5	25
Total Operating disbursements		-	-	330	-	-	-	180	-	-	-	-	180	-	-	-	180	-	-	-	180	1,050
Net Cash Flow before the Undernoted		-	-	(330)	-	-	-	(180)	-	-	-	-	(180)	-	-	-	(180)	-	-	-	(180)	(1,050)
Professional Fees	6	-	-	75	-	-	-	75	-	-	-	-	75	-	-	-	75	-	-	-	75	375
Net Cash Flow		-	-	(405)	-	-	-	(255)	-	-	-	-	(255)	-	-	-	(255)	-	-	-	(255)	(1,425)
Opening Cash balance	7	10,948	10,948	10,948	10,543	10,543	10,543	10,543	10,288	10,288	10,288	10,288	10,288	10,033	10,033	10,033	10,033	9,778	9,778	9,778	9,778	10,948
Net Cash Flow		-	-	(405)	-	-	-	(255)	-	-	-	-	(255)	-	-	-	(255)	-	-	-	(255)	(1,425)
Closing cash balance		10,948	10,948	10,543	10,543	10,543	10,543	10,288	10,288	10,288	10,288	10,288	10,033	10,033	10,033	10,033	9,778	9,778	9,778	9,778	9,523	9,523

The above financial projections are based on management's assumptions detailed in Appendix "1-1".  
 The note references correspond to the assumption numbers shown in Appendix "1-1".

AlphaBow Energy Ltd.

**Notes to Projected Statement of Cash Flows**

March 16, 2026 to August 2, 2026

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**Purpose and General Assumptions**

1. The purpose of the projection is to present a forecast of the cash flow of AlphaBow Energy Ltd. (the "Applicant") for the period March 16 to August 2, 2026 (the "Period").

**Hypothetical**

2. The Company anticipates receiving various miscellaneous receipts from operations or closing certain transactions. Amounts have been omitted from the cash flow as timing and amounts are uncertain.

**Most Probable**

3. The cash flow includes payment for the estimated monthly RCAM fees billed by the Orphan Well Association and for costs incurred to abandon certain redundant assets. The Company is of the view these costs may decrease as the remaining transactions are closed. The Company may need to perform additional suspension activities during the forecast period, however these costs have been omitted from the cash flow as the timing and cost of such amounts is unknown.
4. Contractor costs incurred monthly for the Applicant's personnel.
5. Reflects miscellaneous expenditures such as document storage.
6. Includes the estimated payments to the Applicant's legal counsel, the Monitor, and the Monitor's legal counsel.
7. Opening cash reflected as of March 15, 2026 and includes funds held in the Monitor's trust account.

**IN THE COURT OF KING'S BENCH OF ALBERTA**

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

**AND IN THE MATTER OF ALPHABOW ENERGY LTD.**

**MANAGEMENT'S REPORT ON THE TWELFTH CASH FLOW  
STATEMENT (paragraph 23(1)(b) of the CCAA)**

The management of Alhabow Energy Ltd. (the "**Applicant**") has developed the assumptions and prepared the attached statement of projected cash flow as of the 24<sup>th</sup> day of March, 2026 for the period March 16, 2026 to August 2, 2026 ("**Twelfth Cash Flow Statement**"). All such assumptions are disclosed in the notes to the Twelfth Cash Flow Statement.

The hypothetical assumptions are suitably supported and consistent with the purpose of the Twelfth Cash Flow Statement as described in Note 1 to the Twelfth Cash Flow Statement, and the probable assumptions are suitably supported and consistent with the plans of the Applicant and provide a reasonable basis for the Twelfth Cash Flow Statement.

Since the Twelfth Cash Flow Statement is based on assumptions regarding future events, actual results will vary from the information presented and the variations may be material.

The Twelfth Cash Flow Statement has been prepared solely for the purpose outlined in Note 1 using a set of probable assumptions set out therein. Consequently, readers are cautioned that the Twelfth Cash Flow Statement may not be appropriate for other purposes.

Dated at Calgary, AB this 24<sup>th</sup> day of March, 2026.

**ALPHABOW ENERGY LTD.**



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Per: Ben Li

## **Appendix “D”**

**IN THE COURT OF THE KING'S BENCH OF ALBERTA**

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

**AND IN THE MATTER OF ALPHABOW ENERGY LTD.**

**MONITOR'S REPORT ON THE TWELFTH CASH FLOW  
STATEMENT (paragraph 23(1)(b) of the CCAA)**

The attached statement of projected cash flow of Alhabow Energy Ltd. (the "**Applicant**") as of the 24<sup>th</sup> day March, 2026, consisting of a weekly projected cash flow statement for the period March 16, 2026 to August 2, 2026 (the "**Twelfth Cash Flow Statement**") has been prepared by the management of the Applicant for the purpose described in Note 1, using probable and hypothetical assumptions set out in the notes to the Twelfth Cash Flow Statement.

Our review consisted of inquiries, analytical procedures and discussions related to information supplied by the management of the Applicant. We have reviewed the support provided by management for the probable and hypothetical assumptions and the preparation and presentation of the Twelfth Cash Flow Statement.

Based on our review, nothing has come to our attention that causes us to believe that, in all material respects:

- a) the hypothetical assumptions are not consistent with the purpose of the Twelfth Cash Flow Statement;
- b) as at the date of this report, the probable assumptions developed by management are not suitably supported and consistent with the plans of the Applicant or do not provide a reasonable basis for the Twelfth Cash Flow Statement, given the hypothetical assumptions; or
- c) the Twelfth Cash Flow Statement does not reflect the probable and hypothetical assumptions.

Since the Twelfth Cash Flow Statement is based on assumptions regarding future events, actual results will vary from the information presented, and the variations may be material. Accordingly, we express no assurance as to whether the Twelfth Cash Flow Statement will be achieved. We express no opinion or other form of assurance with respect to the accuracy of any financial information presented in this report, or relied upon in preparing this report.

The Twelfth Cash Flow Statement has been prepared solely for the purpose described in Note 1 and readers are cautioned that it may not be appropriate for other purposes.

Dated at Calgary, AB this 24<sup>th</sup> day of March, 2026.

*KSV Restructuring Inc.*

**KSV RESTRUCTURING INC.,**  
solely in its capacity as the proposed monitor of  
Alphabow Energy Ltd.