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COURT

COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE

CALGARY

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

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

DOCUMENT

ORDER
(Approval of Sale and Investment Solicitation Process)

DLA Piper (Canada) LLP
1000, 250 2 Street SW
Calgary, Alberta T2P OC1

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
PARTY FILING THIS DOCUMENT

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File No. 101988-00025

DATE ON WHICH ORDER WAS PRONOUNCED
LOCATION OF HEARING OR TRIAL
NAME OF JUDGE WHO MADE THIS ORDER

November 20, 2025
Calgary, Alberta (Via Webex)
Justice B. Johnston

UPON THE APPLICATION of Blue Sky Resources Ltd. (the "**Applicant**") filed October 31, 2025 (the "**Application**"); **AND UPON** reading the Affidavit of Mike Bouvier sworn October 30, 2025 (the "**First Bouvier Affidavit**"), the Affidavit of Mike Bouvier sworn November 12, 2025 (the "**Second Bouvier Affidavit**" and together with the First Bouvier Affidavit, the "**Bouvier Affidavits**"), the Affidavit of Joe DeVries sworn November 6, 2025, and the Second Report of KSV Restructuring Inc., in its capacity as proposal trustee of the Applicant (the "**Proposal Trustee**") dated November 4, 2025, **AND UPON** noting that the Applicant filed a Notice of Intention to Make a Proposal under subsection 50.4(1) of the *Bankruptcy and Insolvency Act*, RSC 1985, c. B-3, as amended (the "**BIA**") on September 24, 2025; **AND UPON** noting that Blue Sky and Altima Energy Inc. ("**Altima**")

executed an asset purchase and sale agreement dated June 27, 2025 (the “**Altima APA**” and such transaction being the “**Altima Transaction**”) in respect of the sale of certain of Blue Sky’s oil and gas assets to Altima (the “**Altima Purchased Assets**”); **AND UPON** noting that Altima has assigned its rights under the Altima APA to its affiliate, Primrose Drilling Ventures Ltd.; **AND UPON** noting that the Second Closing (as defined in the Altima APA) of the Altima Transaction has not occurred as of the date of this Order; **AND UPON** hearing the submissions of counsel for the Applicant, and the other parties present;

IT IS HEREBY ORDERED AND DECLARED THAT:

1. Capitalized terms otherwise used but not defined herein shall have the meanings ascribed to them in the Bouvier Affidavits.

SERVICE

2. Service of the Notice of Application for this Order is hereby validated and deemed good and sufficient, this application is properly returnable today, and no person other than those persons served is entitled to service of the Notice of Application.

APPROVAL OF SALE AND INVESTMENT SOLICITATION PROCESS

3. The sale and investment solicitation process (“**SISP**”) substantially in the form attached hereto as **Schedule “A”** is hereby approved.
4. The Proposal Trustee and the Sales Agent (as defined below) are hereby authorized and directed to proceed with the procedures set out in the SISP and to do all such things as are reasonably necessary to carry out its obligations thereunder and give full effect to the SISP.

GENERAL

5. The Applicant and the Proposal Trustee may from time to time apply to this Court for advice and directions in the discharge of their powers and duties hereunder.
6. Any interested party (including the Applicant and the Proposal Trustee) may apply to this Court to vary or amend this Order on not less than seven (7) days’ notice to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order.
7. Service of this Order may be effected by facsimile, electronic mail, personal delivery or courier. Service is deemed to be effected the next business day following transmission or delivery of this Order.

BB Johns

J.C.K.B.A.

SCHEDULE "A"
SALES AND INVESTMENT SOLICITATION PROCESS

1. On September 24, 2025, Blue Sky Resources Ltd. (the "**Company**") filed a Notice of Intention to Make a Proposal pursuant to the provisions of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3 (the "**NOI Proceedings**").
2. KSV Restructuring Inc. consented to act as proposal trustee (the "**Proposal Trustee**") in the NOI Proceedings.
3. Aces Canada SPV III ULC (the "**Existing Lender Agent**") is currently agent of the primary secured lenders of the Company and, in that capacity, the Existing Lender Agent will, subject to paragraph 8 herein, have certain consultation rights as specifically provided for below.
4. On November 20, 2025, the Court of King's Bench of Alberta (the "**Court**") granted an order (the "**SISP Approval Order**") which, among other things, (i) empowered the Proposal Trustee and the Sales Agent to prepare and conduct a sales and investment solicitation process (the "**SISP**") to solicit offers for the Business and the Property of the Company, in whole or in part, or investments related thereto, and (ii) included a priority charge in favour of Aces Canada SPV III ULC (the "**Interim Lender**") to secure the Interim Credit Facility as set forth in such order.
5. This SISP Approval Order and this SISP shall govern how interested parties may gain access to due diligence materials concerning the Company and the Property, how bids involving Company, the Property, or any part or parts thereof ("**Bids**") will be submitted and addressed, and how the required court approvals will be addressed in the NOI Proceedings in respect of any transaction or transactions involving the Company or the Property.
6. The SISP will provide an opportunity for, all qualified interested parties to participate in the SISP. The SISP is intended to find the highest and/or best offer for a restructuring and/or refinancing of the Company, a sale of the Company's Property on a going concern or piecemeal basis, or a combination thereof, or other similar transaction (the "**Transaction**").
7. All capitalized terms used but not otherwise defined herein shall have the following meanings:

"**Altima**" means Altima Energy Inc.

"**Altima Purchased Assets**" means the Company's oil and gas assets which are subject to an asset purchase and sale agreement dated June 27, 2025 between the Company and Altima and the transaction contemplated therein.

"**Approval Application**" means a hearing before the Court to authorize the Company to enter into agreements with respect to the Successful Bid or Successful Bids.

"**BIA**" means the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3.

"**Bid Deadline**" means January 29, 2026.

“Business” means the oil and gas operations carried on by the Company in Alberta, British Columbia and Saskatchewan.

“Business Day” means a day, other than a Saturday, Sunday or a statutory holiday, on which banks are open for business in the City of Calgary, in the Province of Alberta.

“Claims and Interests” means pledges, liens, security interests, encumbrances, claims, charges, options, and interests thereon and there against.

“Commencement Date” means the date the Sales Agent and the Proposal Trustee initiate the SISP.

“Definitive Agreement” means the template agreement of purchase and sale provided by the Proposal Trustee to the Successful Bidder(s) and to be finalized between the Successful Bidder(s) and the Company.

“Definitive Agreement Deadline” means February 20, 2026.

“Deposit” means an amount paid by one or more Qualified Bidders to be dealt with in accordance with the SISP.

“Investment Proposal” means an offer in accordance with the SISP to make an investment in, restructure, recapitalize, reorganize or refinance the Company and its Business.

“Lender” means, collectively, the Interim Lender and Existing Lender Agent in such capacities (or their respective assignees).

“Lender Advisor” means Alvarez & Marsal Canada Inc.

“Lender Secured Indebtedness” means the indebtedness owing to the primary secured lenders of the Company represented by the Existing Lender Agent.

“Outside Closing Date” means March 20, 2026.

“Potential Bidder” means a party with interest in a Transaction involving the Property or the Company by way of the SISP; however, that has not complied with the requirements of the SISP to be accepted as a Qualified Bidder.

“Property” means the assets, undertakings and property of the Company, excluding, however, any and all of the Company’s interest in and to all assets, undertakings and property and rights pertaining to the Altima Purchased Assets.

“Purchase Price” means the price proposed for the Property to be acquired, expressed in Canadian dollars, for the Transaction submitted with a Qualified Purchase Bid.

“Qualified Bid” means either: (i) a Qualified Purchase Bid; or (ii) a Qualified Investment Bid submitted to the Proposal Trustee in accordance with the SISP.

“Qualified Investment Bid” means an offer to make an investment in, restructure, reorganize, recapitalize, or refinance the Company and otherwise satisfies the requirements of the SISP.

“Qualified Purchase Bid” means an offer to purchase all or any part of the Property of the Company and otherwise satisfies the requirements of the SISP.

“Red Earth Assets” means the Company’s assets that are subject to a security interest granted by the Company in favour of the Existing Lender Agent in respect of the Lender Secured Indebtedness.

“Regulatory Approvals” means any required approvals necessary to operate the relevant aspects of the Property or the Business of the Company.

“Representatives” when used with respect to a person means each director, officer, employee, consultant, contractor, financial advisor, legal counsel, accountant and other agent, adviser or representative of that person.

“Sale Proposal” means an offer in accordance with the SISP to acquire all, substantially all or a portion of the Property.

“Sales Agent” means Sayer Energy Advisors.

“Successful Bid” means the most, or a combination of the most, favourable of the Qualified Bids as identified by the Sales Agent and the Proposal Trustee.

“Successful Bidder” means the highest and best Bid, or a combination of the highest and best Bids, as determined in the sole discretion of the Proposal Trustee, or alternatively, by this Honourable Court.

“Target Dates” means the milestone dates identified for purpose of the SISP, such dates may be amended or extended if the Proposal Trustee and the Sales Agent, in consultation with the Company, deem it to be necessary and advisable to do so, or by further order of the Court.

“Term Sheet” means terms and conditions of the proposed Transaction submitted with a Qualified Investment Bid.

“VDR” means virtual data room.

Consultation with the Lender and Lender Advisor

8. The Proposal Trustee and the Sales Agent shall be entitled to consult with the Lender and the Lender Advisor in respect of any matter relating to the SISP provided that the Lender confirms to the Proposal Trustee that the Lender will (i) not submit a Bid for the Company or any of the Property, (ii) not provide financing to any other party that makes a Bid for the Company or any of the Property and (iii) only submit a Bid pursuant to paragraphs 33-34.
9. Upon receiving such confirmation, the Proposal Trustee shall disclose upon an undertaking of confidentiality from the Lender and the Lender Advisor confidential information concerning the SISP, including any list of potential purchasers or investors, information regarding the identity and number of bidders or prospective bidders participating in the SISP from time to time, the number of Bids received and the terms of any Bids received, and any similar information in connection with the SISP, including, but not limited to, any such information as may be included in the VDR.

Property Subject to SISP Procedures

10. Bids may be submitted to acquire all, substantially all or a portion of the Company's Property. Where Bids are submitted for less than all (or substantially all) of the Property, the Purchase Price shall be appropriately allocated amongst the Property. In addition to Bids to purchase any or all of the Property, the Proposal Trustee will also consider Bids that contemplate a share transaction, including by way of a reverse vesting order structure; provided, however, that such share transaction shall not prejudice any rights, entitlements and interests held by Altima or its subsidiary and/or affiliate, as applicable, in respect of the Altima Purchased Assets.

Solicitation Process

11. The SISP set forth herein describes, among other things, the Property available for sale and the opportunity for an investment in the Company, the manner in which prospective bidders may gain access to or continue to have access to due diligence materials concerning the Property and the Company, the manner in which bidders and bids become Qualified Bidders and Qualified Bids, respectively, the receipt and negotiation of bids received, the ultimate selection of a Successful Bidder, if any, and the Court's approval thereof. The SISP shall be conducted by the Proposal Trustee and the Sales Agent, in consultation with the Company. If there is disagreement as to the interpretation or application of the terms of the SISP set out herein, the Court will have exclusive jurisdiction to hear and resolve such dispute.

Sale and Investment Opportunity

12. A teaser package describing the opportunity to acquire all or substantially all or portions of the Property or invest in the Company will be made available by the Sales Agent and the Proposal Trustee to prospective purchasers or prospective strategic or financial investors. Those prospective purchasers that have expressed an interest in the opportunity and have executed a confidentiality agreement with the Proposal Trustee will be granted access to a VDR that will be hosted by the Sales Agent.

"As Is, Where Is"

13. The sale of any of the Property, or investment in the Business will be on an "as is, where is" basis and without surviving representations or warranties of any kind, nature, or description by the Proposal Trustee, the Sales Agent, the Company, the Lender, or any of their agents or estates, except to the extent set forth in the definitive sale or investment agreement with a Successful Bidder.

Free of Any and All Claims and Interest

14. In the event of a sale, all of the right, title and interest of the Company in and to the Property to be acquired will be sold free and clear of all Claims and Interests, except surviving and permitted Claims and Interests, pursuant to approval and vesting orders made by the Court. The extinguished Claims and Interests will attach to the net proceeds of the sale of such Property (without prejudice to any claims or causes of action regarding the priority, validity or enforceability thereof), except to the extent otherwise set forth in the relevant sale agreement with a Successful Bidder and subject to any Claims and Interests that survive

pursuant to applicable law.

15. An investment in the Company may, at the option of the Successful Bidder, include one or more of the following: a restructuring, recapitalization or other form of reorganization of the business and affairs of the Company as a going concern; a sale of the Property to a newly formed acquisition entity on terms described in the above paragraph; or transactions pursuant to any applicable corporate legislation which compromises the Claims and Interests as set out therein.

Timeline

16. The following sets out the Target Dates under the SISP, as further detailed below:
 - (a) The Commencement Date of Phase I shall be on or about December 5, 2025;
 - (b) The Bid Deadline for receiving non-binding letters of intent shall be January 29, 2026 at 12:00 PM (MT);
 - (c) The Definitive Agreement Deadline shall be no later than February 20, 2026; and,
 - (d) The Outside Closing Date for the Definitive Agreement(s) shall be March 20, 2026.
17. For greater certainty, the Target Dates may be amended or extended if the Proposal Trustee and the Sales Agent, in consultation with the Company and/or the Successful Bidder, deem it to be necessary and advisable to do so, or by further order of the Court.

Publication Notice

18. The Sales Agent, in consultation with the Proposal Trustee and the Company, will prepare a teaser to be disseminated to Potential Bidders, and place any advertisements as are advisable and commercially reasonable in order to solicit interest in a sale of, or investment in, the Business.

Participation Requirements

19. Unless otherwise ordered by the Court or as otherwise determined by the Proposal Trustee, in order to participate in the SISP, each Potential Bidder must deliver to the Proposal Trustee at the address specified in **Schedule A** hereto (including by e-mail or fax transmission) prior to the distribution of any confidential information, an executed confidentiality agreement in form and substance satisfactory to the Proposal Trustee, which shall inure to the benefit of any purchaser of the Property or any investor in the Company under the SISP.
20. A Potential Bidder that has executed a confidentiality agreement, as described above, will be deemed a "**Qualified Bidder**".

Due Diligence

21. The Sales Agent shall provide a Qualified Bidder access to the VDR. Neither the Sales Agent nor the Proposal Trustee and its contractors, advisors and consultants make any

representation or warranty as to the information to be provided through the due diligence process or otherwise (including in respect of the completeness and accuracy thereof).

22. For greater certainty, Qualified Bidders must rely solely on their own independent review, investigation and/or inspection of all information and of the Property and the Company in connection with their participation in the SISP and any Transaction they enter into with the Company.

Seeking Qualified Bids

23. Each Qualified Bidder shall have access to such due diligence materials and information relating to the Property and the Company as the Sales Agent and the Proposal Trustee in their reasonable business judgement deems appropriate, having regard to the requirements of a Qualified Purchase Bid and a Qualified Investment Bid.
24. A Qualified Bidder that desires to submit a Qualified Bid will deliver written copies of a Qualified Purchase Bid or a Qualified Investment Bid to the Proposal Trustee at the address specified in **Schedule A** hereto (including by e-mail) so as to be received by it not later than 12:00 PM (MT) on the Bid Deadline, or such later other date or time as may be agreed by the Proposal Trustee,.
25. A Qualified Bid may be comprised of either a: (i) Qualified Purchase Bid; or (ii) Qualified Investment Bid.

Qualified Purchase Bids

26. A bid submitted to acquire some of all of the Property will be considered a Qualified Purchase Bid only if the bid complies with all of the following (as applicable):
 - (a) it constitutes, in the reasonable business judgement of the Proposal Trustee and the Sales Agent, a reasonable offer;
 - (b) it includes a letter stating that the Qualified Bidder's offer is irrevocable until the earlier of (i) the selection of the Successful Bidder, and (ii) thirty (30) days following the Bid Deadline, provided that if such Qualified Bidder is selected as the Successful Bidder its offer shall remain irrevocable until the closing of the sale to such Successful Bidder;
 - (c) it includes written evidence of a firm, irrevocable commitment for financing, or other evidence of ability to consummate the proposed Transaction, which will allow the Proposal Trustee to make a reasonable determination as to the Qualified Bidder's financial and other capabilities to consummate the Transaction contemplated by the bid;
 - (d) it is not conditioned on: (i) the outcome of unperformed due diligence by the Qualified Bidder; and/or, (ii) obtaining financing;
 - (e) it fully discloses the identity of each entity that will be sponsoring or participating in

the bid, and the complete terms of any such participation;

- (f) it includes an acknowledgement and representation that the Qualified Bidder: (i) has relied solely upon its own independent review, investigation and/or inspection of any documents and/or the Property to be acquired and liabilities to be assumed in making its bid; and, (ii) did not rely upon any written or oral statements, representations, promises, warranties or guaranties whatsoever, whether express or implied (by operation of law or otherwise), regarding the Property to be acquired or liabilities to be assumed or the completeness of any information provided in connection therewith, except as expressly stated in the purchase agreement;
- (g) it includes evidence, in form and substance reasonably satisfactory to the Proposal Trustee, of authorization and approval from the Qualified Bidder's board of directors (or comparable governing body) with respect to the submission, execution, delivery and closing of the Transaction contemplated by the bid;
- (h) it outlines any anticipated regulatory and other approvals required to close the Transaction and the anticipated timeframe and any anticipated impediments for obtaining such approvals;
- (i) it may not request or entitle the Qualified Bidder to any break-up fee, expense reimbursement, termination or similar type of fee or payment. Further, a Qualified Bidder shall be deemed to irrevocably waive any right to pursue a claim in any way related to the submission of its bid or this SISP;
- (j) it is accompanied by a Deposit (defined below) in the form of a wire transfer (to a bank account specified by the Proposal Trustee), or such other form acceptable to the Proposal Trustee, payable to the order of the Proposal Trustee, in trust, in an amount equal to not less than 10% of the Purchase Price, to be held and dealt with by the Proposal Trustee in accordance with the SISP;
- (k) if it contemplates the purchase of any of the Red Earth Assets, it provides an allocation of the Purchase Price toward the Red Earth Assets; and
- (l) it contains other information reasonably requested by the Sales Agent and/or the Proposal Trustee.

Qualified Investment Bids

27. A bid submitted to make an investment in the Company will be considered a Qualified Investment Bid only if the bid complies with all of the following (as applicable):
- (a) it constitutes, in the reasonable business judgment of the Sales Agent and the Proposal Trustee, a reasonable offer;
 - (b) it includes a duly authorized and executed Term Sheet describing the terms and conditions of the proposed Transaction, including details regarding the proposed equity and debt structure of the Company following completion of the proposed

Transaction;

- (c) it includes a letter stating that the Qualified Bidder's offer is irrevocable until the earlier of (i) the selection of the Successful Bidder and (ii) thirty (30) days following the Bid Deadline, provided that if such bidder is selected as the Successful Bidder, its offer shall remain irrevocable until the closing of the investment by such Successful Bidder;
- (d) it includes written evidence of a firm, irrevocable commitment for financing, or other evidence of ability to consummate the proposed Transaction, which will allow the Proposal Trustee to make a reasonable determination as to the Qualified Bidder's financial and other capabilities to consummate the Transaction contemplated by the bid;
- (e) it is not conditioned on: (i) the outcome of unperformed due diligence by the Qualified Bidder; and/or, (ii) obtaining financing;
- (f) it fully discloses the identity of each entity that will be sponsoring or participating in the bid, and the complete terms of any such participation;
- (g) it includes an acknowledgement and representation that the Qualified Bidder: (i) has relied solely upon its own independent review, investigation and/or inspection of any documents in making its bid; and, (ii) did not rely upon any written or oral statements, representations, promises, warranties or guaranties whatsoever, whether express or implied (by operation of law or otherwise), regarding the Company or the completeness of any information provided in connection therewith except as expressly stated in the Term Sheet;
- (h) it includes evidence, in form and substance reasonably satisfactory to the Proposal Trustee, of authorization and approval from the Qualified Bidder's board of directors (or comparable governing body) with respect to the submission, execution, delivery and closing of the Transaction contemplated by the bid;
- (i) it outlines any anticipated regulatory and other approvals required to close the Transaction and the anticipated timeframe and any anticipated impediments for obtaining such approvals;
- (j) it may not request or entitle the Qualified Bidder to any break-up fee, expense reimbursement, termination or similar type of fee or payment. Further, a Qualified Bidder shall be deemed to irrevocably waive any right to pursue a claim in any way related to the submission of its bid or this SISF;
- (k) it is accompanied by a Deposit in the form of a wire transfer (to a bank account specified by the Proposal Trustee), or such other form acceptable to the Proposal Trustee, payable to the order of the Proposal Trustee, in trust, in an amount equal to not less than 10% of the total investment contemplated by such Qualified Investment Bid, to be held and dealt with in accordance with the SISF; and

- (l) it contains other information reasonably requested by the Proposal Trustee.

Bid Evaluation

28. Following the Bid Deadline, the Sales Agent and the Proposal Trustee will assess the bids received with a preference for a Qualified Bid or Qualified Bids that contemplate assuming all of the abandonment and reclamation obligations of the Company. The Proposal Trustee and the Sales Agent shall, exercising their reasonable business judgement, approve the disqualification of any bids that are deemed not to be Qualified Bids. Only Qualified Bidders whose bids have been designated as Qualified Bids are eligible to become the Successful Bidder.
29. The Proposal Trustee and the Sales Agent may discuss any Qualified Bids with the Alberta Energy Regulator ("**AER**") and/or the Orphan Well Association ("**OWA**") subject to the AER or OWA (as applicable) entering into a confidentiality agreement in a form that is satisfactory to the Proposal Trustee.
30. In assessing any Qualified Bids relating to the Red Earth Assets, the Proposal Trustee and the Sales Agent shall consult with the Existing Lender Agent prior to making a determination as to whether any such Qualified Bids should be selected as the Successful Bid or Bids.
31. The Proposal Trustee in consultation with the Company and the Sales Agent, may, following the receipt of any Qualified Bids, seek clarification with respect to any of the terms or conditions of such Qualified Bid and/or request and negotiate one or more amendments to such Qualified Bid prior to determining if the Qualified Bid should be considered.
32. The Sales Agent and the Proposal Trustee may identify the most favourable of the Qualified Bids as the Successful Bid or Bids. The Company shall then proceed to negotiate and settle the terms and conditions of a definitive agreement in respect of a Successful Bid or Bids by the Definitive Agreement Deadline, all of which shall be conditional upon Court approval and also conditional on the Successful Bid closing on or before March 20, 2026, or such date as shall be agreed to by the Company, in consultation with the Proposal Trustee. If a definitive agreement has been negotiated and settled in respect of a Successful Bid, the person(s) who made the Successful Bid shall be the Successful Bidder.
33. If, following the Bid Deadline, the Proposal Trustee determines that it has received a Qualified Bid in respect of the Red Earth Assets, it shall advise the Existing Lender Agent in writing and the Existing Lender Agreement shall have two Business Days, at its sole and exclusive discretion, to trigger an auction (the "**Auction**") for the Red Earth Assets. If the Existing Lender Agent elects to trigger an Auction, the Auction shall be held as soon as reasonably practicable after written notice is provided to the Proposal Trustee, and the Proposal Trustee shall provide each Auction participant with a copy of the rules and procedures for the Auction at least two Business Days prior to the Auction.
34. The Existing Lender Agent may submit a bid in the Auction that includes a credit bid component for some or all of the Lender Secured Indebtedness, subject to the Proposal Trustee receiving confirmation from its legal counsel that the security that secures the Lender

Secured Indebtedness is valid and enforceable and is first priority ranking as against the Red Earth Assets, subject to any court-ordered charges that rank in priority.

35. The Proposal Trustee, in consultation with the Company, shall be at liberty to shorten or extend the timelines set forth herein in their sole discretion, save and except for shortening the timelines provided in section 33 above, without further order of the Court.

Approval of Successful Bid

36. The Approval Application to authorize the Company to enter into agreement(s) with respect to the Successful Bid or Bids will be held on a date scheduled by the Court upon application by the Company. The Approval Application will be held on a date to be scheduled by the Company, in consultation with the Proposal Trustee and the Lender. The Approval Application may be adjourned or scheduled by the Company, with the consent of the Proposal Trustee, without further notice, by an announcement of the adjourned date to the service list maintained in the NOI Proceedings prior to the Approval Application. The Company will consult with the Proposal Trustee, the Lender and the applicable Successful Bidder regarding the application material to be filed by the Company for the Approval Motion.
37. All Qualified Bids (for the same Property as the Successful Bid(s)) shall be deemed rejected on and as of the date of approval of the Successful Bid by the Court.

Deposits

38. All Deposits shall be held by the Proposal Trustee or Proposal Trustee's counsel in a single interest-bearing account designated solely for such purpose. If there is a Successful Bidder, the Deposit (plus accrued interest, if any) paid by the Successful Bidder whose bid is approved at the Approval Application will be applied to the Purchase Price to be paid or investment amount to be made by the Successful Bidder upon closing of the approved transaction and will be non-refundable upon Court approval. A Deposit paid by a Qualified Bidder shall be dealt with in accordance with the SISP. Deposits, excluding any interest earned thereon, paid by Qualified Bidders not selected as a Successful Bidder, shall be returned to such Qualified Bidders within five (5) Business Days of Court approval of the Successful Bid for the same Property the unsuccessful Qualified Bidders had sought.

Confidentiality and Access to Information

39. All discussions regarding a Transaction, Sale Proposal, Investment Proposal, Qualified Bid or Successful Bid should be directed through the Sales Agent and the Proposal Trustee. Under no circumstances should any members of management, employees, customers, suppliers, tenants/landlords or other creditors of the Company be contacted by a Bidder directly without the prior written consent of the Proposal Trustee. Any such unauthorized contact or communication could result in exclusion of the interested party from the SISP, at the discretion of the Proposal Trustee.
40. Participants and prospective participants in the SISP shall not be permitted to receive any information that is not made generally available to all participants relating to the number or identity of Qualified Bidders, Bidders, Qualified Bids, the details of any Bids or Qualified Bids

submitted or the details of any confidential discussions or correspondence between the Sales Agent, the Proposal Trustee, the Company and such other Bidders or Qualified Bidders in connection with the SISP, except to the extent that the Proposal Trustee, with the consent of the applicable participants, are seeking to combine separate Bids into a single Bid.

41. Notwithstanding the foregoing, under no circumstances will the Sales Agent, the Proposal Trustee or the Lender share any material information concerning any of the Bids with any person other than representatives of the Sales Agent, the Proposal Trustee or Lender and its legal counsel and the Company and its legal counsel.

Supervision of the SISP

42. The Sales Agent and the Proposal Trustee shall oversee, in all respects, the conduct of the SISP.
43. This SISP does not, and will not be interpreted to, create any contractual or other legal relationship between the Company, the Proposal Trustee, the Lender, the Lender Advisor, the Sales Agent and any Potential Bidder, or Qualified Bidder or any other party, other than as specifically set forth in a definitive agreement that may be signed with the Company. Further, the Company reserves the right not to enter into such definitive agreement.
44. Without limiting the preceding paragraph, neither the Sales Agent, the Lender, the Lender Advisor, nor the Proposal Trustee shall have any liability whatsoever to any person or party, including without limitation any Potential Bidder, Qualified Bidder, Bidder, the Successful Bidder, the Company, or any other creditor or other stakeholder of the Company, for any act or omission related to the process contemplated by these SISP Procedures, except to the extent such act or omission is the result of such party's gross negligence or willful misconduct. By submitting a bid, each Bidder, Qualified Bidder or Successful Bidder shall be deemed to have agreed that it has no claim against the Sales Agent, the Lender, the Lender Advisor or Proposal Trustee for any reason whatsoever, except to the extent that such claim is the result of the gross negligence of, or willful misconduct by, the Sales Agent, the Lender, the Lender Advisor or the Proposal Trustee.
45. Participants in the SISP are responsible for all costs, expenses and liabilities incurred by them in connection with the submission of any bid, due diligence activities, and any further negotiations or other actions whether or not they lead to the consummation of a Transaction.
46. The Sales Agent and the Proposal Trustee shall have the right to modify the SISP if, in their reasonable business judgement, such modification will enhance the process or better achieve the objectives of the SISP.

Miscellaneous

47. Unless otherwise indicated herein, any event that occurs on a day that is not a Business Day shall be deemed to occur on the next Business Day.
48. Each Qualified Bidder, upon being declared as such under the SISP, shall be deemed to

have irrevocably and unconditionally attorned and submitted to the jurisdiction of the Court in respect of any action, proceeding or dispute in relation to the conduct or any aspect of the SISP.

49. At any time during the SISP, the Proposal Trustee, the Sales Agent or the Company may apply to the Court for advice and directions with respect to the discharge of its obligations and duties herein.
50. The Company shall co-operate fully with the Sales Agent and the Proposal Trustee in the exercise of their powers and duties and discharge of its obligations under the SISP and provide the Sales Agent and the Proposal Trustee with assistance, information and documentation that is reasonably necessary to enable the Sales Agent and the Proposal Trustee to adequately carry out their functions herein.

SCHEDULE "A"

KSV RESTRUCTURING INC.

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Attention: Ross Graham

Phone: 587.287.2750

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- and -

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