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C32073

COURT FILE NUMBER 25-3052460

COURT COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

COM April 2, 2024

PROCEEDING IN THE MATTER OF THE NOTICE OF THE BANKRUPTCY AND INSOLVENCY ACT, R.S.C. 1985, c B-3, as amended

AND IN THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF KADEN ENERGY LTD.

APPLICANT KADEN ENERGY LTD.

DOCUMENT **APPLICATION (NOI EXTENSION, ADMINISTRATION CHARGE, DIRECTORS' CHARGE, CLAIMS PROCESS)**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

MLT AIKINS LLP
Barristers and Solicitors
2100, 222 – 3rd Avenue S.W.
Calgary, Alberta T2P 0B4
Telephone: 403.693.5420/4347
Fax No.: 403.508.4349
Attention: Ryan Zahara/Catrina Webster
File No.: 0166816.00001

NOTICE TO RESPONDENTS:

This application is made against you. You are a respondent.

You have the right to state your side of this matter before the judge.

To do so, you must be in Court when the application is heard as shown below:

Date: April 2, 2024
Time: 2:00 p.m.
Where: Edmonton Courthouse – VIA WEBEX (Courtroom 86)
<https://albertacourts.webex.com/meet/virtual.courtroom86>
Before: The Honourable Justice J.S. Little

Go to the end of this document to see what you can do and when you must do it.

Remedy claimed or sought:

1. The Applicant, Kaden Energy Ltd. ("**Kaden**" or the "**Applicant**") seeks an order in the form attached hereto as **Schedule "A"**: granting the following relief:
 - (a) abridging the time for service of this Application, if necessary, and declaring that this Application is properly returnable and that further service of this Application is hereby dispensed with;
 - (b) extending the time for filing of a proposal in these proceedings until and including May 20, 2024, being the expiry of forty-five (45) days from April 5, 2024 when the current time for filing a proposal and stay expires;
 - (c) declaring entities to be a critical supplier to Kaden that is required to continue to supply services to Kaden and authorizing Kaden to make pre-filing payments to those critical suppliers;
 - (d) granting the proposal trustee, BDO Canada Limited (the "**Proposal Trustee**"), the Proposal Trustee's Legal Counsel, Fasken Martineau DuMoulin LLP, and MLT Aikins LLP, counsel to Kaden, an administration charge (the "**Administration Charge**") in the amount of \$250,000.00 over the assets of Kaden as security for fees and disbursements;
 - (e) granting the directors of the Applicant a charge (the "**Directors' Charge**") over the assets of Kaden, which shall not exceed \$1000,000.00 to indemnify the Applicant's directors for liabilities they may incur after the commencement of these proceedings;
 - (f) granting the Claims Process to determine the quantum and classification of claims being asserted against Kaden by its creditors in order to allow it to better formulate a proposal to put to its creditors;
 - (g) declaring that the Administration Charge and the Directors' Charge (collectively, the "**Charges**") shall rank in priority to all other security interests, trusts, liens, charges, deemed trusts, encumbrances and claims of secured creditors, statutory or otherwise in favour of any person, including liens and trusts created by federal

and provincial legislation, and providing for the respective priority of the Charges, as between them, as follows:

- (i) **First** – Administration Charge; and
- (ii) **Second** – Directors' Charge.

2. Such further relief as counsel may request and this Honourable Court may grant.

Grounds for making this application:

3. Kaden is a private, junior oil and gas company focused on acquiring and developing light tight oil in the Cardium Formation in northwest Alberta. Kaden is an Alberta corporation incorporated pursuant to the laws of the Province of Alberta.

4. On March 6, 2024, Kaden filed a Notice of Intention to Make a Proposal (“**NOI**”) pursuant to the *BIA*.

5. Currently, Kaden has unsecured debts in the amount of approximately \$12,000,000. The creditors of Kaden are largely made of up trade creditors and for unpaid royalty amounts owing to Kaden Royalty Corp. and Arc Resources Ltd.

A. Stay Extension

6. Since the filing of the NOI, Kaden has diligently proceeded to begin to formulate a Proposal to its creditors, but has not yet completed all of the tasks needed in order to formulate and present a Proposal to its creditors.

7. Kaden requires an extension of time to file a proposal to its creditors including preparation of its proposal and presentation thereof to its creditors.

8. Since the March 6, 2024 filing, Kaden has been in discussions with a potential lender to secure financing. Kaden is working with the Proposal Trustee and its counsel to prepare a proposal to its creditors. It is Kaden’s intention to obtain financing to contribute to the Proposal to Kaden’s creditors.

9. Kaden has acted and is continuing to act in good faith and with due diligence in completing the preliminary work and preparation with efforts to make a proposal to its creditors.

B. Critical Service Providers and Suppliers

10. Kaden requires the commitment and support of its employees and the continued supply of goods and services from its key vendors, critical trade suppliers, and service providers during the NOI proceedings. The ability for Kaden to make the foregoing payments is necessary to maintain stability for the continued operation of Kaden's business during the NOI proceedings and to allow Kaden to advance its restructuring efforts for the benefit of its stakeholders.
11. Kaden is seeking authorization to pay all reasonable and necessary expenses incurred by Kaden in carrying on its business in the ordinary course and to pay certain expenses, whether incurred prior to or after the filing of the NOI.

C. Administration Charge

12. There are a number of financial and operating issues for which Kaden will require the expertise of the Proposal Trustee during the NOI proceedings.
13. Kaden's counsel, the Proposal Trustee and its counsel are essential to the success of these NOI proceedings.

D. Directors' Charge

14. Kaden will require its directors during these NOI proceedings for the continued operation of its business.
15. Kaden's directors and officers have specialized expertise and relationships with Kaden's suppliers, employees, and other stakeholders that cannot be replicated or replaced.
16. There is a risk to Kaden's directors and officers of incurring personal liability in the contact of the NOI proceedings. Due to the potentially significant personal exposure going forward, the Directors' Charge is appropriate in the circumstances.

E. Claims Process

17. Kaden will require the implementation of the Claims Process for the assessment and determination of the validity, quantum and classification of the claims being asserted against Kaden by its creditors.

18. Kaden believes the Claims Process will be effective and is reasonable in the circumstances of the within NOI proceedings.

Material or evidence to be relied on:

19. The Affidavit of Wes Siemens, sworn March 26, 2024.
20. Such further material as counsel may advise and this Honourable Court may permit.

Applicable rules:

21. *Alberta Rules of Court*, Alta. Reg. 124/2010.

Applicable Acts and regulations:

22. *Bankruptcy and Insolvency Act*, R.S.C. 1985 c. B-3, as amended, sections 50.4, 69.
23. Such further and other Acts or regulations as counsel may advise and this Honourable Court may permit.

Any irregularity complained of or objection relied on:

24. None.

How the application is proposed to be heard or considered:

25. By Webex videoconference before the Honourable Justice J.S. Little.

WARNING

If you do not come to Court either in person or by your lawyer, the Court may give the applicant what they want in your absence. You will be bound by any order that the Court makes. If you want to take part in this application, you or your lawyer must attend in Court on the date and at the time shown at the beginning of the form. If you intend to give evidence in response to the application, you must reply by filing an affidavit or other evidence with the Court and serving a copy of that affidavit or other evidence on the applicant a reasonable time before the application is to be heard or considered.

SCHEDULE "A"
PROPOSED FORM OF ORDER

CLERK'S STAMP

COURT FILE NUMBER 25-3052460

COURT COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

PROCEEDING IN THE MATTER OF THE NOTICE OF THE
BANKRUPTCY AND INSOLVENCY ACT, R.S.C. 1985, c
B-3, as amended

AND IN THE NOTICE OF INTENTION TO MAKE A
PROPOSAL OF KADEN ENERGY LTD.

APPLICANT KADEN ENERGY LTD.

DOCUMENT **ORDER (NOI EXTENSION, ADMINISTRATION
CHARGE, DIRECTORS' CHARGE, CLAIMS PROCESS)**

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
PARTY FILING THIS
DOCUMENT

MLT AIKINS LLP
Barristers and Solicitors
2100, 222 – 3rd Avenue S.W.
Calgary, Alberta T2P 0B4
Telephone: 403.693.5420/4347
Fax No.: 403.508.4349
Attention: Ryan Zahara/Catrina Webster
File No.: 0166816.00001

DATE ON WHICH ORDER WAS PRONOUNCED: APRIL 2, 2024

LOCATION WHERE ORDER WAS PRONOUNCED: EDMONTON, ALBERTA

NAME OF JUSTICE WHO MADE THIS ORDER: JUSTICE J. S. LITTLE

UPON the application (the "**Application**") of Kaden Energy Ltd. ("**Kaden**" or the "**Applicant**") for an order extending the time for Kaden to file a proposal, and the corresponding stay of proceedings, until May 20, 2024, and granting the Administration Charge and a Directors' Charge (both as defined herein); **AND UPON** noting that on March 6, 2024, Kaden filed a Notice of Intention to Make a Proposal ("**NOI**") pursuant to the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c B-3, as amended (the "**BIA**"); **AND UPON** reviewing the Affidavit of Wes Siemens, sworn on March 25, 2024 (the "**First Siemens Affidavit**"); **AND UPON** hearing submissions by counsel

for Kaden, and counsel for BDO Canada Limited in its capacity as proposal trustee of Kaden ("**Proposal Trustee**") and any other parties in attendance;

IT IS HEREBY ORDERED AND DECLARED THAT:

SERVICE OF APPLICATION

1. Service of notice of this Application and supporting documents is hereby deemed to be good and sufficient, the time for notice is hereby abridged to the time provided, and no other person is required to have been served with notice of this Application.

STAY EXTENSION

2. Pursuant to Section 50.4(9) of the *BIA*, the time for Kaden to file a proposal, and the corresponding stay of proceedings provided for in section 69 of the *BIA*, be and is extended until and including May 20, 2024.

CRITICAL SUPPLIER PAYMENTS

3. The Applicant is hereby authorized to make payment of certain pre-filing amounts owing to the Critical Suppliers, Alberta Department of Energy, the Canada Revenue Agency, Kaden Royalty Corp., and Arc Resources Ltd. in accordance with paragraphs 22-36 of the First Siemens Affidavit. The Applicant is also authorized, with the Consent of the Proposal Trustee, to make other payments to parties that fall into the same categories as the Critical Suppliers, if in the opinion of the Applicant, following consultation with the Proposal Trustee, that the supplier or vendor of such goods or services is necessary for the operation or preservation of the business or property of the Applicant.

ADMINISTRATION CHARGE

4. Legal Counsel to Kaden, MLT Aikins LLP, the Proposal Trustee and its legal counsel, Fasken Martineau DuMoulin LLP (collectively, the "**Professionals**"), as security for their respective professional fees and disbursements incurred both before and after the commencement of these NOI proceedings and before or after the granting of this Order, shall be entitled to the benefit of, and are hereby granted, a charge (the "**Administration Charge**") on the Property, which charge shall not exceed \$250,000.00 as security for the Professionals' professional fees and disbursements incurred at normal rates and charges. The Administration Charge shall have the priority set out in paragraph 10 herein.

DIRECTORS' CHARGE

5. Kaden shall indemnify its directors and officers against obligations and liabilities they may incur as directors of Kaden after the commencement of the within proceedings except to the extent that, with respect to any officer or director, the obligation was incurred as a result of the director's or officer's gross negligence or wilful misconduct.
6. The directors and officers of Kaden shall be entitled to the benefit of and are hereby granted a charge (the "**Directors' Charge**") on the Property, which charge shall not exceed an \$100,000.00 as security for the indemnity provided in paragraph 7 of this Order. The Directors' Charge shall have the priority set out in paragraph 10 herein.
7. Notwithstanding any language in any applicable insurance policy to the contrary:
 - (a) no insurer shall be entitled to be subrogated to or claim the benefit of the Directors' Charge; and
 - (b) the Applicant's directors and officers shall only be entitled to the benefit of the Directors' Charge to the extent that they do not have coverage under any directors' and officers' insurance policy, or to the extent that such coverage is insufficient to pay amounts indemnified in accordance with paragraph 8 of this Order.

VALIDITY AND PRIORITY OF THE CHARGES

8. The priorities of the Administration Charge and the Directors' Charge (collectively, the "**Charges**"), as among them, shall be as follows:
 - (a) **First** – Administration Charge (to the maximum amount of \$250,000.00); and
 - (b) **Second** – Directors' Charge (to the maximum amount of \$100,000.00).
9. The filing, registration or perfection of the Charges shall not be required, and the Charges shall be enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Charges coming into existence, notwithstanding any such failure to file, register, record or perfect.
10. Each of the Charges shall constitute a security and charge on the Property and such Charges shall rank in priority to all other security interests, trusts, liens, charges, deemed

trusts, encumbrances and claims of secured creditors, statutory or otherwise in favour of any person, including liens and trusts created by federal and provincial legislation (collectively, the "**Encumbrances**").

11. Except as otherwise provided herein, or as may be approved by this Honourable Court, Kaden shall not grant any Encumbrances over the Property that rank in priority to, or *pari passu* with, any of the Charges, unless Kaden obtains the prior written consent of the Professionals and the Directors' Charge, as applicable, or further order of this Court. Notwithstanding the aforementioned, the consent of the beneficiaries of the Directors' Charge shall not be required in connection with the Applicant seeking and obtaining any charge in connection with or which otherwise secures any interim financing and which ranks ahead of the Directors' Charge.
12. The Charges shall not be rendered invalid or unenforceable and the rights and remedies of the Professionals thereunder shall not otherwise be limited or impaired in any way by:
 - (a) the pendency of these proceedings and any declarations of insolvency in these proceedings;
 - (b) any application(s) for bankruptcy order(s) issued pursuant to the BIA, or any bankruptcy order made pursuant to such applications;
 - (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA;
 - (d) the provisions of any federal or provincial statutes; or
 - (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an "**Agreement**") that binds Kaden, and notwithstanding any provision to the contrary in any Agreement:
 - (i) neither the creation of the Charges nor the execution, delivery, perfection, registration or performance of any documents in respect thereof, shall

create or be deemed to constitute a new breach by Kaden of any Agreement to which they, or any one of them, is a party;

- (ii) none of the Professionals and the beneficiaries of the Directors' Charge, as applicable, shall have any liability to any person whatsoever as a result of any breach of any Agreement caused by or resulting from the creation of the Charges; and
- (iii) the payments made by Kaden pursuant to this Order and the granting of the Administration Charge, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct or other challengeable or voidable transactions under any applicable law.

APPROVAL OF CLAIMS PROCESS

- 13. The Claims Process set out herein is hereby approved.
- 14. For purposes of this Order the following terms shall have the following meanings:
 - (a) "**BIA**" means the *Bankruptcy and Insolvency Act*, R.S.C. 1985,c. B-3, as amended.
 - (b) "**Business Day**" means a day, other than a Saturday, Sunday or statutory holiday in the Province of Alberta.
 - (c) "**Claim**" means a claim provable in bankruptcy and includes any claim or liability provable in proceedings under the BIA by a Creditor and includes any right or claim of any Person against Kaden, whether secured or not, in connection with any indebtedness, liability or obligation of any kind of Kaden owed to such Person, and any interest accrued thereon or costs payable in respect thereof, including any indebtedness, liability or obligation owed to such Person existing prior to the Filing Date.
 - (d) "**Claims Bar Date**" has the meaning given to it in paragraph 19 of this Order.
 - (e) "**Claims Package**" means the materials to be provided by the Proposal Trustee to Persons who may have a Claim, which materials shall include:

- (i) In the case of a Known Claimant, a notice setting out the amount of such Known Claimant's Claim as determined by the Applicant, in consultation with the Proposal Trustee, a Proof of Claim Instruction Letter, a blank Notice of Dispute of Claim, and such other materials as the Applicant, in consultation with the Proposal Trustee, may consider necessary and appropriate; and
 - (ii) In the case of an Unknown Claimant, a blank Proof of Claim, and a Proof of Claim Instruction Letter, and such other materials as the Applicant or the Proposal Trustee may consider appropriate;
- (f) **"Claims Process"** means the procedures outlined in this Order in connection with the assertion of Claims against Kaden, including the enclosed schedules to this Order;
- (g) **"Court"** means the Court of King's Bench of Alberta.
- (h) **"Creditor"** means any Person asserting a Claim against Kaden.
- (i) **"Filing Date"** means the date of filing of the Notice of Intention to Make a Proposal at the Office of the Superintendent of Bankruptcy Canada being March 6, 2024.
- (j) **"Known Creditors"** includes all Creditors known by the Proposal Trustee or Kaden as of the date of pronouncement of this Order as having a Claim against Kaden or with respect to any obligations related to or connected with Kaden.
- (k) **"Newspaper Notice to Unknown Claimants"** means a notice referred to in paragraph 19 hereof, substantially in the form attached as Schedule "B" hereto;
- (l) **"Notice to Known Claimant"** means a notice referred to in paragraph 15 hereof, substantially in the form attached as Schedule "A" hereto, delivered to a Claimant and stating the classification of the Claimant's claim and the amount, if any, owing directly by the Applicant to a Claimant up to the Filing Date;
- (m) **"Notice of Dispute of Claimant"** means the notice referred to in paragraph 16 hereof, substantially in the form attached as Schedule "C" hereto, which may be

delivered to the Proposal Trustee by a Claimant disputing a Notice to Claimant, with reasons for its dispute;

- (n) **"Notice of Revision or Disallowance"** means the notice referred to in paragraph 22 hereof, substantially in the form of Schedule "D" advising a Claimant that the Applicant has revised or rejected all or part of such Claimant's Claim set out in its Proof of Claim;
- (o) **"Person"** has the meaning as defined in the BIA.
- (p) **"Proof of Claim"** means the Proof of Claim referred to herein, substantially in the form attached as Schedule "E";
- (q) **"Proof of Claim Instruction Letter"** means the instruction letter to Unknown Claimants, substantially in the form attached as Schedule "F" hereto, regarding the completion of a Proof of Claim by a Claimant and the claims procedure described herein;
- (r) **"Proposal"** means a proposal presented or to be presented by Kaden to some or all of the Creditors for approval by the Court in accordance with the BIA.
- (s) **"Proposal Trustee"** means BDO Canada Limited, the trustee under the Notice of Intention to file a Proposal under the BIA.
- (t) **"Proven Claim"** means a Claim that has been allowed pursuant to the terms of this Order.
- (u) **"Unknown Claimant"** means a Claimant that is not a Known Claimant.

CLAIMS PROCEDURE FOR KNOWN CREDITORS

15. For each of the Known Creditors, the Applicant, in consultation with the Proposal Trustee, shall determine the value of such Known Creditors' Claim for all purposes, on the basis of the books and records of the Applicant.
16. The Proposal Trustee shall send a Claims Package to each of the Known Creditors (or to the counsel of record for any such Known Creditor) by prepaid ordinary mail, courier, personal delivery, or electronic or facsimile transmission, as soon as reasonably practical

following the granting of this Order. A Claims Package sent to a Known Creditor shall include the value of such Known Creditors' Claim, as determined by the Applicant in accordance with this Order.

17. If a Known Creditor, having received a Claims Package, disagrees with the amount contained in the Notice to Creditor or the classification of such amount, the Creditor must deliver a Notice of Dispute to the Applicant, care of the Proposal Trustee, by no later than 14 days from the date of the Claims Package (the "**Claims Bar Date**"). Such Notice of Dispute of Creditor shall outline the basis for the dispute, include the amount believed to be owing to the Creditor and the classification of such amount, and where possible, include supporting documentation. Where a Creditor that receives a Notice to Creditor pursuant to this paragraph does not deliver a Notice of Dispute of Creditor by the Claims Bar Date, the amount owing to the Creditor and the classification of such amount shall be deemed to be as set out in the Notice to Creditor sent to such Creditor and shall be deemed a Proven Claim.

CLAIMS PROCEDURE FOR UNKNOWN CLAIMANTS

18. The Proposal Trustee shall, as soon as practicable after the date of this Order, cause the Newspaper Notice to Creditors to be published once in the Daily Oil Bulletin and local paper, and will also post to the Website electronic copies of the Newspaper Notice to Claimants, a blank Proof of Claim, and this Order.
19. The Proposal Trustee shall send a Claims Package to any Unknown Claimant (or to counsel of record for such Unknown Claimant) on request. Any such Unknown Claimant must return a completed Proof of Claim to the Proposal Trustee by no later than: (i) April 19, 2024; or (ii) within 10 days of receipt of the Claims Package (whichever date is later) (the "**Unknown Claimants Bar Date**").

CLAIMS BAR DATE, ADJUDICATION AND RESOLUTION OF CLAIMS

(i) Barring of Claims

20. Any Unknown Claimant that does not return a Proof of Claim to the Proposal Trustee by the Unknown Claimants Bar Date, unless otherwise ordered by the Court, shall:
 - (a) not be entitled to vote at any creditors meetings;

- (b) not be entitled to receive any distribution in the NOI;
- (c) not be entitled to any further notice in, and shall not be entitled to participate as a Claimant or creditor in, the NOI Proceedings in respect of such Claim;
- (d) be forever barred from making or enforcing any such Claim against any of the Applicant, their Directors and their Officers, and all such Claims will be forever extinguished and barred without any further act or notification by the Applicant; and
- (e) be forever barred from making or enforcing any such Claim as against any other Person who could claim contribution or indemnity from the Applicant, its Directors and their Officers, or any of them and all such Claims will be forever extinguished and barred without any further act or notification by the Applicant.

(ii) Adjudication of Claims

21. The Proposal Trustee, with the assistance of the Applicant, shall review all Proofs of Claim and all Notices of Dispute of Claimant, if any, received by the Claims Bar Date and shall accept, revise or reject the amount of each Claim set out therein for voting and distribution purposes. If any dispute about the amount or classification of a Claim cannot be resolved consensually between the Applicant, the Claimant, and the Proposal Trustee, then the Proposal Trustee shall notify each Claimant who has delivered a Proof of Claim or a Notice of Dispute of Claimant as to whether such Claimant's Claim as set out therein has been revised or rejected for voting and distribution purposes, and the reasons therefor, by sending such Claimant a Notice of Revision or Disallowance as soon as practicable after the receipt of the Notice of Dispute of Claimant by the Proposal Trustee.
22. Any Claimant who intends to dispute a Notice of Revision or Disallowance sent pursuant to the immediately preceding paragraph must file an application, including any affidavit evidence in support of same (collectively, the "**Disputed Claim Application**") with the Court, and serve a copy of such Disputed Application on the Proposal Trustee and Kaden within 14 days from the date of the Notice of Revision or Disallowance (the "**Disputed Claim Application Deadline**").

RESOLUTION OF CLAIMS

23. Where a Claimant that receives a Notice of Revision or Disallowance pursuant to paragraph 22 above does not file a Disputed Claim Application by the Disputed Claim Application Deadline, the amount and classification of such Claimant's Claim shall be deemed to be as set out in the Notice of Revision or Disallowance and such amount shall be deemed to be a Proven Claim.
24. Thereafter, the Court shall resolve the dispute and determine the amount and/or classification of the Claimant's Claim for voting and distribution purposes
25. Where the amount and/or classification of a Claimant's Claim has not been finally determined by the Court by the date of any meeting to vote on a proposal, the Proposal Trustee shall either:
 - (a) accept the Claimant's determination of the amount and/or classification of the Claim as set out in the applicable Notice of Dispute of Revision or Disallowance only for the purposes of voting and conduct the vote of the creditors on that basis subject to a final determination of such Claimant's Claim, and in such case the Proposal Trustee shall record separately such Claimant's Claim and whether such Claimant voted in favour of or against the Plan;
 - (b) adjourn the Meetings until a final determination of the Claim(s) is made; or
 - (c) deal with the matter as the Court may otherwise direct or as the Applicant, the Proposal Trustee and the relevant Claimant may otherwise agree.

SERVICE AND NOTICE

26. The Proposal Trustee and the Applicant may, unless otherwise specified by this Order, serve and deliver any letters, notices or other documents contemplated by this Order and the Claims Procedure to Claimants, Directors or Officers, and any other interested Persons, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or electronic or digital transmission to such Persons (with copies to their counsel if applicable) at the address as last shown on the records of the Applicant or set out in such Person's Proof of Claim. Any such service or notice by courier, personal delivery or electronic or digital transmission shall be deemed to have been received: (i) if sent by

ordinary mail, on the third Business Day after mailing within Alberta, the fifth Business Day after mailing within Canada (other than within Alberta), and the tenth Business Day after mailing internationally; (ii) if sent by courier or personal delivery, on the next Business Day following dispatch; and (iii) if delivered by electronic or digital transmission by 5:00 p.m. on a Business Day, on such Business Day, and if delivered after 5:00 p.m. or other than on a Business Day, on the following Business Day.

27. Any notice or other communication (including Proofs of Claim) to be given under this Order by any Person to the Proposal Trustee shall be in writing in substantially the form, if any, provided for in this Order and will be sufficiently given only if delivered by prepaid registered mail, courier, personal delivery or electronic or digital transmission addressed to the following address and any such notice or other communication by a Person shall be deemed received only upon actual receipt thereof during normal business hours on a Business Day, or if delivered outside of a normal business hours, the next Business Day:

BDO Canada Limited

Proposal Trustee of Kaden Energy Ltd.

Suite 110, 5800 2 Street SW

Calgary, Alberta T2H 0H2

Attention: Breanne Scott

Fax: 403.640.0591

Phone: 403.213.5432

Email: brscott@bdo.ca

28. If during any period during which notices or other communications are being given pursuant to this Order a postal strike or postal work stoppage of general application should occur, such notices or other communications sent by ordinary mail and then not received shall not, absent further order of the Court, be effective and notices and other communications given hereunder during the course of any such postal strike or work stoppage of general application shall only be effective if given by courier, personal delivery or electronic or digital transmission in accordance with this Order.
29. In the event that this Order is later amended by further order of the Court, the Proposal Trustee shall post such further order on the Website and such posting shall constitute adequate notice of such amended claims procedure.

SET-OFF

30. The Applicant may set-off (whether by way of legal, equitable or contractual set-off) against payments or other distributions to be made pursuant to the Plan to any Claimant, any claims of any nature whatsoever that the Applicant may have against such Claimant, however, neither the failure to do so nor the allowance of any claim hereunder shall constitute a waiver or release by the Applicant of any such claim that the Applicant may have against such Claimant.

GENERAL PROVISIONS

31. In the event that the day on which any notice or communication required to be delivered pursuant to this Claims Process is not a Business Day, then such notice or communication shall be required to be delivered on the next Business Day.
32. References in this Order to the singular shall include the plural, references to the plural shall include the singular and to any gender shall include the other gender.

SERVICE OF ORDER

33. Service of this Order shall be deemed good and sufficient:
- (a) by serving same on the persons who were served with notice of this Application and any other parties attending or represented at the hearing of the Application; and
 - (b) by posting a copy of this Order on the Proposal Trustee's website at <https://www.bdo.ca/kaden>.

Justice of the Court of King's Bench of Alberta

SCHEDULE “A” – NOTICE TO KNOWN CREDITORS

**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A
PROPOSAL OF KADEN ENERGY LTD. (“Kaden”)**

PLEASE TAKE NOTICE that on March 6, 2024, Kaden filed a Notice of Intention to Make a Proposal (“NOI”) pursuant to the *Bankruptcy and Insolvency Act*, RSC 1985, c. B-3 and by order of the Court of King’s Bench of Alberta (the “Court”) dated April 2, 2024, a Claims Procedure Order was granted (the “Claims Procedure Order”), authorizing Kaden to conduct a claims procedure (the “Claims Procedure”). A copy of the Claims Procedure Order may be found on the Proposal Trustee’s website at: www.bdo.ca/kaden (the “Proposal Trustee’s Website”).

Creditor Claim

Based on the books and records of Kaden, [Creditor Name] has a Known Claim against Kaden which arose before March 6, 2024, i.e., the date of filing of the NOI proceedings. Details regarding [Creditor name]’s claim are as follows:

Creditor Name	
Creditor Claim (\$CAD)	
Classification of Creditor Claim	

If you **AGREE** with the amount and classification as set out in this notice, you need not do anything further; the quantum and classification of your claim, as set out in this notice, will be accepted as your Proven Claim. In the event you take no action, your claim will be accepted as your Proven Claim in the amount as set out above as of the Claims Bar Date.

If you **DISAGREE** with the amount and classification as set out in this notice, or wish to assert a different claim, you **MUST** submit a “Notice of Dispute” to the Proposal Trustee within fourteen (14) days from the date of this notice. The Notice of Dispute of Claimant must outline the basis for the dispute and include supporting documentation.

Additional information about these proceedings may be found on the Proposal Trustee’s Website or may be obtained by contacting the Proposal Trustee directly. Contact details for the Proposal Trustee are described below:

BDO Canada Limited
 Proposal Trustee of Kaden Energy Ltd.
 Suite 110, 5800 2 Street SW
 Calgary, Alberta T2H 0H2
 Attention: Breanne Scott
 Fax: 403.640.0591
 Phone: 403.213.5432
 Email: brscott@bdo.ca

Dated at the city of Calgary in the Province of Alberta, this [date] of 2024.

BDO CANADA LIMITED
Licensed Insolvency Trustee
 acting solely in its capacity as Proposal Trustee of Kaden Energy Ltd.
 and not in its personal or corporate capacity

SCHEDULE "B" – NEWSPAPER NOTICE TO CREDITORS

**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A
PROPOSAL OF KADEN ENERGY LTD. ("Kaden")**

PLEASE TAKE NOTICE that on March 6, 2024, Kaden filed a Notice of Intention to Make a Proposal ("NOI") pursuant to the *Bankruptcy and Insolvency Act*, RSC 1985, c. B-3 and by order of the Court of King's Bench of Alberta (the "**Court**") dated April 2, 2024, a Claims Procedure Order was granted (the "**Claims Procedure Order**"), authorizing Kaden to conduct a claims procedure (the "**Claims Procedure**"). A copy of the Claims Procedure Order may be found on the Proposal Trustee's website at: www.bdo.ca/kaden (the "**Proposal Trustee's Website**").

Any Person who believes they have a Claim against Kaden or its Directors or Officers shall submit their Claim in a Proof of Claim form (which can be found on the Proposal Trustee's Website).

Proof of Claim forms can also be obtained by contacting the Proposal Trustee at the address below and providing particulars as to your name, address, facsimile number and e-mail address.

All Claimants MUST submit their Proof of Claim by submitting them to the Proposal Trustee by no later than 5:00 p.m. Calgary Time on April 19, 2024 (the "Claims Bar Date") by prepaid registered mail, courier, personal delivery or electronic or digital transmission. All Proofs of Claim must be actually received by the Proposal Trustee before the Claims Bar Date, and may be sent to the following:

BDO Canada Limited
 Proposal Trustee of Kaden Energy Ltd.
 Suite 110, 5800 2 Street SW
 Calgary, Alberta T2H 0H2
 Attention: Breanne Scott
 Fax: 403.640.0591
 Phone: 403.213.5432
 Email: brscott@bdo.ca

CLAIMS WHICH ARE NOT RECEIVED BY THE PROPOSAL TRUSTEE BY THE CLAIMS BAR DATE WILL BE FOREVER BARRED FROM MAKING OR ENFORCING ANY CLAIM AGAINST ANY OF KADEN, ITS DIRECTORS OR ITS OFFICERS.

The publication of this Notice to Claimant, the solicitation of Proofs of Claim by the Proposal Trustee or Kaden, and/or the sending of a Proof of Claim by a Claimant to the Proposal Trustee, does not grant any Claimant or any Person standing in the NOI Proceedings or any rights under in the NOI filed in respect of the Kaden, its Directors or Officers.

Dated at the city of Calgary in the Province of Alberta, this **[date]** of 2024.

BDO CANADA LIMITED
Licensed Insolvency Trustee

acting solely in its capacity as Proposal Trustee of Kaden Energy Ltd.
 and not in its personal or corporate capacity

SCHEDULE "C" – NOTICE OF DISPUTE OF CREDITOR

**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A
PROPOSAL OF KADEN ENERGY LTD. ("Kaden")**

PLEASE TAKE NOTICE that on March 6, 2024, Kaden filed a Notice of Intention to Make a Proposal ("NOI") pursuant to the *Bankruptcy and Insolvency Act*, RSC 1985, c. B-3 and by order of the Court of King's Bench of Alberta (the "**Court**") dated April 2, 2024, a Claims Procedure Order was granted (the "**Claims Procedure Order**"), authorizing Kaden to conduct a claims procedure (the "**Claims Procedure**"). A copy of the Claims Procedure Order may be found on the Proposal Trustee's website at: www.bdo.ca/kaden (the "**Proposal Trustee's Website**").

Name of Claimant: _____

Address: _____

Telephone Number: _____

Facsimile Number: _____

Email Address: _____

PLEASE TAKE NOTICE THAT, pursuant to the Claims Procedure Order, we hereby give you notice of our intention to dispute the Notice to Known Claimant issued by BDO Canada Limited, acting in its capacity as Proposal Trustee of Kaden, in respect of our Claim. We dispute the following portion(s) of our Claim as articulated in the Notice to Known Claimant:

Claim as Listed (\$CAD)	Revised Claim (\$CAD)

Classification of Claim as Listed	Revised Classification

Reason for the dispute (attach copies of supporting documentation):

The address for Service of Notice of Dispute of Revision or Disallowance is as follows:

BDO Canada Limited
Proposal Trustee of Kaden Energy Ltd.
Suite 110, 5800 2 Street SW
Calgary, Alberta T2H 0H2
Attention: Breanne Scott
Fax: 403.640.0591
Phone: 403.213.5432
Email: brscott@bdo.ca

THIS FORM AND ANY REQUIRED SUPPORTING DOCUMENTATION MUST BE RETURNED TO THE PROPOSAL TRUSTEE BY REGISTERED MAIL, PERSONAL SERVICE, EMAIL, FACSIMILE OR COURIER TO THE ADDRESS INDICATED ABOVE AND MUST BE ACTUALLY RECEIVED BY THE PROPOSAL TRUSTEE WITHIN FOURTEEN (14) DAYS FROM THE DATE OF THE NOTICE TO KNOWN CREDITORS (THE CLAIMS BAR DATE)

DATED this ____ day of _____, 2024

Witness

Per: _____

Name of Claimant

If Claimant/Restructuring Period Claimant is other than an individual, print name and title of authorized signatory

Name: _____

Title: _____

**SCHEDULE “D” – NOTICE OF REVISION OR DISALLOWANCE
IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A
PROPOSAL OF KADEN ENERGY LTD. (“Kaden”)**

TO: [name and address of claimant]

PLEASE TAKE NOTICE that this Notice of Revision or Disallowance is being sent pursuant to a Claims Process Order of the Court of King’s Bench of Alberta (the “**Court**”) dated April 2, 2024 (the “**Claims Procedure Order**”). A copy of the Claims Procedure Order may be found on the Proposal Trustee’s website at: www.bdo.ca/kaden (the “**Proposal Trustee’s Website**”).

The Proposal Trustee has reviewed your Notice of Dispute of Claimant or your Proof of Claim dated _____, 2024, and has revised or disallowed your Claim for the following reasons:

Subject to further dispute by you in accordance with the provisions of the Claims Procedure Order, your Claim will be allowed for voting and distributions purposes as follows:

	Submitted or Disputed Amount	Allowed
Claimant		
Claim		
Classification		

If you **AGREE** with the amount and classification allowed by the Proposal Trustee as set out above, you need not do anything further; the quantum and classification of your claim, as set out as allowed in this Notice of Revision or Disallowance, will be accepted as your Proven Claim. In the event you take no action, your claim will also be accepted based on the allowed amount as set out above.

If you **DISAGREE** with the amount and classification set out in this, the Proposal Trustee’s Notice of Revision or Disallowance, you must file an application with the Court for the resolution or adjudication of your claim for voting and distribution purposes by no later than fourteen (14) days after receipt of the Notice of Revision or Disallowance, failing which the amount and classification of your claim shall be deemed to be as set out as allowed in this Notice of Revision or Disallowance.

Additional information about these proceedings may be found on the Proposal Trustee’s Website or may be obtained by contacting the Proposal Trustee directly. Contact details for the Proposal Trustee are described below:

BDO Canada Limited

Proposal Trustee of Kaden Energy Ltd.

Suite 110, 5800 2 Street SW

Calgary, Alberta T2H 0H2

Attention: Breanne Scott

Fax: 403.640.0591

Phone: 403.213.5432

Email: brscott@bdo.ca

Dated at the city of Calgary in the Province of Alberta, this [date] of 2024.

BDO CANADA LIMITED

Licensed Insolvency Trustee

acting solely in its capacity as Proposal Trustee of Kaden Energy Ltd.

and not in its personal or corporate capacity

SCHEDULE "E" – PROOF OF CLAIM

PROOF OF CLAIM

(See attached for instructions)

**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A
PROPOSAL OF KADEN ENERGY LTD. ("Kaden")**

Regarding the claim of _____ (referred to in this form as the "Claimant"). *(Name of Claimant)*

All notices or correspondence regarding this claim to be forwarded to the Claimant at the following address:

Telephone Number: _____
Facsimile Number: _____
Attention (Contact Person): _____
Email Address: _____

(Note – All future correspondence will be delivered to the designated email address unless the Claimant specifically requests that hardcopies be provided)

Please provide hardcopies of materials to the address above.

I, _____ (name of the Claimant or representative of the Claimant),
of _____ (City, Province or State) do hereby certify that:

I am the Claimant; or,

I am _____ *(state position/title)* of the Claimant.

I have knowledge of all the circumstances connected with the claim referred to in this form.

Kaden was, at March 6, 2024, and still is, indebted to the Claimant in the sum of: \$CAD _____ *(insert \$CAD value of claim)* as shown by the statement of account attached hereto and marked Schedule "A".

The statement of account must specify the evidence in support of the claim including the date and location of the delivery of all services and materials. Any claim for interest must be supported by contractual documentation evidencing the entitlement to interest. Claims should not include the value of goods and/or services supplied or interest accrued after March 6, 2024.

For voting and distribution purposes in connection with these proceedings, the quantum and classification of this claim is as follows:

A. **UNSECURED CLAIM OF \$**_____. In respect of this claim, the Claimant does not hold and has not held any assets as security.

B. **SECURED CLAIM OF \$**_____. In respect of this claim, the Claimant holds assets valued at \$_____ as security, particulars of which are as follows:

If applicable, give the full particulars of the security, including the date on which the security was given and the value at which the Claimant assesses the security together with the basis of valuation, and attach a copy of the security documents as Schedule "B".

DATED this ____ day of _____, 2024

Witness

Per: _____

Print name of Claimant:

If Claimant is other than an individual, print name and title of authorized signatory

Name: _____

Title: _____

SCHEDULE "F" – POC INSTRUCTION LETTER (UNKNOWN CREDITORS)

**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A
PROPOSAL OF KADEN ENERGY LTD. ("Kaden")**

PLEASE TAKE NOTICE that on March 6, 2024, Kaden filed a Notice of Intention to Make a Proposal ("NOI") pursuant to the *Bankruptcy and Insolvency Act*, RSC 1985, c. B-3 and by order of the Court of King's Bench of Alberta (the "**Court**") dated April 2, 2024, a Claims Procedure Order was granted (the "**Claims Procedure Order**"), authorizing Kaden to conduct a claims procedure (the "**Claims Procedure**"). A copy of the Claims Procedure Order may be found on the Proposal Trustee's website at: www.bdo.ca/kaden (the "**Proposal Trustee's Website**").

CLAIMS PROCEDURE & CLAIMS BAR DATE

This Proof of Claim Instruction Letter is intended for Unknown Claimants that wish to assert a claim of any kind or nature whatsoever against Kaden and/or any of its Directors and/or Officers arising before March 6, 2024. Proof of Claims must be returned to the Proposal Trustee by **5:00 p.m. on April 6, 2024** (the "**Claims Bar Date**"). Unknown Claimants that do not return a Proof of Claim to the Proposal Trustee by the Claims Bar Date, unless otherwise ordered by the Court, shall:

- a) not be entitled to vote at any Creditor's Meeting;
- b) not be entitled to receive any distribution in the NOI;
- c) not be entitled to any further notice in, and shall not be entitled to participate as a Claimant or creditor in, the NOI Proceedings in respect of such Claim;
- d) be forever barred from making or enforcing any such Claim against any of Kaden, its Directors and Officers, and all such Claims will be forever extinguished and barred without any further act or notification by Kaden; and
- e) be forever barred from making or enforcing any such Claim as against any other Person who could claim contribution or indemnity from Kaden, its Directors and their Officers, or any of them and all such Claims will be forever extinguished and barred without any further act or notification by Kaden.

SUBMITTING A PROOF OF CLAIM

You are required to file a Proof of Claim, in the form enclosed herewith, and ensure that it is received by the Proposal Trustee, at the address below, by the Claims Bar Date.

In completing the Proof of Claim, you must:

- ensure that you include your complete name, address, telephone number, and email;
- disclose the amount which Kaden was and still is indebted to you as at December 8, 2021;
- provide a statement of account supporting the amount owing to you;
- identify whether your claim is unsecured or secured and, if applicable, attach supporting security documents; and,
- date and personally sign the Proof of Claim in front of a witness.

You must submit your Proof of Claim by prepaid registered mail, courier, personal delivery or electronic or digital transmission to the Proposal Trustee at the following address:

BDO Canada Limited
Proposal Trustee of Kaden Energy Ltd.
Suite 110, 5800 2 Street SW
Calgary, Alberta T2H 0H2
Attention: Breanne Scott
Fax: 403.640.0591
Phone: 403.213.5432
Email: brscott@bdo.ca

If you are submitting your Proof of Claim electronically, please submit it in PDF format and ensure the name of the file is "**Kaden - [legal name of creditor] POC.pdf**".

If you have any questions regarding the Claims Procedure, how to fill out the Proof of Claim, or about the NOI proceedings generally, please contact the Proposal Trustee at the address above or review the Proposal Trustee's Website. Additional Proof of Claim forms can be found on the Proposal Trustee's Website or obtained by contacting the Proposal Trustee directly.

Dated at the city of Calgary in the Province of Alberta, this **[date]** of 2024.

BDO CANADA LIMITED
Licensed Insolvency Trustee
acting solely in its capacity as Proposal Trustee of Kaden Energy Ltd.
and not in its personal or corporate capacity