



COURT FILE NUMBER B301-276975

COURT COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

IN THE MATTER OF THE *BANKRUPTCY AND
INSOLVENCY* ACT, R.S.C. 1985, c B-3, AS AMENDED

AND IN THE MATTER OF THE NOTICE OF INTENTION
TO MAKE A PROPOSAL OF BLUE SKY RESOURCES LTD.

APPLICANT CANADIAN NATURAL RESOURCES LIMITED

RESPONDENT HIS MAJESTY IN RIGHT OF ALBERTA, AS
REPRESENTED BY THE MINISTER OF ENERGY.

DOCUMENT **SUPPLEMENTAL AFFIDAVIT**

ADDRESS FOR
SERVICE AND
CONTACT
INFORMATION OF
PARTY FILING THIS
DOCUMENT
Attention: Evan W. Dixon/Sandy Carpenter
P2 Regulatory Solutions
Suite 300, 207 9th Avenue SW
Calgary, Alberta T2P 1K3
Telephone: (403) 297-2001
Email: edixon@p2regulatory.com
scarpenter@p2regulatory.com

SUPPLEMENTAL AFFIDAVIT OF WAYNE TALJIT

Sworn on January 8th, 2026

I, Wayne Taljit, of the City of Edmonton, in the Province of Alberta, MAKE OATH AND
SWEAR THAT:

1. I am the Director, Gas Royalty Operations with the Government of Alberta, Department of Energy and Minerals. As such, I have personal knowledge of the facts and matters deposed to in this Affidavit, except those made on information and belief, in which case I have stated the source of the information and believe the information to be true and accurate.
2. In my role as Director, Gas Royalty Operations, I am responsible for the overall administration and management of gas royalty operations for the Government of Alberta which includes oversight of the collections teams to ensure royalty revenue is collected for the benefit of all Albertans in accordance with the applicable legislation.

3. I previously swore an affidavit on December 12, 2025, and such affidavit was filed on December 15, 2025 (the **December Affidavit**).

4. It has come to my attention that the December Affidavit contains inaccuracies which require remedying prior to the resolution of this dispute.

Paragraph 4

5. Paragraph 4 of the December Affidavit reads:

4. CNRL's application was filed following Alberta Energy's attempts to collect royalties owing under Crown petroleum and natural gas leases where Blue Sky is one of the lessees. Alberta Energy attempted to collect royalties from co-lessees, including CNRL, all of whom are liable for such royalties pursuant to the leases and section 20(2.1) of the *Mines and Minerals Act* RSA 2000, c M17 (**MMA**) (the **Outstanding Royalties**).

6. That paragraph should instead be read as:

4. CNRL's application was filed following Alberta Energy's attempts to collect royalties owing under Crown petroleum and natural gas leases where Blue Sky is ~~one of the lessees~~ a royalty client. Alberta Energy attempted to collect royalties from ~~co-lessees~~ lessees of affected leases, some of whom are co-lessees with Blue Sky, including CNRL, all of whom are liable for such royalties pursuant to the leases and section 20(2.1) of the *Mines and Minerals Act* RSA 2000, c M17 (**MMA**) (the **Outstanding Royalties**).

Paragraph 24

7. Paragraph 24 of the Taljit affidavit reads:

24. While co-lessees are liable for all Crown Liabilities arising under a Crown Lease, Alberta Energy does not typically, at first, attempt collection from co-lessees.

8. That paragraph should instead be read as:

24. While ~~co-lessees~~ lessees are liable for all Crown Liabilities arising under a Crown Lease, Alberta Energy does not typically, at first, attempt collection from ~~co-lessees~~ lessees.

Paragraph 37

9. Paragraph 37 of the December Affidavit reads:

37. On September 25, 2025, following commencement of Blue Sky's insolvency proceedings, Alberta Energy sent a Default Letter to all co-lessees on

Crown Leases where Blue Sky held a lease interest, outlining the Outstanding Royalties under the leases. A copy of the Default Letter is attached as **Exhibit I**.

10. That paragraph should instead be read as:

37. On September 25, 2025, following commencement of Blue Sky's insolvency proceedings, Alberta Energy sent a Default Letter to all ~~co-lessees~~ lessees of affected ~~on~~ Crown Leases where Blue Sky ~~held a lease interest~~ is a royalty client, outlining the Outstanding Royalties under the leases. A copy of the Default Letter is attached as **Exhibit I**.

Paragraph 38

11. Paragraph 38 of the December Affidavit reads:

38. The Lunn Affidavit, at paragraph 12, incorrectly states that only 12 of the relevant co-lessees received the Default Letter. The Default Letter was sent to the most recent recorded email addresses for all listed co-lessees, using two emails of separate cover to accommodate the number of parties, at 3:58 PM and 4:07 PM respectively, attached as **Exhibits J and K**.

12. This paragraph should instead be read as:

38. The Lunn Affidavit, at paragraph 12, incorrectly states that only 12 of the relevant ~~co-lessees~~ lessees received the Default Letter. The Default Letter was sent to the most recent recorded email addresses for all listed ~~co-lessees~~ lessees, using two emails of separate cover to accommodate the number of parties, at 3:58 PM and 4:07 PM respectively, attached as **Exhibits J and K**.

Paragraph 42

13. Paragraph 42 of the December Affidavit reads:

42. In response to issuance of the Default Letter, Alberta Energy received payments from various co-lessees in the following amounts:

14. That paragraph should instead be read as:

42. In response to issuance of the Default Letter, Alberta Energy received payments from various ~~co-lessees~~ lessees of affected Crown Leases in the following amounts:

Paragraph 43

15. Paragraph 43 of the December Affidavit reads:

43. Alberta Energy accepted these payments and agreed to stay any further enforcement against the co-lessees until resolution of this matter.

16. That paragraph should instead be read as:

43. Alberta Energy accepted these payments and agreed to stay any further enforcement ~~against the co-lessees~~ until resolution of this matter.

Paragraph 50

17. Paragraph 50 of the December Affidavit reads:

50. The Default Letter begins by listing the total amount of Outstanding Royalties in Blue Sky's royalty client account. However, attributing the Outstanding Royalties to Blue Sky's royalty client account does not absolve Blue Sky's co-lessees of their liability for these amounts owed under Crown Leases.

18. That paragraph should instead be read as:

50. The Default Letter begins by listing the total amount of Outstanding Royalties in Blue Sky's royalty client account. However, attributing the Outstanding Royalties to Blue Sky's royalty client account does not absolve lessees associated with Blue Sky's royalty client account ~~co-lessees~~ of their liability for these amounts owed under Crown Leases.

Paragraph 51

19. Paragraph 51 of the December Affidavit reads:

51. As discussed, Alberta Energy first attempts royalty collection from designated royalty clients in the proportion assigned to them and communicated to Alberta Energy. When that collection is frustrated or becomes impossible, such as in an insolvency, Alberta Energy avails itself to its other remedies under the Crown Leases and MMA, such as collection from co-lessees.

20. That paragraph should instead be read as:

51. As discussed, Alberta Energy first attempts royalty collection from designated royalty clients in the proportion assigned to them and communicated to Alberta Energy. When that collection is frustrated or becomes impossible, such as in an insolvency, Alberta Energy avails itself to its other remedies under the Crown Leases and MMA, such as collection from ~~co-lessees~~ lessees.

Paragraph 54

21. Paragraph 54 of the December Affidavit reads:

54. If, pursuant to shared co-lessee liability, Alberta Energy reflected all outstanding royalty balances in each co-lessee's royalty client account, it would lead to accounting errors and double collection (i.e., 10 lessees would all owe

~\$1.8m in their accounts, despite the total owed amount across all leases totaling ~\$1.8m).

22. That paragraph should instead be read as:

54. If, ~~pursuant to shared co-lessee liability,~~ Alberta Energy reflected all outstanding royalty balances in each ~~co-lessee's~~ lessee's royalty client account, it would lead to accounting errors and double collection (i.e., 10 lessees would all owe ~\$1.8m in their accounts, despite the total owed amount across all leases totaling ~\$1.8m).

Paragraph 55

23. Paragraph 55 of the December Affidavit reads:

55. Despite all Blue Sky co-lessees receiving the Default Letter outlining the total Outstanding Royalties attributed to Blue Sky via industry, Alberta Energy collects outstanding amounts from co-lessees on a leasehold basis. In short, co-lessees pay only those Outstanding Royalties for Crown Leases to which they are a party. This methodology reflects that, ultimately, royalties are tied to the underlying Crown Lease.

24. That paragraph should instead be read as:

55. Despite all ~~Blue Sky co-lessees~~ lessees associated with Blue Sky's royalty client account receiving the Default Letter outlining the total Outstanding Royalties attributed to Blue Sky via industry, Alberta Energy collects outstanding amounts from ~~co-lessees~~ lessees on a leasehold basis. In short, ~~co-lessees~~ lessees pay only those Outstanding Royalties for Crown Leases to which they are a party. This methodology reflects that, ultimately, royalties are tied to the underlying Crown Lease.

Paragraph 58

25. Paragraph 58 of the December Affidavit reads:

58. The Default Letter was sent to both co-lessees and designated representatives, as appropriate. Even if a party had no interest in a lease, they would still receive the Default Letter for leases on which they are a designated representative.

26. That paragraph should instead be read as:

58. The Default Letter was sent to both ~~co-lessees~~ lessees associated with Blue Sky's royalty client account and designated representatives, as appropriate. Even if a party had no interest in a lease, they would still receive the Default Letter for leases on which they are a designated representative.

Paragraph 61

27. Paragraph 61 of the December Affidavit reads:

61. Following delivery of the Default Letter, on September 29, 2025, Alberta Energy provided a spreadsheet containing Crown Liability information specific to each co-lessee and their respective Crown Leases. This spreadsheet provided agreement ID, production periods, designated representatives, participants, royalty amounts, and interest. The cover email providing this information to CNRL is attached as **Exhibit N**, and the spreadsheet of Outstanding Royalties itself as **Exhibit O**.

28. That paragraph should instead read:

61. Following delivery of the Default Letter, on September 29, 2025, Alberta Energy provided a spreadsheet containing Crown Liability information specific to each ~~co-lessee~~ lessee and their respective Crown Leases. This spreadsheet provided agreement ID, production periods, designated representatives, participants, royalty amounts, and interest. The cover email providing this information to CNRL is attached as **Exhibit N**, and the spreadsheet of Outstanding Royalties itself as **Exhibit O**.

Paragraph 64

29. Paragraph 64 of the December Affidavit reads:

64. Alberta Energy provided to all co-lessees the information relevant to their Crown Lease obligations connected to Blue Sky's insolvency and collection of associated Outstanding Royalties as requested by the applicable co-lessees.


30. That paragraph should instead be read as:

64. Alberta Energy provided to all ~~co-lessees~~ lessees the information relevant to their Crown Lease obligations connected to Blue Sky's insolvency and collection of associated Outstanding Royalties as requested by the applicable ~~co-lessees~~ lessees.

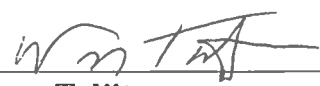
Conclusion

31. I make this Affidavit in correction to my previous affidavit sworn December 12, 2025.

SWORN BEFORE ME at the City of
Edmonton, in the Province of Alberta,
this 8th day of January 2026.


A Commissioner of Oaths in and for
the Province of Alberta

Luke Woulfe
A COMMISSIONER FOR OATHS
IN AND FOR THE
PROVINCE OF ALBERTA
Barrister & Solicitor

)
)
)
) 
) **Wayne Taljit**
)