

CLERK'S STAMP

COURT FILE NUMBER 25-3052460

COURT COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE EDMONTON

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)**

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: May 14, 2024
Time: 3:00 p.m.
Where: Edmonton Courthouse – VIA WEBEX (Courtroom 86)
<https://albertacourts.webex.com/meet/virtual.courtroom86>
Before: The Honourable Justice J.T. Neilson

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 July 4, 2024, being the expiry of forty-five (45) days from May 20, 2024 when the current time for filing a proposal and stay expires; and
 - (c) such further and other relief as counsel may request and this Honourable Court may grant.

Grounds for making this application:

2. 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.
3. 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 (the "**BIA**").
4. On April 2, 2024, this Honourable Court granted an Order (the "**Initial NOI Extension Order**") for, among other relief, the following:
 - (a) granting an extension of time for Kaden to file a proposal pursuant to section 50.4(9) of the BIA, and the corresponding stay of proceedings provided for in section 69 of the BIA until and including May 20, 2024; and
 - (b) approving the payment of certain amounts for critical suppliers and vendors for services and work provided prior to the filing of the NOI.
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.

6. Since the filing of the NOI and the Initial NOI Extension Order, 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 and the April 2, 2024 Initial NOI Extension Order, 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.

Material or evidence to be relied on:

10. The Affidavit of Wes Siemens, sworn March 26, 2022.
11. The Affidavit of Wes Siemens, sworn May 6, 2024.
12. The First Report of the Proposal Trustee dated April 1, 2024.
13. The Second Report of the Proposal Trustee dated May 9, 2024.
14. Such further material as counsel may advise and this Honourable Court may permit.

Applicable rules:

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

Applicable Acts and regulations:

16. *Bankruptcy and Insolvency Act*, R.S.C. 1985 c. B-3, as amended, sections 50.4, 69.
17. 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:

18. None.

How the application is proposed to be heard or considered:

19. By Webex videoconference before the Honourable Justice J. T. Neilson

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

COURT FILE NUMBER	25-3052460
COURT	COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE	EDMONTON
PROCEEDING	IN THE MATTER OF THE NOTICE OF THE <i>BANKRUPTCY AND INSOLVENCY ACT</i> , 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	<u>ORDER (NOI EXTENSION)</u>
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:	MAY 14, 2024
LOCATION WHERE ORDER WAS PRONOUNCED:	EDMONTON, ALBERTA
NAME OF JUSTICE WHO MADE THIS ORDER:	JUSTICE J.T. NEILSON

UPON the application (the "**Application**") of Kaden Energy Ltd. ("**Kaden**") for an order extending the time for Kaden to file a proposal, and the corresponding stay of proceedings, until July 4, 2024; **AND UPON** noting that on March 6, 2024, Kaden filed a Notice of Intention to Make a Proposal 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 May 6, 2024; **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 July 4, 2024.

SERVICE OF ORDER

3. 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