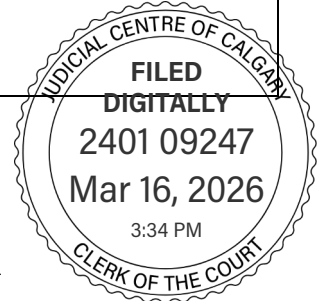


COURT FILE NO. 2401 09247
COURT COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY
PLAINTIFF ORPHAN WELL ASSOCIATION
DEFENDANT LONG RUN EXPLORATION LTD.
DOCUMENT **FOURTH REPORT TO THE COURT SUBMITTED BY
PRICEWATERHOUSECOOPERS INC. IN ITS CAPACITY AS RECEIVER
DATED MARCH 16, 2026**

Clerk's Stamp:



ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT
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PricewaterhouseCoopers Inc. LIT
2900, 111 – 5th Avenue SW
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paul.j.darby@pwc.com
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1. Introduction

- 1.1 By order (the “**Receivership Order**”) of the Honourable Madam Justice G.A. Campbell of the Court of King’s Bench of Alberta (the “**Court**”) dated March 5, 2025 (the “**Date of Receivership**”), PricewaterhouseCoopers Inc., LIT was appointed receiver and manager (the “**Receiver**”) of Long Run Exploration Ltd. (“**Long Run**” or the “**Company**”) pursuant to an application by the Orphan Well Association (“**OWA**”) under section 13(2) of the *Judicature Act*, RSA 2000, c J-2, section 99(a) of the *Business Corporation Act*, RSA 2000, c B-9, and section 106.1 of the *Oil and Gas Conservation Act*, RSA 2000, c O-6, without security, of all Long Run’s current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof (the “**Property**”).
- 1.2 On March 31, 2025, the Receiver submitted its first report to the Court (the “**First Report**”). The purpose of the First Report was to request approval for the sale of certain Long Run assets as per the proposed sales and solicitation process (“**SISP**”).
- 1.3 On April 10, 2025, the Court granted an order approving the SISP (“**SISP Approval Order**”) and an order (the “**Amended Receivership Order**”) excluding all of the Company’s current and future assets, undertakings and properties of every kind and nature whatsoever located in the province of Saskatchewan, including all proceeds thereof, from the Property subject to the Receivership.
- 1.4 On October 6, 2025, the Receiver submitted its second report to the Court (the “**Second Report**”). The purpose of the Second Report was to update the Court on the sales process (“**Sales Process**”) conducted by the Receiver, through its advisor, Sayer Energy Advisors (“**Sayer**”) and, among other things, request approval for the sale of certain Long Run assets as per the proposed SISP.
- 1.5 On October 14, 2025, the Court granted, among other things, Sale Approval and Vesting Orders for five transactions.
- 1.6 On December 8, 2025, the Receiver submitted its third report to the Court (the “**Third Report**”). The purpose of the Third Report was, among other things, to update the Court on the Sales Process, request approval for the sale of certain Long Run assets, request an order discharging the CCB fixed charges and request an order for limited discharge of Long Run’s unsold Licensed Assets.
- 1.7 This is the Receiver’s fourth report to the Court (the “**Fourth Report**”), which has been prepared, among other things, in respect of an application which has been scheduled for March 23, 2026 (the “**March Application**”). The purpose of this Third Report is to advise the Court with respect to the following:
 - 1.7.1 the Receiver’s activities since the Third Report;
 - 1.7.2 updates on the Sales Process;

- 1.7.3 the Receiver's recommendation with respect to the additional offer received for certain of Long Run's oil and gas Property derived from the Sales Process along with two amended APA's to remedy minor omissions and amend schedules on previously approved transactions;
 - 1.7.4 update on the wind down of and preparation for limited discharge of Long Run's unsold Licensed Assets;
 - 1.7.5 update on the status of sales of Long Run's non-oil and gas Property;
 - 1.7.6 a proposed interim distribution and future distributions to the Alberta Energy Regulator ("AER"); and
 - 1.7.7 the Receiver's statement of receipts and disbursements.
- 1.8 At the March Application, the Receiver will be seeking Orders from this Honourable Court approving:
- 1.8.1 one proposed transaction and its related asset purchase agreement;
 - 1.8.2 two amending agreements relating to transactions previously approved by the Court;
 - 1.8.3 a restricted Court access order sealing on the Court file the Confidential Supplement to the Fourth Report (defined below);
 - 1.8.4 an increase to the asset sale threshold limits set out in the Amended Receivership Order;
 - 1.8.5 an interim distribution and future distributions to the AER;
 - 1.8.6 the Receiver's statement of receipts and disbursements as set out herein; and
 - 1.8.7 the actions, conduct, and activities of the Receiver as reported herein.
- 1.9 The Receiver recommends that the Fourth Report be read in conjunction with the Receiver's prior reports.
- 1.10 Unless otherwise stated, all monetary amounts noted herein are expressed in Canadian dollars. Capitalized terms not otherwise defined herein are as defined in the Amended Receivership Order.
- 1.11 Certain information contained in this Fourth Report is based on information obtained from the Company's books and records, discussions with Long Run's employees and management, and the Receiver's advisors. The Receiver has not independently verified the accuracy or completeness of such information; accordingly, the Receiver does not express an opinion thereon.
- 1.12 A copy of this Fourth Report, all non-confidential materials filed with the Court and all orders granted in connection with the Receivership proceedings have been

and will continue to be made available to creditors and other interested parties in electronic format on the Receiver's website: www.pwc.com/ca/longrun.

2. *Activities of the Receiver*

- 2.1 Since the date of the Third Report, the Receiver has, among other things:
- 2.1.1 continued conversations with the AER with respect to Long Run's outstanding commitments pursuant to the AER Orders and with respect to its ongoing operations;
 - 2.1.2 continued to arrange for the continuation of all essential services required by the Receiver for continued operations and preservation of the Company's Property and held ongoing discussions with vendors regarding outstanding balances;
 - 2.1.3 overseen employee and human resources matters;
 - 2.1.4 facilitated the closing of the Court-approved transactions set forth in the December Application pertaining to certain of Long Run's Licensed Assets;
 - 2.1.5 continued to work with parties to complete post-closing conveyancing and assignments;
 - 2.1.6 advanced negotiations and due diligence on additional bids generated from the Sales Process;
 - 2.1.7 responded to requests for information from joint interest partners;
 - 2.1.8 continued to work with Long Run's joint interest partners to reconcile outstanding accounting matters;
 - 2.1.9 regularly prepared cash flow forecasts and provided periodic updates on the Receivership to the AER and OWA;
 - 2.1.10 worked closely with the AER and OWA to plan and coordinate timing for the upcoming limited discharge of the Company's unsold Licensed Assets;
 - 2.1.11 negotiated ongoing head office rent extensions and termination of various leases related to sales activities within the Grande Prairie area;
 - 2.1.12 prepared, filed, and remitted payment of the GST returns for the period of November 1, 2025 to January 31, 2026; and
 - 2.1.13 responded to requests for information from creditors, joint interest partners, former employees, government entities, and other stakeholders as appropriate.

3. Operations

- 3.1 Since the date of the Third Report, the Receiver has worked with the Company, its field contractors and vendors to continue and, subsequently, wind-down operations. The shut-in of all remaining production was completed by the end of February 2026.
- 3.2 Some of the Receiver's activities include, but are not limited to:
 - 3.2.1 working with the Company and the AER to address high priority and operational site concerns and complete the wind-down in accordance with the AER's site shut-in guidelines to facilitate a safe transition to the OWA once the sites are ultimately orphaned;
 - 3.2.2 monitoring commodity pricing and, where appropriate, adjusting field operations by shutting-in and restoring production where appropriate to prevent or minimize negative cash flows up to the end of February 2026; and
 - 3.2.3 completing various maintenance projects on facilities to preserve operational integrity and proper shut-in conditions.
- 3.3 The Company is now working to prepare the unsold Licensed Assets for their upcoming limited discharge, pursuant to the Limited Discharge Order granted by this Court on December 15, 2025 which is expected to occur in April 2026.

4. Proposed Transaction and Amending Agreements

- 4.1 The Receiver outlined the process undertaken to solicit bids for the Long Run Licensed Assets in the Second Report (attached hereto without appendices as Appendix "A"). The Receiver concluded that the Sales Process was fair and reasonable, that the assets have been widely marketed in an effort to obtain the best Total Consideration, that the process for receiving and evaluating offers has been open and fair and that the efficacy and integrity of the Sales Process has been maintained.
- 4.2 The Receiver has continued to analyze and review Bids derived from the Sales Process on a mostly similar basis as described in the Second Report, the primary difference being that the estimates of the total ARO assumed in each Bid were derived solely from the AER data rather than using both the AER and XI Model data. This was done to improve efficiency given the relative similarities between the two sources of data.
- 4.3 As at the date of this Fourth Report, the Receiver has negotiated and accepted one additional offer, from Mancal Energy Inc. ("**Mancal**") for certain of the Long Run Property (the "**Mancal Transaction**" and "**Mancal APA**").

- 4.4 The Mancal Transaction provides Total Consideration to the estate for the respective assets through a combination of cash consideration and the acceptance of ARO.
- 4.5 The proposed Mancal APA has been negotiated on an “as-is, where-is” basis with no post-closing purchase price adjustments. A redacted copy of the Mancal APA is attached hereto as Appendix “B”.
- 4.6 In addition to the Mancal APA, there are two amending agreements relating to transactions previously approved by the Court, all of which are listed in the table below:

# Purchaser	APA Title
1 Mancal Energy Inc.	Mancal APA
2 Cardinal Energy Ltd. - Amending Agreement	Cardinal APA Amending Agreement
3 Highvale Energy Ltd. - Amending Agreement	Highvale APA Amending Agreement

- 4.7 The Cardinal APA Amending Agreement corrects the mineral property report to remove certain mineral rights that were not purchased by Cardinal.
- 4.8 The Highvale APA Amending Agreement adds two pipelines to the Amended & Restated Highvale APA.
- 4.9 The Highvale APA Amending Agreement and the Cardinal APA Amending Agreement are collectively referred to as the “**March Amending Agreements**”.
- 4.10 Copies of the March Amending Agreements are attached hereto as Appendix “C”.
- 4.11 The Receiver has communicated its methodology for selecting the proposed Mancal Transaction and the Amending Agreements to the AER as the Fulcrum Stakeholder and solicited feedback thereon. The Receiver understands that the regulator will review each transaction in accordance with the AER’s standard framework as required, with respect to transferring oil and gas licenses in connection with the March Amending Agreements. There are no licenses to be transferred in relation to the Mancal Transaction.

5. Receiver’s Views on the Mancal Transaction

- 5.1 The Receiver seeks this Honourable Court’s approval of the proposed Mancal Transaction. The Receiver considers the proposed Mancal Transaction to be commercially reasonable and fair, as among other things:
- 5.1.1 the proposed Mancal Transaction is the result of the Sales Process, wherein the Company’s assets were broadly marketed, as outlined in the Second Report;
- 5.1.2 the proposed Mancal Transaction represents the best Bid received for the subject assets and therefore provide the best price in the circumstances. In the absence of the proposed Mancal Transaction, these assets would likely be discharged and ultimately orphaned;

- 5.1.3 the Receiver, in consultation with Sayer, is of the view that the purchase prices in respect of the proposed Mancal Transaction is fair and reasonable given the condition of the assets, the ARO assumed, and the current market for the subject properties; and
- 5.1.4 the Receiver is of the view that the proposed Mancal Transaction was negotiated fairly and in good faith, is commercially reasonable, and is in the best interest of the stakeholders as a whole.
- 5.2 For the reasons set out above, including the discussion of the conduct of the Sales Process contained in the Second Report, the Receiver is of the opinion that the proposed Mancal Transaction is fair and reasonable and would be more beneficial to Long Run's stakeholders than other offers received for the same assets, if any. Accordingly, the Receiver is seeking the Court's approval of the proposed Mancal Transaction.
- 5.3 The Receiver is of the view that the Sales Process has been comprehensive and exhaustive and, given the upcoming limited discharge of all of its unsold Licensed Assets, does not anticipate seeking approval of this Court of any further sales of Long Run Licensed Assets.

6. *Restricted Court Access Order*

- 6.1 The Confidential Supplement contains an unredacted copy of the Mancal APA along with the approximate amount of ARO associated with the Mancal Transaction.
- 6.2 The Receiver is of the view that the Confidential Supplement contains commercially sensitive information in respect of Long Run's assets. The public dissemination of this information, if disclosed before the proposed Mancal Transaction closes, could materially prejudice Long Run's interest and cause a serious risk of harm to an important public interest, including risk to the ability to re-market the Receivership assets if the proposed Mancal Transaction does not close.
- 6.3 Accordingly, the Receiver considers a temporary restricted Court access order, which would seal the contents of the Confidential Supplement for a period of 60 days after the Receiver's final discharge, to be necessary and constitutes the least restrictive means possible to prevent disclosure of the confidential and commercially sensitive information in the Confidential Supplement, and that no reasonable alternative measures exist. The Receiver considers that the need for the Receiver to protect realization efforts outweighs any negative effects of a temporary restricted court access order.

7. *Non-Oil and Gas Property*

Surplus Oilfield Equipment

- 7.1 As noted in the Third Report, the Receiver has engaged Fuelled Energy Marketing Inc. (“**Fuelled**”) to inventory, catalogue and market Long Run’s Surplus Equipment which is located on and around Long Run’s unsold Licensed Assets.
- 7.2 As noted above, the Receiver expects to be filing its Limited Discharge certificate in respect of Long Run’s unsold Licensed Assets in April 2026. In order to ensure a seamless transition for the ongoing sale of Surplus Equipment once the limited discharges are filed and the process to orphan the unsold Licensed Assets commences, the Receiver negotiated its engagement agreement with Fuelled in conjunction with the OWA so that the agreement transitions over to the OWA once the Licensed Assets are discharged and the OWA becomes the direct beneficiary of all future realizations.
- 7.3 The Receiver, in consultation with Fuelled, continues to conduct a comprehensive review and analysis of all offers received with respect to the Surplus Equipment.
- 7.4 As of the date of this Fourth Report, the Surplus Equipment sold under the Fuelled process has generated net proceeds of approximately \$2.2 million.

Surplus Vehicles and Miscellaneous Field Equipment

- 7.5 Long Run holds a master lease agreement with Summit Acceptance Limited Partnership (“**Summit**”) which pertains to the lease of various fleet vehicles (the “**Leased Vehicles**”). The Receiver expects that the net realizable value of certain of the Leased Vehicles (the “**Purchased Leased Vehicles**”) will exceed the payout under the lease agreements.
- 7.6 The Receiver has remitted payment in accordance with the payout statements received from Summit in an effort to ensure the Purchased Leased Vehicles sold at auction to date have been sold free and clear.
- 7.7 In addition to the Purchased Leased Vehicles, Long Run owns various all-terrain vehicles and trailers (the “**Owned Equipment**”).
- 7.8 Collectively, the Purchased Leased Vehicles and Owned Equipment are referred to as the “**Surplus Vehicles**”.
- 7.9 In addition to the Surplus Vehicles Long Run owns miscellaneous equipment, including but not limited to generators, heaters, water pumps, baker cans, and battery charging stations (collectively the “**Field Equipment**”).
- 7.10 As noted in the Third Report, the Receiver engaged GD Auctions and Appraisals (“**GD Auctions**”) to assess, collect, catalogue, and advertise the Surplus Vehicles and Field Equipment for sale in two separate auctions, as such assets are no longer required for ongoing operations.

- 7.11 On December 10, 2025, GD Auctions conducted the first auction for the sale of the Surplus Vehicles and Field Equipment (the “**First Auction**”), which generated net proceeds of approximately \$433,760.
- 7.12 The Receiver expects the second auction for the sale of the remaining Surplus Vehicles and Field Equipment will be held in late April 2026 (the “**Second Auction**”).

Request for Increased Asset Sale Thresholds

- 7.13 As at the date of this Report, the Receiver has generated approximately \$2.64 million of net proceeds from the sale of Long Run’s non-oil and gas property.
- 7.14 Section 3(m) of the Amended Receivership Order provides that the Receiver may, without approval of this Honourable Court, complete any individual transaction not exceeding \$500,000, provided that the aggregate consideration for all such transactions does not exceed \$3,000,000 (collectively the “**Thresholds**”).
- 7.15 Given that the Receiver is continuing to generate sales through its engagement with Fuelled (which, based on current interest, could generate up to \$2 million in the near term), and will do so until it files the limited discharge certificate for Long Run’s unsold Licensed Assets in April 2026, and considering the Second Auction in late April 2026, the Receiver expects to exceed the Thresholds.
- 7.16 In order to allow the continued and uninterrupted sale of Surplus Field Equipment and facilitate the Second Auction without further order of this Court, the Receiver respectfully requests that the Thresholds be amended to permit individual transactions not exceeding \$750,000 provided that the aggregate consideration for all such transactions does not exceed \$5,000,000.

Real Property

- 7.17 Long Run holds eleven parcels of land located in remote areas of Alberta (the “**Real Property**”). The Real Property is distributed across four distinct regions within Alberta, namely the High Level, Grande Prairie, Wainwright and Redwater regions.
- 7.18 Long Run’s Real Property ranges in size from approximately 0.21 to 161 acres and each contains some form of oilfield equipment affixed to the land that is related to Long Run’s unsold Licensed Assets.
- 7.19 Based on its discussions with multiple local real estate brokers who assessed the marketability of the various parcels of Real Property it was concluded that for six of the parcels (both of the parcels in Wainwright and four in Redwater) due to the size of useable land, risk of environmental contamination (due to the presence of Licensed Assets and other miscellaneous oilfield equipment), the likelihood of securing a purchaser is minimal. Furthermore, none of the real estate brokers the Receiver spoke with were willing to take on the listings for these parcels. Accordingly, the Receiver has concluded that these properties will not be listed for sale.

- 7.20 The Receiver is currently in the process of negotiating and finalizing listing agreements with three separate real estate brokers, each experienced in the High Level, Grande Prairie, and Redwater regions, to list and market the remaining five parcels of Real Property.
- 7.21 The Real Property will be marketed and sold on an “as is, where is” basis.

8. *Interim and Future Distributions to the AER*

- 8.1 In accordance with the decision of the Supreme Court of Canada in *Orphan Well Association v Grant Thornton Ltd*, 2019 SCC 5 (the “**Redwater Decision**”), all net proceeds generated by the estate must first be used to address Long Run’s environmental obligations. As noted in the Second Report, the AER is the Fulcrum Stakeholder as the net proceeds realized from the Sales Process and disposition of Long Run’s non-oil and gas assets does not and will not exceed Long Run’s remaining ARO, which is estimated at approximately \$380 million (the “**Remaining ARO**”).
- 8.2 As noted below, the Receiver is currently holding approximately \$26 million in its Long Run accounts. While the Receiver anticipates potential future liabilities with respect to finalizing Long Run’s accounts, compliance filings, future royalty payments and other adjustments, there are sufficient funds available to make an interim distribution in the amount of \$10 million so this money can be used to fund the orphaning process.
- 8.3 The Receiver has discussed the proposed interim distribution with the AER and OWA and has determined that the correct path is to make the payment directly to the AER who will then disperse funds to the OWA under their agreed mechanism.
- 8.4 As such, the Receiver is seeking approval of the Court to make an interim distribution (the “**First Interim Distribution**”) to the AER in the amount of \$10 million.
- 8.5 In addition to satisfying future liabilities related to post Receivership operations of Long Run’s Property, the Receiver expects to collect additional funds from the continued sale of Long Run’s non-oil and gas assets and collection of outstanding receivables.
- 8.6 As such, the Receiver requests the approval of future interim distributions (“**Future Interim Distributions**”) without further orders of this Court provided that the total amount of the First Interim Distribution and all Future Interim Distributions does not exceed the total amount of the Remaining ARO.
- 8.7 Indian Oil and Gas Canada (“**IOGC**”) wrote to the Receiver on December 23, 2025 and asserted, among other things, that as a result of contracts between Long Run and IOGC affecting each of the Alexis Nakota Sioux First Nation and the Saddle Lake Cree Nation, that the Receiver is “responsible for ensuring that all applicable end-of-life environmental obligations are addressed prior to releasing any funds to secured creditors” and that “any plan for these outstanding obligations to be

addressed by the [OWA] will need to be discussed with IOGC before being approved by a Court.” Copies of the correspondence sent by the IOGC to the Receiver are attached hereto as Appendix “D”.

8.8 The Receiver, via its counsel, responded to the letters from the IOGC by letters dated February 25, 2026. Those letters explain, among other things, that while the Long Run estate continues to be responsible for end-of-life environmental obligations or remediation, the Receiver is not personally liable for the same (as confirmed by the Redwater Decision). The letter also sets out that,

8.8.1 “[t]he Receiver expects that all distributions from Long Run’s estate will be to the AER and, to the extent there are any proceeds of sale of assets of Long Run on [the Alexis Nakota Sioux First Nation lands / the Saddle Lake Cree Nation lands], to the IOGC to address the same. To date, none of those assets have been sold, and so there are no proceeds for distribution to the IOGC.”

8.9 As of the date of this Fourth Report, it remains that none of the assets on the Alexis Nakota Sioux First Nation lands / the Saddle Lake Cree Nation lands have been sold, and as a result, there are no proceeds of the Receivership for distribution to the IOGC. Copies of the letters from counsel for the Receiver to the IOGC are attached hereto as Appendix “E”.

9. Receiver’s Statement of Receipts and Disbursements

9.1 The Receiver’s statement of receipts and disbursements for the period from the Date of Receivership to February 28, 2026 is summarized as Appendix “F”. As of February 28, 2026, the Receiver had approximately \$26,137,971 in the Receiver’s Trust Account.

Long Run Exploration Ltd. - in Receivership
Statement of Receipts and Disbursements for the period of
March 5, 2025 to February 28, 2026

	(CAD)
Receipts	
Revenue	38,943,152
Proceeds from sale of assets	26,717,688
Cash in banks at date of receivership	3,178,874
GST collected	2,302,014
Receiver's borrowings	1,000,000
Total receipts	72,141,728
Disbursements	
Operations	23,577,892
Payroll and employee expenses	11,573,701
G&A	3,844,149
Professional fees and expenses	3,289,673
GST paid	2,406,243
Deposits	1,312,100
Total disbursements	46,003,757
Total net cash available as of February 28, 2026	26,137,971

10. Recommendations

- 10.1 The Receiver respectfully recommends that this Honourable Court:
- 10.1.1 grant a Sale Approval and Vesting Order for the proposed Mancal Transaction
 - 10.1.2 grant Orders approving the March Amending Agreements;
 - 10.1.3 seal the Confidential Supplement on the Court file;
 - 10.1.4 amend the asset sale Thresholds set out in the Amended Receivership Order to permit, without approval of this Court, individual transactions not exceeding \$750,000 provided that the aggregate consideration for all such transactions does not exceed \$5,000,000.
 - 10.1.5 grant Orders approving the First Interim Distribution and Future Interim Distributions to the AER;
 - 10.1.6 approve the Receiver's Statement of Receipts and Disbursements as set out in Appendix "F"; and
 - 10.1.7 approve the Fourth Report and the activities of the Receiver reported herein.

All of which is respectfully submitted on this 16th day of March, 2026.

PricewaterhouseCoopers Inc. LIT
In its Capacity as Court Appointed Receiver of
of Long Run Exploration Ltd.



Paul Darby
Senior Vice President

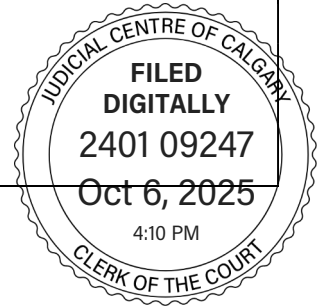


Rick Osuna
Senior Vice President

Appendix A – Second Report of the Receiver (without appendices)

COURT FILE NO. 2401 09247
COURT COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY
PLAINTIFF ORPHAN WELL ASSOCIATION
DEFENDANT LONG RUN EXPLORATION LTD.
DOCUMENT **SECOND REPORT TO THE COURT SUBMITTED BY
PRICEWATERHOUSECOOPERS INC. IN ITS CAPACITY AS RECEIVER
DATED OCTOBER 6, 2025**

Clerk's Stamp:



ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

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1. Introduction

- 1.1 By order (the “**Receivership Order**”) of the Honourable Madam Justice G.A. Campbell of the Court of King’s Bench of Alberta (the “**Court**”) dated March 5, 2025 (the “**Date of Receivership**”), PricewaterhouseCoopers Inc., LIT was appointed receiver and manager (the “**Receiver**”) of Long Run Exploration Ltd. (“**Long Run**” or the “**Company**”) pursuant to an application by the Orphan Well Association (“**OWA**”) under section 13(2) of the *Judicature Act*, RSA 2000, c J-2, section 99(a) of the *Business Corporation Act*, RSA 2000, c B-9, and section 106.1 of the *Oil and Gas Conservation Act*, RSA 2000, c O-6, without security, of all Long Run’s current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof (the “**Property**”).
- 1.2 On March 31, 2025, the Receiver submitted its first report to the Court (the “**First Report**”). The purpose of the First Report was to:
 - 1.2.1 advise the Court of the Receiver’s activities since the granting of the Receivership Order and the status of the receivership proceedings; and
 - 1.2.2 support an application for a Court order to approve the proposed sales and solicitation process (“**SISP**”).
- 1.3 On April 10, 2025, the Court granted an order approving the SISP (“**SISP Approval Order**”) and an order (the “**Amended Receivership Order**”) excluding all of the Company’s current and future assets, undertakings and properties of every kind and nature whatsoever located in the province of Saskatchewan, including all proceeds thereof, from the Property subject to the Receivership.
- 1.4 This is the Receiver’s second report to the Court (the “**Second Report**”), which has been prepared, among other things, in respect of an application which has been scheduled for October 14, 2025 (the “**October Application**”). The purpose of this Second Report is to advise the Court with respect to the following:
 - 1.4.1 the Receiver’s activities since the First Report;
 - 1.4.2 as authorized by the SISP Approval Order, the sales process (“**Sales Process**”) that was conducted by the Receiver, through its advisor, Sayer Energy Advisors (“**Sayer**”), for certain of the Property and the results of the Sales Process to date;
 - 1.4.3 the Receiver’s recommendation with respect to the offers received for certain of Long Run’s oil and gas Property (the “**Proposed Transactions**”) derived from the Sales Process; and
 - 1.4.4 the Receiver’s statement of receipts and disbursements, and the fees of the Receiver and its legal counsel, Bennett Jones LLP (“**Bennett Jones**”).

- 1.5 At the October Application, the Receiver will be seeking Orders from this Honourable Court approving:
 - 1.5.1 the Proposed Transactions and related asset purchase agreements (the “**Sale Agreements**”);
 - 1.5.2 a restricted Court access order sealing on the Court file the Confidential Supplement (defined below);
 - 1.5.3 the actions, conduct, and activities of the Receiver as reported herein;
 - 1.5.4 the Receiver’s statement of receipts and disbursements as set out herein; and
 - 1.5.5 the fees and disbursements of the Receiver and its legal counsel to date.
- 1.6 The Receiver recommends that the Second Report be read in conjunction with the First Report.
- 1.7 Unless otherwise stated, all monetary amounts noted herein are expressed in Canadian dollars. Capitalized terms not otherwise defined herein are as defined in the Amended Receivership Order.
- 1.8 Certain information contained in this Second Report is based on information obtained from the Company’s books and records, discussions with Long Run’s employees and management, and the Receiver’s advisors. The Receiver has not independently verified the accuracy or completeness of such information; accordingly, the Receiver does not express an opinion thereon.
- 1.9 A copy of this Second Report, all non-confidential materials filed with the Court and all orders granted in connection with the Receivership proceedings have been and will continue to be made available to creditors and other interested parties in electronic format on the Receiver’s website: www.pwc.com/ca/longrun.

2. *Activities of the Receiver*

- 2.1 Since the date of the First Report, the Receiver has, among other things:
 - 2.1.1 continued conversations with the AER with respect to Long Run’s outstanding commitments pursuant to the AER Orders and with respect to its ongoing operations;
 - 2.1.2 arranged for the continuation of all essential services required by the Receiver for continued operations and preservation of the Company’s Property and held ongoing discussions with vendors regarding outstanding balances;
 - 2.1.3 complied with the Canada Revenue Agency (“**CRA**”) request to audit several of the Long Run accounts;

- 2.1.4 prepared, filed, and remitted payment of the GST returns for the period of March 5, 2025 to August 31, 2025;
- 2.1.5 overseen employee and human resources matters;
- 2.1.6 provided information to former employees in accordance with the requirements of the *Wage Earner Protection Program Act*, S.C. 2005, c 47 (as amended) (“**WEPPA**”);
- 2.1.7 entered into a professional services agreement with Sayer to prepare and implement the Sales Process in respect of the Licensed Assets, including but not limited to the coordination of initial due diligence with potential Bidders (as defined below) and Long Run’s books and records, and consultation on the bids received;
- 2.1.8 in consultation with Sayer, reviewed and analyzed all the bids during the Sales Process, and negotiated the terms of potential transactions with Bidders (as defined below);
- 2.1.9 regularly prepared cash flow forecasts and provided periodic updates to the AER and OWA;
- 2.1.10 initiated the process to have funds deposited into Long Run's account with the China Construction Bank regularly transferred to the Receiver's trust account;
- 2.1.11 negotiated ongoing office rent and multiple lease extensions with Long Run’s landlord;
- 2.1.12 reviewed the aged accounts receivable and commenced collection procedures; and
- 2.1.13 responded to requests for information from the Applicant, creditors, joint interest partners, former employees, government entities, and other stakeholders as appropriate.

3. Operations

- 3.1 Since the date of the First Report, the Receiver has worked with the Company, its field contractors and vendors to continue operations. Some of these activities include, but are not limited to:
 - 3.1.1 suspending operations in the Boyer operating region due to poor economics. Specifically, the prevailing low natural gas prices, combined with high fixed and elevated operating costs in the Boyer area, resulted in sustained negative cash flows;
 - 3.1.2 Long Run held several firm distribution contracts as part of its utilities arrangements with Enmax Energy Corporation (“**Enmax**”). The Receiver disclaimed the existing arrangements with Enmax and negotiated new

arrangements with CP Energy Marketing L.P., which eliminated a substantial portion of distribution charges previously incurred by the Company;

- 3.1.3 the Receiver disclaimed certain firm transportation and processing agreements with Pembina Pipeline Corporation and TC Energy Corporation that were determined to be non-essential for ongoing operations;
- 3.1.4 due to low natural gas prices, the Receiver implemented active monitoring of certain producing wells located in areas experiencing negative cash flows. Where operationally feasible, the Receiver has temporarily shut-in certain wells with the ability to restore production should market conditions and gas prices improve in the future;
- 3.1.5 worked with the Company and the AER to address high priority and operational and site concerns;
- 3.1.6 completed various maintenance projects on facilities to preserve the operational integrity; and
- 3.1.7 worked with the Company to identify opportunities to generate new revenue streams. Accordingly, a joint venture partner now directs wastewater to one of Long Run's facilities for skim oil removal and treatment generating approximately \$2,000 per day in incremental revenues.

4. Sales Process

- 4.1 The Receiver engaged the services of Sayer to market Long Run's Licensed Assets.
- 4.2 The Sales Process commenced on May 2, 2025, with a bid deadline of June 19, 2025 (the "**Bid Deadline**"). The Receiver, in consultation with Sayer, took the following steps to market Long Run's Licensed Assets:
 - 4.2.1 prepared an information brochure (the "**Teaser**"), attached hereto as Appendix "A" that was mailed to 400 prospective purchasers and sent electronically to 2,250 additional prospective purchasers on May 2, 2025 and May 5, 2025, respectively;
 - 4.2.2 advertised the Sales Process on Sayer's website, where a copy of the Teaser alongside corresponding maps and summary information was downloaded approximately 610 times throughout the Sales Process;
 - 4.2.3 advertised in various industry publications including the BOE Report and Daily Oil Bulletin on May 5, 2025 and May 6, 2025 respectively;
 - 4.2.4 prepared and operated a virtual data room (the "**Data Room**") with available documents and information relevant to prospective purchasers; and

4.2.5 facilitated multiple requests from prospective purchasers for site tours and responded to inquiries.

4.3 The Sales Process resulted in the receipt of 123 bids (the “**Bids**”) by 74 prospective purchasers (“**Bidders**”) by the Bid Deadline.

Bid Evaluation

4.4 Despite Sayer’s success in generating Bids in the Sales Process, because Long Run’s asset base is spread widely across Alberta and many of these locations are uneconomic, there are a substantial number of Licensed Assets that received no interest from Bidders.

4.5 Based on the information received from prospective purchasers during the Sales Process and a review of the Bids, the Receiver does not expect there will be a scenario where sufficient proceeds could be generated from the Sales Process to surpass the significant ARO (as defined below) expected to remain in the Receivership estate once asset sales are completed. Therefore, the Receiver expects that the AER is the fulcrum stakeholder (“**Fulcrum Stakeholder**”) in accordance with the Supreme Court of Canada’s decision in *Orphan Well Association v Grant Thornton Limited*, 2019 SCC 5. The Receiver does not expect there to be any funds available for distribution to Long Run’s secured or unsecured creditors.

4.6 When evaluating Bids for the Licensed Assets, the Receiver considered the potential impacts to additional stakeholders beyond the Fulcrum Stakeholder. Such stakeholders included, amongst others:

4.6.1 municipalities in respect of future property taxes;

4.6.2 royalty holders in respect of future royalty payments;

4.6.3 landowners in respect of future rentals and reclamations of their properties; and

4.6.4 the Crown in respect of amounts outstanding and future payments.

4.7 The Receiver performed the following analysis for each Bid received in order to compare the competing Bids (where they existed):

4.7.1 estimated the deemed liability of each Bid, in accordance with the AER’s values for Long Run’s Licensed Assets;

4.7.2 estimated the abandonment and reclamation obligations (the “**ARO**”) assumed for each Bid, using deemed liability values provided by the AER and from the XI database (“**XI Model**”);

4.7.3 the XI Model provides an independent estimate of the expected costs to actually abandon and reclaim a Company’s wells and facilities, as it provides area specific data developed through a culmination of government resources, expert opinion and industry data. The Receiver recognizes these are estimates, and actual costs to eventually abandon and reclaim the

property will differ from the estimates. However, the Receiver is of the view that these estimates are reasonable, based on the information available;

- 4.7.4 compared the percentage of the total ARO assumed in the Bid to the total ARO estimated (from both the AER and the XI Model) for that package, relative to the other Bids for the same Package; and
- 4.7.5 reviewed Sayer's initial comments as to, in its view, which Bids warranted further discussion, which Bids should be deferred to a later date, and which should be declined.

Consideration and Closing Risk Factors

- 4.8 The Receiver examined the following two factors in its analysis of the value included in each Bid:
 - 4.8.1 cash consideration; and
 - 4.8.2 estimate of the ARO assumed(together, the "**Total Consideration**").
- 4.9 Participants in the Sales Process were aware that the AER is the regulator and that the Receiver would look favourably upon "white map" offers which take on both Long Run's non-operated working interests in active producing wells and the liabilities associated with nearby shut in wells, rather than "cherry picking" the best assets for higher cash consideration and leaving nearby wells stranded. The comparison of Total Consideration across competing Bids reflects this view.
- 4.10 Furthermore, to understand a potential Bidder's financial wherewithal, current standing with the AER and overall reputation, the Receiver worked with Sayer to gather additional information from each Bidder that would allow the Receiver to understand potential transaction-related risk (the "**Closing Risk Factors**") and better compare competing Bids. The information gathered to assess the Closing Risk Factors includes, among other things:
 - 4.10.1 the Bidder's eligibility status as it relates to AER Directive 067;
 - 4.10.2 whether a discretionary waiver from the Regulators will be required in order to close the transaction;
 - 4.10.3 whether the Bidder requires financing, and the nature of the proof of its financial wherewithal to complete a transaction; and,
 - 4.10.4 additional corporate and managerial details such as current production, BA code, size of organization, management's experience, and proven ability to operate.
- 4.11 The Receiver considers the Closing Risk Factors and Total Consideration to be key components in comparing competing Bids. In some cases, using these factors, the Receiver opted for Bids which included the assumption of more ARO with lower

Closing Risk Factors compared to a bid with select assets and higher cash consideration, given the interest of various stakeholders. A breakdown of Total Consideration for the Proposed Transactions is included in the Receiver's confidential supplement (the "**Confidential Supplement**").

- 4.12 As at the date of this Second Report, the Receiver is in a position to put forth five acceptable offers that provide maximum value to the estate for the respective properties through a combination of cash consideration and the acceptance of ARO. The Receiver has negotiated Asset Purchase Agreements ("**APA**") with the following parties:

#	Purchaser	APA Title
1	Barrel Oil Corp.	Barrel APA
2	Baytex Energy Ltd	Baytex APA
3	Red Angus Energy Inc.	Red Angus APA
4	Ridgeline Exploration Inc.	Ridgeline APA
5	Sand Hills Div Corp. Ltd.	Sand Hills APA

- 4.13 Redacted copies of APAs for the Proposed Transactions are attached at Appendix "**B**" (with Schedules 1 through 5 of Appendix "**B**" corresponding to the number in the table above). The Proposed Transactions have been negotiated on an "as-is, where-is" basis with no post-closing purchase price adjustments. The Receiver negotiated the APAs for the Licensed Assets so that the purchaser is responsible for all property tax arrears owing before the closing date, and all property taxes coming due after the closing date. In addition, the purchasers are responsible for any cure costs and closing is not conditional upon the transfer of any regulatory licenses or permits.

5. Receiver's View on the Sales Process and Proposed Transactions

The Sales Process

- 5.1 The Receiver is of the view that the Sales Process was fair and reasonable given that:
- 5.1.1 Sayer has specific and extensive experience and expertise in marketing oil and gas properties;
 - 5.1.2 the properties were widely marketed to industry participants, as demonstrated by the number of advertising views, downloads on Sayer's website, extensive mailing, and the number of potential purchasers who executed confidentiality agreements and received access to the Data Room;
 - 5.1.3 the process was well defined with sufficient time for interested parties to proceed with their due diligence, facilitated by the Receiver;
 - 5.1.4 the Receiver has significant recent experience with sale mandates for similar properties in the oil and gas industry in western Canada; and

- 5.1.5 the Sales Process was conducted by Sayer under the oversight of the Receiver, an officer of the Court.
- 5.2 The Receiver considers the Sales Process to reasonably balance the Company's dire financial circumstances and the time required to market and solicit bids for oil and gas properties.
- 5.3 The Receiver has kept the Fulcrum Stakeholder apprised of the Receiver's activities throughout the Sales Process and has sought their input where appropriate.
- 5.4 As set out above, it is the Receiver's view that the assets have been widely marketed in an effort to obtain the best Total Consideration for the assets, that the process for receiving and evaluating offers has been fair and that the efficacy and integrity of the Sales Process has been maintained. The Receiver has considered the interests of all stakeholders in carrying out the Sales Process.

The Proposed Transactions

- 5.5 The Receiver seeks this Honourable Court's approval of the Proposed Transactions and the related Sales Agreements. The Receiver considers each of the Proposed Transactions to be commercially reasonable and fair, as among other things:
 - 5.5.1 the Proposed Transactions are the result of the Sales Process, wherein the Company's assets were broadly marketed, as outlined above;
 - 5.5.2 there has been interest from numerous parties for certain of the assets included in the Proposed Transaction; however, in the Receiver's view, the Bids accepted represent the highest Total Consideration and the least closing risk for the respective assets;
 - 5.5.3 in some instances, the Proposed Transactions represent the only Bids received for the subject assets, and therefore provide the best price in the circumstances. In the absence of the Proposed Transactions, these assets would likely be disclaimed and/or discharged and orphaned;
 - 5.5.4 the Receiver, in consultation with Sayer, is of the view that the purchase prices in respect of the Proposed Transactions are fair and reasonable given the condition of the assets, the ARO assumed, and the current market for the subject properties;
 - 5.5.5 the Receiver has communicated its methodology for selecting the Proposed Transactions to the Fulcrum Stakeholder and solicited feedback thereon. The Receiver understands that the regulators will review each transaction in accordance with the AER's standard framework for transferring oil and gas licenses; and
 - 5.5.6 the Receiver is of the view that each of the Proposed Transactions was negotiated fairly and in good faith, is commercially reasonable, and is in the best interest of the stakeholders as a whole.

- 5.6 The Receiver expects to bring additional proposed transactions culminating out of the Sales Process to this Honourable Court for approval in the coming months once the applicable interested parties complete their due diligence and finalize APAs with the Receiver.

6. *Restricted Court Access Order*

- 6.1 The Confidential Supplement contains a comparative summary of the Bids received by the Receiver, and unredacted copies of the APAs attached as Appendix “B”, both of which contain economic terms for the Bids, including the cash purchase price for each of the Proposed Transactions.
- 6.2 The Receiver is of the view that the Confidential Supplement contains commercially sensitive information in respect of Long Run’s assets. The public dissemination of this information, if disclosed before the Proposed Transactions close, could materially prejudice Long Run’s interest and cause a serious risk of harm to an important public interest, including risk to the ability to re-market the Receivership assets if the Proposed Transactions do not close, and risk to the ongoing Sales Process in which additional transactions are being negotiated.
- 6.3 Accordingly, the Receiver considers a temporary restricted Court access order, which would seal the contents of the Confidential Supplement for a period of 60 days after the Receiver’s final discharge, to be necessary and constitutes the least restrictive means possible to prevent disclosure of the confidential and commercially sensitive information in the Confidential Supplement, and that no reasonable alternative measures exist. The Receiver considers that the need for the Receiver to protect realization efforts outweighs any negative effects of a temporary restricted court access order.

7. *Receiver’s Statement of Receipts and Disbursements*

- 7.1 The Receiver’s statement of receipts and disbursements for the period from the Date of Receivership to August 31, 2025 is summarized as Appendix “C”. As of August 31, 2025, the Receiver had approximately \$5,297,981 in the Receiver’s Trust Account.

Long Run Exploration Ltd. - in Receivership
Statement of Receipts and Disbursements:
March 5, 2025 to August 31, 2025

	(CAD)
Receipts	
Revenue	25,496,402
Cash in banks at date of receivership	3,171,374
GST collected	1,187,087
Receiver's borrowings	1,000,000
Total receipts	30,854,863
Disbursements	
Operations	13,594,822
Payroll and employee expenses	6,417,159
G&A	2,295,294
Deposits	1,312,100
GST paid	1,123,991
Professional fees and expenses	813,516
Total disbursements	25,556,882
Total net cash available as of August 31, 2025	5,297,981

8. Receivership Accounts

- 8.1 The following section of this report is intended to provide the Court and stakeholders with an overview of the Receiver's fees and disbursements, including the fees of its counsel, Bennett Jones, for the period of March 5, 2025 to August 31, 2025.
- 8.2 A summary of the Receiver's invoices for the period March 4, 2025 to August 31, 2025 totaling \$1,410,741 (including GST of \$67,178), some of which were not paid as at August 31, 2025, is attached hereto as Appendix "D". All rates are for time and services provided at standard rates.
- 8.3 Attached hereto as Appendix "E" is a summary of the accounts of Bennett Jones, counsel to the Receiver, from March 7, 2025 to August 31, 2025, totaling \$151,364 (including GST of \$7,203), some of which were not paid as at August 31, 2025. All rates are for time and services provided at standard rates.
- 8.4 Copies of the invoices rendered by the Receiver and Bennett Jones will be made available to the Court at the October Application, should the Court require them.
- 8.5 The Receiver is seeking approval of its fees and disbursements as well as those of its legal counsel. The Receiver is of the view that its fees and disbursements, and those of its legal counsel, are reasonable and commensurate with the work performed in the exercise of the professionals' duties.

9. Recommendations

- 9.1 The Receiver respectively recommends that this Honourable Court:
- 9.1.1 grant a Sale Approval and Vesting Order for each of the Proposed Transactions;
 - 9.1.2 seal on the Court file the Confidential Supplement;
 - 9.1.3 approve the Receiver's Statement of Receipts and Disbursements as set out in Appendix "C";
 - 9.1.4 approve the Second Report and the activities of the Receiver reported herein; and
 - 9.1.5 approve the fees of the Receiver and its legal counsel attached as Appendix "D" and "E".

All of which is respectfully submitted on this 6th day of October, 2025.

PricewaterhouseCoopers Inc. LIT
In its Capacity as Court Appointed Receiver of
of Long Run Exploration Ltd.



Paul Darby
Senior Vice President



Rick Osuna
Senior Vice President

Appendix B – Redacted Copy of the Mancal APA

**PRICEWATERHOUSECOOPERS INC. LIT SOLELY IN ITS CAPACITY AS THE RECEIVER
AND MANAGER OF THE ASSETS, PROPERTY AND UNDERTAKING OF LONG RUN
EXPLORATION LTD., AND NOT IN ITS PERSONAL OR CORPORATE CAPACITY**

- and -

MANCAL ENERGY INC.

ASSET PURCHASE AND SALE AGREEMENT

JANUARY 27, 2026

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ASSET PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT is dated as of January 27, 2026,

BETWEEN:

PRICEWATERHOUSECOOPERS INC. LIT, a corporation existing under the federal laws of Canada, solely in its capacity as the receiver and manager of the assets, property and undertaking of Long Run Exploration Ltd. (the "**Debtor**") and not in its personal or corporate capacity (herein referred to as the "**Vendor**")

- and -

MANCAL ENERGY INC. a corporation existing under the laws of the Province of Alberta (herein referred to as the "**Purchaser**")

WHEREAS:

- A. pursuant to the Receivership Order, the Vendor was appointed as receiver and manager of all of the current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, of the Debtor, including all proceeds thereof; and
- B. subject to receipt of Court Approval, the Purchaser has agreed to purchase and acquire, and the Vendor has agreed to sell, transfer and assign to the Purchaser, all of the Vendor's Interest in and to the Assets, on the terms and conditions set forth herein.

NOW THEREFORE, this Agreement witnesses that in consideration of the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt and adequacy of which are acknowledged by each Party to the other, the Parties covenant and agree as follows:

ARTICLE 1 INTERPRETATION

1.1 Definitions

In this Agreement:

- (a) "**Abandonment and Reclamation Obligations**" means all past, present and future obligations to:
 - (i) abandon, shut-down, close, decommission, dismantle or remove any and all Wells and Tangibles, including all structures, foundations, buildings, pipelines, equipment and other facilities forming part of the Wells and Tangibles or otherwise located on the Lands or used or previously used in respect of Petroleum Substances produced or previously produced from the Lands; and
 - (ii) restore, remediate and reclaim the surface and subsurface locations of the Wells and the Tangibles and any lands used to gain access thereto, including such obligations relating to wells, pipelines and facilities which were abandoned or

decommissioned prior to the Closing Date that were located on the Lands or that were located on other lands and used in respect of Petroleum Substances produced or previously produced from the Lands, and including the remediation, restoration and reclamation of any other surface and sub-surface lands affected by any environmental damage, contamination or other environmental issues emanating from or relating to the sites for the Wells or the Tangibles;

all in accordance with generally accepted oil and gas industry practices and in compliance with all Applicable Laws;

- (b) "**AER**" means the Alberta Energy Regulator, or any successor thereto having jurisdiction over the Assets or certain of them or the operation thereof;
- (c) "**Affiliate**" means, with respect to any specified Person, any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with that specified Person. For the purposes of this definition, "control" (including with correlative meanings, controlling, controlled by and under common control with) means the power to direct or cause the direction of the management and policies of that Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise and, it being understood and agreed that with respect to a corporation or partnership, control shall mean direct or indirect ownership of more than 50% of the voting shares in any such corporation or of the general partnership interest or voting interest in any such partnership;
- (d) "**Agreement**" means this agreement of purchase and sale and any schedules attached hereto which are referred to in this agreement, together with any amendment or supplement thereto;
- (e) "**Applicable Law**" means, in respect of any Person, asset, transaction, event or circumstance: (i) statutes (including regulations enacted thereunder); (ii) judgments, decrees and orders of courts of competent jurisdiction (including the common law); (iii) regulations, orders, ordinances and directives issued by Governmental Authorities; and (iv) the terms and conditions of all permits, licenses, approvals and authorizations, in each case which are applicable to such Person, asset, transaction, event or circumstance;
- (f) "**Approval and Vesting Order**" means an order of the Court approving the Transaction in accordance with the provisions of this Agreement, and, subject to Closing, vesting all of the Vendor's Interest in and to the Assets in the Purchaser free and clear of all Claims (other than Permitted Encumbrances) and interests, such order to be substantially in the form attached hereto as Schedule B together with such modifications and amendments to such form as may be approved by both the Vendor and the Purchaser, acting reasonably;
- (g) "**Assets**" means the Petroleum and Natural Gas Rights, the Tangibles, and the Miscellaneous Interests;
- (h) "**Assignment Order**" means an order of the Court in form and substance satisfactory to the Vendor and the Purchaser, acting reasonably, and obtained on a motion made on notice to such Persons as the Vendor and the Purchaser determine, to be sought by the Vendor, authorizing and approving the assignment to the Purchaser of any Assumed Contracts for which the consent, approval or waiver of the party or parties thereto (other than the Company) is required to assign such Assumed Contracts;

- (i) "**Assumed Contracts**" means the contracts referenced in subsection (i) of the definition of Miscellaneous Interests, which contracts shall be assigned by the Vendor in its own right or for and on behalf of the Debtor and assumed by the Purchaser in accordance with the terms of this Agreement, the relevant contracts and/or the Approval and Vesting Order, and/or other order of the Court in form and substance satisfactory to the Parties;
- (j) "**Assumed Liabilities**" means, collectively, all liabilities and obligations arising from the possession, ownership and/or use of the Assets following Closing (including for greater certainty any municipal or property taxes that accrue commencing on the Closing Date), along with Environmental Liabilities, Abandonment and Reclamation Obligations and Cure Costs;
- (k) "**Business Day**" means any day other than a Saturday, Sunday or a statutory holiday in the City of Calgary in the Province of Alberta;
- (l) "**Claim**" means any caveats, security interests, hypothecs, pledges, mortgages, liens, trusts or deemed trusts, reservations of ownership, royalties, options, rights of pre-emption, privileges, interests, assignments, actions, judgments, executions, levies, taxes, writs of enforcement, charges, or other claims, whether contractual, statutory, financial, monetary or otherwise, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise, including, without limiting the generality of the foregoing:
 - (i) any encumbrances or charges created by the Receivership Order;
 - (ii) any charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Alberta) or any other personal property registry system;
 - (iii) any liens or claims of lien under the *Prompt Payment and Construction Lien Act* (Alberta);
 - (iv) any outstanding amounts owing in respect of the AER Orphan Fund Levy and Administration Fees; and
 - (v) those claims which may be specifically identified in Schedule "C" to the Approval and Vesting Order, as applicable;
- (m) "**Closing**" means the completion of the purchase by the Purchaser, and sale by the Vendor, of the Vendor's Interest in and to the Assets and the completion of all other transactions contemplated by this Agreement that are to occur contemporaneously with such purchase and sale, all subject to and in accordance with the terms and conditions of this Agreement;
- (n) "**Closing Date**" means the date on which Closing occurs, being the date which is five Business Days following the date upon which all of the conditions in Sections 11.1, 11.2 and 11.3 have been satisfied or waived (other than such conditions which are to be satisfied on the Closing Date), or such other date as the Parties may agree in writing; provided, however, that the Closing Date shall not be later than the Outside Date;

- (o) **"Confidentiality Agreement"** means the confidentiality agreement between the Vendor and the Purchaser executed prior to the date hereof in respect of the evaluation by the Purchaser of potential transactions involving the assets of the Debtor;
- (p) **"Consent Required Contract"** means any Assumed Contract or license which is not assignable in whole or in part without the consent, approval or waiver of the party or parties thereto (other than the Vendor), for clarity other than the License Transfers;
- (q) **"Consequential Damages"** has the meaning ascribed to that term in Section 14.5;
- (r) **"Court"** means the Court of King's Bench of Alberta, Judicial Centre of Calgary;
- (s) **"Cure Costs"** means, in respect of any Assumed Contract, all amounts, required to be paid to remedy all of the Vendor's or the Debtor's monetary defaults under such Assumed Contract or required to secure a counterparty's or any other necessary Person's consent to the assignment of such Assumed Contract pursuant to its terms (including any deposits or other forms of security required by any Governmental Authority) or as may be required pursuant to the Approval and Vesting Order, and includes any other fees and expenses required to be paid to a counterparty or any other Person in connection with the assignment of an Assumed Contract pursuant to its terms or Applicable Laws;
- (t) **"Deposit"** has the meaning ascribed to that term in Section 3.3(a)(i);
- (u) **"Due Diligence Information"** means all information made available (by the Vendor, the Debtor or otherwise) for the Purchaser's review in paper or electronic form in relation to the Debtor, its Affiliates and/or the Assets;
- (v) **"Environment"** means the components of the earth and includes the air, the surface and subsurface of the earth, bodies of water (including rivers, streams, lakes and aquifers) and plant and animal life (including humans);
- (w) **"Environmental Laws"** means all Applicable Laws relating to pollution or protection of human health or the Environment (including ambient air, water, surface water, groundwater, land surface, soil, or subsurface) or natural resources, including Applicable Laws relating to the storage, transfer, transportation, investigation, cleanup, treatment, or use of, or release or threatened release into the Environment of, any Hazardous Substances;
- (x) **"Environmental Liabilities"** means all past, present and future Losses and Liabilities, Claims and other duties and obligations, whether arising under contract, Applicable Laws or otherwise, arising from, relating to or associated with:
 - (i) any damage, pollution, contamination or other adverse situations pertaining to the Environment howsoever and by whomsoever caused and regardless of whether such damage, pollution, contamination or other adverse situations occur or arise in whole or in part prior to, at or subsequent to the date of this Agreement;
 - (ii) the presence, storage, use, holding, collection, accumulation, assessment, generation, manufacture, processing, treatment, stabilization, disposition, handling, transportation, release, emission or discharge of Petroleum Substances, oilfield wastes, water, Hazardous Substances, environmental contaminants and all other substances and materials regulated under any Applicable Law, including any

forms of energy, or any corrosion to or deterioration of any structures or other property;

- (iii) compliance with or the consequences of any non-compliance with, or violation or breach of, any Environmental Law;
- (iv) sampling, monitoring or assessing the Environment or any potential impacts thereon from any past, present or future activities or operations; or
- (v) the protection, reclamation, remediation or restoration of the Environment;

that relate to or arise by virtue of the Assets or the ownership thereof or any past, present or future operations and activities conducted in connection with the Assets or on or in respect of the Lands or any lands pooled or unitized therewith;

- (y) "**Facilities**" means the Vendor's Interest in and those facilities and pipelines identified in Schedule A under the headings entitled "Facilities" and "Pipelines", respectively, and any associated battery, separator, compressor station, gathering system, pipeline, production storage facility or warehouse, as applicable;
- (z) "**General Conveyance, Assignment and Assumption Agreement**" means an agreement providing for the assignment by the Vendor of the Vendor's Interest in and to the Assets, free and clear of all Claims (other than Permitted Encumbrances), substantially in the form attached hereto as Schedule C, and the assumption by the Purchaser of the Assumed Liabilities, substantially in the form attached hereto as Schedule C;
- (aa) "**Governmental Authority**" means any domestic or foreign government, whether federal, provincial, state, territorial or municipal; and any governmental agency, ministry, department, tribunal, commission, bureau, board, court (including the Court) or other instrumentality exercising or purporting to exercise legislative, judicial, regulatory or administrative functions of, or pertaining to, government, having jurisdiction over a Party, the Assets or this Transaction, including for greater certainty the AER;
- (bb) "**GST**" means taxes, interest, penalties and other additions thereto imposed under Part IX of the *Excise Tax Act* (Canada) and the regulations made thereunder; and "**GST Legislation**" means such act and regulations collectively;
- (cc) "**Hazardous Substances**" means any substance, material or waste defined, regulated, listed or prohibited by Environmental Laws, including pollutants, contaminants, chemicals, deleterious substances, dangerous goods, hazardous or industrial toxic wastes or substances, radioactive materials, flammable substances, explosives, Petroleum Substances and products of Petroleum Substances, polychlorinated biphenyls, chlorinated solvents and asbestos;
- (dd) "**Lands**" means the lands set out and described in Schedule A under the heading entitled "Lands Schedule/Mineral Property Report", and the Petroleum Substances within, upon or under such lands (subject to the restrictions and exclusions identified in the Title Documents as to Petroleum Substances and geological formations);

- (ee) **"Leased Substances"** means all Petroleum Substances, rights to or in respect of which are granted, reserved or otherwise conferred by or under the Title Documents (but only to the extent that the Title Documents pertain to the Lands);
- (ff) **"Legal Proceeding"** means any litigation, action, suit, investigation, hearing, claim, complaint, grievance, arbitration proceeding or other proceeding and includes any appeal or review or retrial of any of the foregoing and any application for same;
- (gg) **"Licence Transfers"** means the transfer from the Vendor and/or the Debtor to the Purchaser of any permits, approvals, licences and authorizations granted by the AER or any other Governmental Authority in relation to the construction, installation, ownership, use or operation of the Wells or the Facilities, as applicable.
- (hh) **"Losses and Liabilities"** means any and all assessments, charges, costs, damages, debts, expenses, fines, liabilities, losses, obligations and penalties, whether accrued or fixed, absolute or contingent, matured or unmatured or determined or determinable, including those arising under any Applicable Law, Claim by any Governmental Authority or any order, writ, judgment, injunction, decree, stipulation, determination or award entered by or with any Governmental Authority, and those arising under any contract, agreement, arrangement, commitment or undertaking and costs and expenses of any Legal Proceeding, assessment, judgment, settlement or compromise relating thereto, and all interest, fines and penalties and reasonable legal fees and expenses incurred in connection therewith (on a full indemnity basis);
- (ii) **"LTAs"** has the meaning set forth in Section 2.4(a);
- (jj) **"Miscellaneous Interests"** means, subject to any and all limitations and exclusions provided for in this definition, the Vendor's Interest in and to all property, assets, interests and rights pertaining to the Petroleum and Natural Gas Rights and the Tangibles (other than the Petroleum and Natural Gas Rights and the Tangibles), or either of them, but only to the extent that such property, assets, interests and rights pertain to the Petroleum and Natural Gas Rights and the Tangibles, or either of them, including any and all of the following:
 - (i) all contracts relating to the Petroleum and Natural Gas Rights and the Tangibles, or either of them (including the Title Documents);
 - (ii) all warranties, guarantees and similar rights relating to the Petroleum and Natural Gas Rights and the Tangibles, or either of them, including warranties and guarantees made by suppliers, manufacturers and contractors under the Assets, and claims against other Third Parties in connection with the contracts relating to the Petroleum and Natural Gas Rights and the Tangibles;
 - (iii) all subsisting rights to carry out operations relating to the Lands, the Tangibles or the Wells, and without limitation, all easements and other permits, licenses and authorizations pertaining to the Tangibles or the Wells;
 - (iv) rights to enter upon, use, occupy and enjoy the surface of any lands which are used or may be used to gain access to or otherwise use the Petroleum and Natural Gas Rights and the Tangibles, or either of them;

- (v) all records, books, documents, licences, reports and data which relate to the Petroleum and Natural Gas Rights and the Tangibles, or either of them including any of the foregoing that pertain to geological or geophysical matters and, including plats, surveys, maps, cross-sections, production records, electric logs, cuttings, cores, core data, pressure data, decline and production curves, well files, and related matters, division of interest records, lease files, title opinions, abstracts of title, title curative documents, lease operating statements and all other accounting information, marketing reports, statements, gas balancing information, and all other documents relating to customers, sales information, supplier lists, records, literature and correspondence, physical maps, geologic or geophysical interpretation, electronic and physical project files; and
- (vi) the Wells, including the wellbores and any and all casing and down-hole monitoring and pumping equipment;

provided that unless otherwise agreed in writing by the Parties, the Miscellaneous Interests shall not include any documents or data to the extent that they are owned or licensed by Third Parties with restrictions on their deliverability or disclosure by the Vendor or the Debtor to an assignee;

- (kk) "**Notice Period**" has the meaning ascribed to that term in Section 8.2(b);
- (ll) "**Order**" means any order, writ, judgment, injunction, decree, stipulation, determination, decision, verdict, ruling, subpoena, or award entered by or with any Governmental Authority (whether temporary, preliminary, or permanent);
- (mm) "**Outside Date**" means the date which occurs 90 days following the date of execution of this Agreement, or such other date as the Parties may agree;
- (nn) "**Outstanding ROFR Assets**" has the meaning set forth in Section 10.2(e)(ii);
- (oo) "**Outstanding ROFRs**" has the meaning set forth in Section 10.2(e);
- (pp) "**Parties**" means, collectively, the Purchaser and the Vendor, and "**Party**" means any one of them;
- (qq) "**Permitted Encumbrances**" means:
 - (i) any overriding royalties, net profits interests and other burdens, which are provided for under the Title Documents;
 - (ii) the terms and conditions of the Assumed Contracts and the Title Documents, including ROFRs, the requirement to pay any rentals or royalties to the grantor thereof to maintain the Title Documents in good standing and any royalty or other burden reserved to the grantor thereof or any gross royalty trusts applicable to the grantor's interest in any of the Title Documents;
 - (iii) the right reserved to or vested in any grantor, Governmental Authority or other public authority by the terms of any Title Document or by Applicable Laws to terminate any Title Document;

- (iv) easements, rights of way, servitudes or other similar rights in land, including rights of way and servitudes for highways, railways, sewers, drains, gas and oil pipelines, gas and water mains, electric light, power, telephone or cable television conduits, poles, wires or cables;
- (v) taxes on Petroleum Substances or the income or revenue therefrom, unless specifically excluded and governmental restrictions on production rates from the Wells or on operations being conducted on the Lands or otherwise affecting the value of any of the Assets;
- (vi) agreements for the sale, processing, transmission or transportation of Petroleum Substances entered into by the Debtor, or the Vendor for and on behalf of the Debtor subsequent to the date of this Agreement;
- (vii) any obligation of the Vendor or the Debtor to hold any portion of their interest in and to any of the Assets in trust for Third Parties;
- (viii) any rights reserved to or vested in any Governmental Authority to control or regulate the ownership, use or operation of any of the Assets in any manner, including governmental requirements imposed by statute or Governmental Authorities as to rates of production from operations or otherwise affecting recoverability of Petroleum Substances;
- (ix) undetermined or inchoate liens incurred or created as security in favour of any Person with respect to the development or operation of any of the Assets, as regards the Vendor's or any Debtor's share of the costs and expenses thereof which are not due or delinquent as of the date hereof;
- (x) the reservations, limitations, provisos and conditions in any grants or transfers from the Crown of any of the Lands or interests therein, and statutory exceptions to title;
- (xi) provisions for penalties and forfeitures under Title Documents as a consequence of non-participation in operations;
- (xii) any requirement to post or maintain any deposits or other form of security required by any Governmental Authority;
- (xiii) any linear or non-linear municipal property tax claims under the *Municipal Government Act* (Alberta), or otherwise; and
- (xiv) liens granted in the ordinary course of business to a public utility, municipality or Governmental Authority with respect to operations pertaining to any of the Assets as regards the Vendor's or any Debtor's share of amounts owing to such public utility, municipality or Governmental Authority which are not due or delinquent as of the date hereof;
- (rr) "**Person**" means any individual, corporation, limited or unlimited liability company, joint venture, partnership (limited or general), trust, trustee, executory, Governmental Authority, or other entity however designated or instituted;

- (ss) **"Petroleum and Natural Gas Rights"** means the Vendor's Interest in and to all rights to and in respect of the Leased Substances and the Title Documents (but only to the extent that the Title Documents pertain to the Lands);
- (tt) **"Petroleum Substances"** means any of crude oil, petroleum, natural gas, natural gas liquids, coal bed methane and any and all other substances related to any of the foregoing, whether liquid, solid or gaseous, and whether hydrocarbons or not, including sulphur;
- (uu) **"Purchase Price"** has the meaning ascribed to that term in Section 3.1;
- (vv) **"Purchaser"** has the meaning ascribed to that term in the preamble hereto;
- (ww) **"Receivership Order"** means the order of the Court dated March 5, 2025, pursuant to which the Vendor was appointed as the receiver and manager of all of the current and future assets, undertakings and properties of every nature or kind whatsoever, and wherever situate, of the Debtor, including all proceeds thereof;
- (xx) **"Receivership Proceedings"** means the court proceedings brought in the Court pursuant to Court Action No. 2401-09247, pursuant to which the Vendor was appointed as receiver and manager of all of the current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, of the Debtor, including all proceeds thereof;
- (yy) **"Representative"** means, in respect of a Person, each director, officer, employee, agent, legal counsel, accountant, consultant, contractor, professional advisor and other representative of such Person and its Affiliates;
- (zz) **"ROFR"** means a right of first refusal, right of first offer or other pre-emptive or preferential right of purchase or similar right to acquire the Assets or certain of them that may become operative by virtue of this Agreement or the completion of the Transaction;
- (aaa) **"Specific Conveyances"** means all conveyances, assignments, transfers, novations and other documents or instruments that are reasonably required or desirable to convey, assign and transfer the Vendor's Interest in and to the Assets to the Purchaser and to novate the Purchaser in the place and stead of the Vendor or the Debtor, as applicable, with respect to the Assets (excluding the Licence Transfers);
- (bbb) **"Tangibles"** means the Vendor's Interest in and to the Facilities and any and all other tangible depreciable property and assets, if any, which are located within, upon or in the vicinity of the Lands and which are used or are intended to be used to produce, process, gather, treat, measure, store, transport, make marketable or inject the Leased Substances or any of them;
- (ccc) **"Third Party"** means any Person who is not a Party or an Affiliate of a Party;
- (ddd) **"Third Party Claim"** means any Claim by a Third Party asserted against the Vendor or the Debtor for which the Purchaser has indemnified the Vendor and the Debtor or is otherwise responsible pursuant to this Agreement;
- (eee) **"Title Documents"** means, collectively, any and all certificates of title, leases, reservations, permits, licences, assignments, trust declarations, operating agreements,

royalty agreements, gross overriding royalty agreements, participation agreements, farm-in agreements, sale and purchase agreements, pooling agreements, acreage contribution agreements, joint venture agreements and any other documents and agreements granting, reserving or otherwise conferring rights to (i) explore for, drill for, produce, take, use or market Petroleum Substances, (ii) share in the production of Petroleum Substances, (iii) share in the proceeds from, or measured or calculated by reference to the value or quantity of, Petroleum Substances which are produced, and (iv) rights to acquire any of the rights described in items (i) to (iii) of this definition; but only if the foregoing pertain in whole or in part to Petroleum Substances within, upon or under the Lands;

- (fff) **"Transaction"** means the transaction for the purchase and sale of the Vendor's Interest in and to the Assets, together with all other transactions contemplated in this Agreement, all as contemplated in this Agreement;
- (ggg) **"Transfer Taxes"** means all transfer taxes, sales taxes, use taxes, production taxes, value-added taxes, goods and services taxes, land transfer taxes, registration and recording fees, and any other similar or like taxes and charges imposed by a Governmental Authority in connection with the sale, transfer or registration of the transfer of the Assets, including GST; and which, for certainty, shall not include freehold mineral taxes;
- (hhh) **"Vendor"** has the meaning ascribed to that term in the preamble hereto;
- (iii) **"Vendor's Interest"** means, when used in relation to any asset, undertaking or property, the entire right, title and interest, if any, of the Debtor and/or the Vendor, as applicable, in, to and/or under such asset, undertaking or property;
- (jjj) **"Vendor's Solicitors"** means the law firm of Bennett Jones LLP, or such other firm or firms of solicitors as are retained or engaged by the Vendor from time to time and notice of which is provided to the Purchaser; and
- (kkk) **"Wells"** means the Vendor's Interest in and to the wells listed in Schedule A under the heading entitled "Wells", as applicable.

1.2 Interpretation

The following rules of construction shall apply to this Agreement unless the context otherwise requires:

- (a) All references to monetary amounts are to the lawful currency of Canada.
- (b) Words importing the singular include the plural and vice versa, and words importing gender include the masculine, feminine and neuter genders.
- (c) The word "include" and "including" and derivatives thereof shall be read as if followed by the phrase "without limitation".
- (d) The words "hereto", "herein", "hereof", "hereby", "hereunder" and similar expressions refer to this Agreement and not to any particular provision of this Agreement.
- (e) The headings contained in this Agreement are for convenience of reference only, and shall not affect the meaning or interpretation hereof.

- (f) Reference to any Article, Section or Schedule means an Article, Section or Schedule of this Agreement unless otherwise specified.
- (g) If any provision of a Schedule hereto conflicts with or is at variance with any provision in the body of this Agreement, the provisions in the body of this Agreement shall prevail to the extent of the conflict.
- (h) All documents executed and delivered pursuant to the provisions of this Agreement are subordinate to the provisions hereof and the provisions hereof shall govern and prevail in the event of a conflict.
- (i) This Agreement has been negotiated by each Party with the benefit of legal representation, and any rule of construction to the effect that any ambiguities are to be resolved against the drafting Party does not apply to the construction or interpretation of this Agreement.
- (j) Reference to an agreement, instrument or other document means such agreement, instrument or other document as amended, supplemented and modified from time to time to the extent permitted by the provisions thereof.
- (k) References to an Applicable Law means such Applicable Law as amended from time to time and includes any successor Applicable Law thereto any regulations promulgated thereunder.

1.3 Schedules

The following are the Schedules attached to and incorporated in this Agreement by reference and deemed to be a part hereof:

Schedule A	Assets Listing
Schedule B	Form of Approval and Vesting Order
Schedule C	Form of General Conveyance, Assignment and Assumption Agreement

1.4 Interpretation if Closing Does Not Occur

If Closing does not occur, each provision of this Agreement which presumes that the Purchaser has acquired the Assets shall be construed as having been contingent upon Closing having occurred.

ARTICLE 2 PURCHASE AND SALE

2.1 Agreement of Purchase and Sale

Subject to the terms and conditions of this Agreement, and in consideration of the Purchase Price, the Vendor hereby agrees to sell, assign and transfer to the Purchaser, and the Purchaser agrees to purchase, accept and receive from the Vendor, the Vendor's Interest in and to the Assets.

2.2 Transfer of Property and Assumption of Liabilities

Provided that Closing occurs and subject to the terms and conditions of this Agreement, possession, risk, and legal and beneficial ownership of the Assets shall transfer from the Vendor to the Purchaser on the Closing Date, and the Purchaser agrees to assume, discharge, perform and fulfil all Assumed Liabilities.

Without limiting the provisions of this Agreement relating to the General Conveyance, Assignment and Assumption Agreement (and such agreement itself), or any other provisions of this Agreement relating to sale, transfer, assignment, conveyance or delivery, the Assets shall be sold, assigned, transferred, conveyed, and delivered by the Vendor to the Purchaser by way of the Licence Transfers, the Specific Conveyances and other appropriate instruments of transfer, bills of sale, endorsements, assignments, and deeds, in recordable form, or by way of an Order of the Court, as appropriate, and free and clear of any and all Claims other than Permitted Encumbrances, as applicable.

2.3 Assignment of Consent Required Contracts

The Vendor and the Purchaser shall cooperate and shall take such commercially reasonable steps as necessary to obtain the consent of the counterparties for the assignment of the Consent Required Contracts, including, if necessary, obtaining an Assignment Order, provided that Closing shall not be delayed even if certain consents for any Consent Required Contracts are outstanding at the Closing.

2.4 Licence Transfers

- (a) Promptly following the Closing Date (or at such earlier time as may be permitted by the AER, as applicable), the Vendor shall electronically submit applications to the AER for the Licence Transfers ("LTAs"), and confirm that such submission has been made to the Purchaser. Each of the Purchaser and the Vendor agrees that it shall cause to be provided any information and documentation along with such LTAs to the AER as are required to be provided in connection with the foregoing, including in the case of Purchaser, any information required by the AER in connection with the AER assessing the LTAs pursuant to criteria under the AER's *Directive 088* and *Manual 023: Licensee Life-Cycle Management*, if applicable. The Purchaser shall take any steps required to accept or ratify such LTAs without delay, provided that, if the Purchaser in good faith determines or believes that any of the LTAs are not complete and accurate, or the AER refuses to process any such LTAs because of some defect therein, the Parties shall cooperate to duly complete or to correct such incomplete or inaccurate LTAs as soon as practicable and thereafter, the Vendor shall promptly re-submit such LTAs and the Purchaser shall accept or ratify such re-submitted LTAs without delay. Each Party shall be responsible for its own costs relating to LTAs hereunder. The Purchaser shall provide any information and documentation in respect of such LTAs to the AER which are required to be provided by the transferee in connection with the foregoing. Following submission of the LTAs, the Purchaser shall use reasonable commercial efforts to obtain the approval from the AER of the LTAs and registration of the Licence Transfers, subject to the specific requirements of this Section 2.4.
- (b) If the AER denies any of the LTAs because of misdescription or other minor deficiencies contained therein, the Vendor shall, within two Business Days of such denial, correct the LTA(s) and amend and re-submit the LTA(s), and the Purchaser shall accept or ratify such re-submitted LTAs without delay.
- (c) In the event that the Purchaser has applied, or prior to the Closing Date applies, to the AER for a discretionary waiver from the AER's security requirements in respect of the Transaction, the Vendor shall provide such information and documentation to the AER regarding the Assets as may reasonably be required in connection with the AER's review of such discretionary waiver application made by the Purchaser (but only to the extent such information and documentation has not already been made available by the Vendor or its Representatives to the Purchaser or its Representatives); provided that the Purchaser agrees

it shall have primary carriage of, and be solely responsible at its own cost for submitting and liaising with the AER in respect of, any such application.

- (d) The Purchaser shall on a timely and continuing basis keep the Vendor fully apprised and informed regarding all communications the Purchaser may have with the AER in connection with the Transaction, including all communications respecting LTAs, and without limiting the generality of the foregoing, the Purchaser shall provide copies to the Vendor of all related correspondence from the Purchaser to the AER, and the Purchaser shall request that the AER provide copies to the Vendor of all related correspondence from the AER to the Purchaser.
- (e) The Purchaser expressly acknowledges and agrees that it shall be solely responsible for all Assumed Liabilities associated with the Assets as of and after the Closing Date including in the event that the Licence Transfers do not occur for any reason. In the event that any of the Licence Transfers have not been completed by the date that is six (6) months following the Closing Date, the Vendor shall be entitled to seek and obtain a discharge from the Court in respect of any licences relating to the Assets which have not been transferred to the Purchaser by such date, and the Vendor shall have no further obligations to the Purchaser with respect to such licences, the Licence Transfers or LTAs contemplated in this Agreement.

2.5 Specific Conveyances

- (a) Within a reasonable time following its receipt of the Title Documents from the Vendor, the Purchaser shall prepare and provide for the Vendor's review all Specific Conveyances. None of the Specific Conveyances shall confer or impose upon either Party any greater right or obligation than as contemplated in this Agreement. Promptly after Closing, the Purchaser shall register and/or distribute (as applicable), all such Specific Conveyances and shall bear all costs incurred therewith and in preparing and registering any further assurances required to convey the Assets to the Purchaser.
- (b) As soon as practicable following Closing, the Vendor shall deliver or cause to be delivered to the Purchaser such original copies of the Title Documents and any other agreements and documents to which the Assets are subject and such original copies of contracts, agreements, records, books, documents, licenses, reports and data comprising Miscellaneous Interests which are now in the possession or control of the Vendor or the Debtor or of which the Vendor or the Debtor gain possession or control prior to Closing.
- (c) Notwithstanding Sections 2.5(a) and 2.5(b), requests for the transfers from the Vendor to the Purchaser of registered Crown leases or licences, related surface rights and any other Title Documents which are administered by a Governmental Authority shall be submitted by the Vendor and accepted by the Purchaser as soon as is practicable after Closing.

2.6 Post-Closing Maintenance of Assets

- (a) Following Closing, if and to the extent that the Purchaser must be novated into, recognized as a party to, or otherwise accepted as assignee or transferee of the Vendor's and/or the Debtor's interest in the Assets or certain of them, including any Title Documents and Assumed Contracts, the following provisions shall apply with respect to the applicable Assets until such novation, recognition or acceptance has occurred:

- (i) the Purchaser shall use reasonable commercial efforts to obtain, as may be required by the terms of any Assumed Contracts, consents or approvals to the assignment of such Assumed Contracts; provided that to the extent that any Cure Costs are payable with respect to any Assumed Contract, the Purchaser shall be responsible for and shall pay all such Cure Costs, which shall be paid directly to the counterparty as and when required in conjunction with the assignment of the Assumed Contracts, and which Cure Costs shall form part of the Purchase Price for the Assets;
 - (ii) to the extent not obtained prior to the Closing Date, the Purchaser shall continue to use reasonable commercial efforts to obtain the AER's approval of the LTAs and registration of the Licence Transfers;
 - (iii) to the extent applicable, the Vendor and/or the Debtor shall hold the rights, entitlements, benefits, remedies, duties and obligations in respect of the applicable Assets in trust for the exclusive benefit of the Purchaser as bare trustee and agent;
 - (iv) to the extent permitted by any applicable Assumed Contract:
 - (A) the Purchaser will pay, perform and discharge the duties and obligations accruing after Closing under such Assumed Contract, on behalf of the Vendor and/or any Debtor, until such time as the effective transfer or assignment of the relevant Assumed Contract to the Purchaser; and
 - (B) the Vendor shall, or shall cause the Debtor to, use reasonable commercial efforts to exercise the rights, entitlements, benefits and remedies under such Assumed Contract, on behalf of the Purchaser until such time as the effective transfer or assignment of the relevant Assumed Contract to the Purchaser, or such Assumed Contract expires or otherwise terminates;
 - (v) neither the Vendor nor the Debtor shall have any liability as a consequence of the Vendor or any Debtor taking any action or causing anything to be done under this Section 2.6(a), and the Purchaser shall be responsible and liable for, and, as a separate covenant, shall hereby indemnify and save harmless the Vendor, the Debtor and their respective Representatives against, all costs and expenses reasonably incurred by the Vendor, the Debtor, their Affiliates or their respective Representatives as a consequence of or in connection with this Section 2.6(a); and
 - (vi) nothing in this Agreement shall constitute an agreement to assign, and shall not be construed as an assignment of, or an attempt to assign to the Purchaser, any Assumed Contract until such time as the necessary consents or approvals with respect to the assignment are obtained.
- (b) Both before and after Closing, the Purchaser shall use all commercially reasonable efforts to obtain any and all approvals required under Applicable Law and any and all material consents of Third Parties required to permit this Transaction to be completed. The Parties acknowledge that the acquisition of such consents shall not be a condition precedent to Closing. It shall be the sole obligation of the Purchaser, at the Purchaser's sole cost and expense, to provide any and all financial assurances, deposits or security that may be required by Governmental Authorities or any Third Parties under the Assumed Contracts

or Applicable Laws to permit the transfer of the Assets, including the Assumed Contracts, to the Purchaser.

2.7 Assumed Liabilities

Following Closing, the Purchaser shall assume, perform, discharge and pay when due all of the Assumed Liabilities. For greater certainty, the Purchaser acknowledges and agrees that the Environmental Liabilities and Abandonment and Reclamation Obligations in respect of the Assets are future costs and obligations associated with the ownership of the Assets that are tied and connected to the ownership of the Assets such that they are inextricably linked and embedded with the Assets.

ARTICLE 3 PURCHASE PRICE

3.1 Purchase Price

The consideration payable by the Purchaser for the Assets shall be the sum of [REDACTED] (the "**Purchase Price**"). The Purchase Price shall be satisfied in accordance with Section 3.3(b) and shall not be subject to any adjustment (and for greater certainty, Cure Costs shall be satisfied in accordance with Section 2.6(a)(i)). The Purchaser and the Vendor acknowledge and agree that the Purchase Price reflects the fair market value of the Assets as of the Closing Date, having due regard to the Environmental Liabilities connected to and embedded in the Assets that depress the value of the Assets.

3.2 Allocation of Purchase Price

The Purchase Price shall be allocated among the Assets as follows:

- (a) to the Petroleum and Natural Gas Rights, 80%;
- (b) to the Tangibles, 20% less \$10.00; and
- (c) to the Miscellaneous Interests, \$10.00.

3.3 Deposit and Satisfaction of Purchase Price

- (a) The Parties acknowledge that:
 - (i) on the date hereof, the Purchaser paid the amount equal to ten percent (10%) of the Purchase Price (the "**Deposit**") to the Vendor;
 - (ii) the Deposit has been delivered to and shall be held in trust by the Vendor; and
 - (iii) the Deposit shall be held and administered by the Vendor in accordance with the terms and conditions of this Agreement (including this Section 3.3).
- (b) At Closing, the Purchase Price (other than Cure Costs, which are payable in accordance with Section 2.6(a)(i)) shall be paid and satisfied as follows:
 - (i) as to the amount of the Deposit, the Vendor shall retain the amount of the Deposit and apply such amount against the amount of the Purchase Price; and

- (ii) as to the balance of the Purchase Price (other than Cure Costs, which are payable in accordance with Section 2.6(a)(i)), along with any additional amounts owing in respect of applicable GST, the Purchaser shall pay to the Vendor such amount by electronic wire transfer.
- (c) If this Agreement is terminated:
 - (i) (A) pursuant to Section 13.1(a) by mutual agreement of the Parties; (B) pursuant to Sections 13.1(b) or 13.1(c) by the Purchaser; (C) pursuant to Section 13.1(e) by the Vendor; or (D) for any other reason other than as contemplated under Section 3.3(c)(ii); then the Deposit shall be returned to the Purchaser; or
 - (ii) pursuant to Section 13.1(d) by the Vendor, the full amount of the Deposit shall be forfeited to the Vendor,

and, subject to Section 13.2, each Party shall be released from all obligations and liabilities under or in connection with this Agreement. In the event of termination of this Agreement under Section 3.3(c)(ii) pursuant to which the Vendor shall be entitled to retain the Deposit, the Parties agree that the amount of the Deposit, constitutes a genuine pre-estimate of liquidated damages representing the Vendor's Losses and Liabilities as a result of Closing not occurring and agree that the Vendor shall not be entitled to recover from the Purchaser any amounts that are in excess of the Deposit as a result of Closing not occurring. The Purchaser hereby waives any claim or defence that the amount of the Deposit is a penalty or is otherwise not a genuine pre-estimate of the Vendor's damages.

**ARTICLE 4
TRANSFER TAXES**

4.1 Transfer Taxes

The Parties agree that:

- (a) the Purchase Price does not include Transfer Taxes and the Purchaser shall be liable for and shall pay, and be solely responsible for, any and all Transfer Taxes pertaining to the Purchaser's acquisition of the Assets; and
- (b) the Purchaser shall indemnify the Vendor, the Debtor and their respective Affiliates for, from and against any Transfer Taxes (including any interest or penalties imposed by a Governmental Authority) that any of them are required to pay or for which any of them may become liable as a result of any failure by the Purchaser to self-assess, pay or remit such Transfer Taxes, other than as a result of a failure by the Vendor, the Debtor or their respective Affiliates to timely remit any amounts on account of Transfer Taxes paid by the Purchaser hereunder.

4.2 GST Registration

The Debtor is registered under the GST Legislation and will continue to be registered at the Closing Date in accordance with the provisions of the GST Legislation and its GST registration number is:

Debtor

GST Registration Number

LONG RUN EXPLORATION LTD.

86817 6942 RT 0001

ARTICLE 5
REPRESENTATIONS AND WARRANTIES

5.1 Vendor's Representations

The Vendor hereby represents and warrants to the Purchaser that:

- (a) pursuant to the Receivership Order, it has, among other things, been appointed by the Court as receiver and manager of all of the current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, of the Debtor, including all proceeds thereof, and such appointment is valid and subsisting and has not been varied or amended, except as set forth in the Receivership Order; and
- (b) subject to the Approval and Vesting Order being obtained, this Agreement has been duly executed and delivered and constitutes a legal, valid and binding obligation of it and is enforceable against it in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization or similar Applicable Laws relating to creditors' rights generally and subject to general principles of equity;

5.2 Purchaser's Representations

The Purchaser hereby represents and warrants to the Vendor that:

- (a) it is a corporation duly incorporated and validly subsisting under the laws of the jurisdiction of its incorporation or formation and has the requisite power and authority to enter into this Agreement and to complete the Transaction;
- (b) it has taken all necessary corporate or other acts to authorize the execution, delivery and performance by it of this Agreement;
- (c) neither the execution of this Agreement nor its performance by the Purchaser will result in a breach of any term or provision or constitute a default under any indenture, mortgage, deed of trust or any other agreement to which the Purchaser is a party or by which it is bound which breach could materially affect the ability of the Purchaser to perform its obligations hereunder;
- (d) except for: (i) the Approval and Vesting Order; and (ii) the Licence Transfers and (iii) any consents, approvals or waivers that are required in connection with the assignment of an Assumed Contract including the Consent Required Contracts; the execution, delivery and performance of this Agreement by it does not and will not require any consent, approval, authorization or other order of, action by, filing with or notification to, any Governmental Authority, except where failure to obtain such consent, approval, authorization or action, or to make such filing or notification, would not prevent or materially delay the consummation by the Purchaser of this Transaction;
- (e) subject to the Approval and Vesting Order being obtained, this Agreement has been duly executed and delivered by it and constitutes a legal, valid and binding obligation of the Purchaser and is enforceable against the Purchaser in accordance with its terms, except as

enforceability may be limited by applicable bankruptcy, insolvency, reorganization or similar Applicable Laws relating to creditors' rights generally and subject to general principles of equity;

- (f) the Purchaser is not a non-Canadian Person within the meaning of the *Investment Canada Act* (Canada) nor a non-resident of Canada for the purposes of the *Income Tax Act* (Canada);
- (g) the Vendor will not be liable for any brokerage commission, finder's fee or other similar payment in connection with the Transaction because of any action taken by, or agreement or understanding reached by, the Purchaser;
- (h) with respect to the GST imposed under the GST Legislation, the Purchaser is registered under the GST Legislation and will continue to be registered at the Closing Date in accordance with the provisions of the GST Legislation and that its GST registration number is 86972 6349 RT0001;
- (i) the Purchaser is a "Canadian" within the meaning of the *Investment Canada Act* (Canada);
- (j) the Purchaser will have the financial resources necessary to pay, as and when due from the Purchaser, the Purchase Price (including the Deposit), the Cure Costs, the Transfer Taxes, its legal fees and expenses, registration costs and any other amounts payable by the Purchaser pursuant hereto; and
- (k) the Purchaser has the financial resources necessary to post or satisfy all necessary security, deposits, letters of credit, guarantees or other financial assurances necessary to take possession of the Assets and to satisfy the security required by the Assumed Contracts.

5.3 Enforcement of Representations and Warranties

- (a) The representations and warranties of each Party contained in this Agreement shall survive until Closing and shall thereafter be of no further force and effect. Effective upon the occurrence of Closing, each Party hereby releases and forever discharges each other Party from any breach of any representations and warranties set forth in this Agreement. For greater certainty, none of the representations and warranties contained in this Article 5 shall survive Closing and, the Purchaser's sole recourse for any material breach of representation or warranty by the Vendor shall be for the Purchaser to not complete the Transaction in accordance with this Agreement.
- (b) The representations and warranties of the Vendor made herein or pursuant hereto are made for the exclusive benefit of the Purchaser, and the representations and warranties of the Purchaser made herein or pursuant hereto are made for the exclusive benefit of the Vendor, as the case may be, and are not transferable and may not be made the subject of any right of subrogation in favour of any other Person.
- (c) The Parties expressly acknowledge and agree that the provisions of this Section 5.3 and the limit on each Party's liability set out in this Section 5.3 are intended by the Parties as a limitation of liability that represents a fair and equitable allocation of the risks and liabilities that each Party has agreed to assume in connection with the subject matter hereof and is not an agreement within the provision of subsection 7(2) of the *Limitations Act* (Alberta).

ARTICLE 6
"AS IS, WHERE IS" AND NO ADDITIONAL
REPRESENTATIONS AND WARRANTIES

6.1 Due Diligence Acknowledgement

The Purchaser acknowledges and agrees that:

- (a) it was solely responsible to perform any inspections it deemed pertinent to the purchase of the Assets and to be satisfied as to the condition of the Assets prior to entering into this Agreement with the Vendor;
- (b) notwithstanding the fact that it was permitted to review any diligence materials and disclosures provided by the Vendor, including the Due Diligence Information, the Vendor assumes no liability for errors or omissions in such diligence materials and disclosure or any other property listings or advertising, promotional or publicity statements and materials, and makes no representations or warranties in respect thereof;
- (c) by entering into this Agreement with the Vendor, the Purchaser shall be deemed to represent, warrant and agree with respect to the Assets that:
 - (i) the Purchaser has inspected the Assets and is familiar and satisfied with the physical condition thereof and has conducted such investigation of the Assets as the Purchaser has determined appropriate;
 - (ii) none of the Vendor, the Debtor, their respective Affiliates or their respective Representatives have made any oral or written representation, warranty, promise or guarantee whatsoever to the Purchaser, expressed or implied, and in particular, that no such representations, warranties, guarantees, or promises have been made with respect to the physical condition, operation, or any other matter or thing affecting or related to the Assets and/or the offering or sale of the Assets;
 - (iii) the Purchaser has not relied upon any representation, warranty, guarantee or promise or upon any statement made or any information provided concerning the Assets, including the Due Diligence Information made available to the Purchaser by the Vendor, the Debtor, their respective Affiliates or their respective Representatives;
 - (iv) the Purchaser has entered into this Agreement after having relied solely on its own independent investigation, inspection, analysis, appraisal and evaluation of the Assets and the facts and circumstances related thereto;
 - (v) any information provided or to be provided by or on behalf of the Vendor with respect to the Assets, including all Due Diligence Information, was obtained from information provided to the Vendor and the Vendor has not made any independent investigation or verification of such information, and makes no representations as to the accuracy or completeness of such information;
 - (vi) without limiting the generality of the foregoing, the Vendor is not under any obligation to disclose to the Purchaser, and shall have no liability for its failure to

disclose to the Purchaser, any information known to it relating to the Assets except as may be required by any Applicable Law; and

- (vii) none of the Vendor, the Debtor, their respective Affiliates or their respective Representatives are liable or bound in any manner by any oral or written statements, representations or information pertaining to the Assets, or the operation thereof, made or furnished by any real estate broker, agent, employee, or other Person.

6.2 "As Is, Where Is", No Additional Representations

- (a) Without limiting any other provision of this Agreement, the Purchaser acknowledges and agrees that it is acquiring the Assets on an "as is, where is" and "without recourse" basis with all defects, both patent and latent, and with all faults, whether known or unknown, presently existing or that may hereafter arise. The Purchaser acknowledges and agrees that, except as expressly set forth in this Agreement, the Vendor, the Debtor, their respective Affiliates and their respective Representatives have not made, do not make and specifically negate and disclaim any representation, warranty, promise, covenant, agreement or guaranty of any kind or character whatsoever, whether express or implied, oral or written, past, present or future, of, as to, concerning or with respect to the Assets. For greater certainty, but without limitation, except as expressly set forth in this Agreement, none of the Vendor, the Debtor, their respective Affiliates or their respective Representatives make any condition, representation or warranty whatsoever, express or implied, with respect to:
 - (i) the title and interest of the Vendor or the Debtor in and to the Assets;
 - (ii) whether any ROFRs are exercisable by a Third Party in connection with the completion of the Transactions;
 - (iii) the quality, quantity or recoverability of Petroleum Substances within or under the Lands or any lands pooled or unitized therewith;
 - (iv) the income to be derived from the Assets, if any;
 - (v) any estimates of the value of the Assets or the revenues or cash flows from future production from the Lands;
 - (vi) the rates of production of Petroleum Substances from the Lands;
 - (vii) the quality, condition, marketability, profitability, fitness for a particular purpose or merchantability of any tangible depreciable equipment or property interests which comprise the Assets (including the Tangibles or any personal property);
 - (viii) the suitability of the Assets for any and all purposes, activities and uses which the Purchaser may desire to conduct thereon;
 - (ix) the compliance of or by the Assets or its operation with any Applicable Law (including Environmental Laws);

- (x) the validity or enforceability of the Assumed Contracts or the ability to assign any of the Assumed Contracts;
 - (xi) any regulatory approvals, permits and licenses, consents or authorizations that may be needed to complete the purchase of the Assets contemplated by this Agreement;
 - (xii) the manner or quality of the construction or materials, if any, incorporated into the Assets;
 - (xiii) the manner, quality, state of repair or lack of repair of the Assets;
 - (xiv) the existence of soil instability, past soil repairs, susceptibility to landslides, sufficiency of under-shoring, sufficiency of drainage, or any other matter affecting the stability or integrity of the Assets or any structures or improvements situated thereon;
 - (xv) whether the Assets are located in a seismic hazards zone or a flood hazard zone;
 - (xvi) the presence of pests and any damage to the Assets and/or its improvements that may have occurred as a result;
 - (xvii) the nature and quantum of the Assumed Liabilities; or
 - (xviii) any other matter with respect to the Assets.
- (b) The Purchaser acknowledges that the release and disclaimer described in this Article 6 is intended to be very broad and, except for its express rights under this Agreement, the Purchaser expressly waives and relinquishes any rights or benefits it may have under any Applicable Law designed to invalidate releases of unknown or unsuspected claims.
- (c) Except for its express rights under this Agreement, the Purchaser hereby waives all rights and remedies (whether now existing or hereinafter arising and including all common law, tort, contractual and statutory rights and remedies) against the Vendor, the Debtor, their respective Affiliates and their respective Representatives in respect of the Assets and any representations or statements made or information or data furnished to the Purchaser or its Representatives in connection herewith (whether made or furnished orally or by electronic, faxed, written or other means). Such waiver is absolute, unlimited, and includes, but is not limited to, waiver of express warranties, implied warranties, any warranties contained in the *Sale of Goods Act* (Alberta) (or similar applicable statutes, all as may be amended, repealed or replaced), warranties of fitness for a particular use, warranties of merchantability, warranties of occupancy, strict liability and claims of every kind and type, including claims regarding defects, whether or not discoverable or latent, product liability claims, or similar claims, and all other claims that may be later created or conceived in strict liability or as strict liability type claims and rights.

ARTICLE 7
RISK AND COSTS AND INSURANCE

7.1 Risk and Costs

Except as otherwise provided for in this Agreement, the Assets will be at the sole risk and responsibility of the Vendor and the Debtor until the Closing Date, and thereafter at the sole risk and responsibility of the Purchaser.

7.2 Insurance

Any property, liability and other insurance maintained by the Vendor and/or the Debtor in relation to the Assets, to the extent applicable, shall not be transferred at Closing, but shall remain the responsibility of the Vendor and/or the Debtor until the Closing Date. The Purchaser shall be responsible for placing its own property, liability and other insurance coverage with respect to the Assets in respect of the period from and after 12:01 a.m. on the Closing Date.

ARTICLE 8
INDEMNIFICATION

8.1 Indemnification Given by Purchaser

If Closing occurs, the Purchaser shall:

- (a) be liable to the Vendor, the Debtor, their respective Affiliates and their respective Representatives for; and
- (b) as a separate covenant, indemnify and save harmless the Vendor, the Debtor, their respective Affiliates and their respective Representatives from and against;

all Losses and Liabilities suffered, sustained, paid or incurred by the Vendor, the Debtor, their respective Affiliates and/or their respective Representatives related to or in connection with the Assets and the Assumed Liabilities, including: (i) all Losses and Liabilities attributable to the ownership, operation, use, construction or maintenance of the Assets during the period following the Closing Date; (ii) all Losses and Liabilities arising or accruing on or after the Closing Date under any Assumed Contract, including any and all Cure Costs; and (iii) any other Losses and Liabilities for which the Purchaser has otherwise agreed to indemnify the Vendor and the Debtor pursuant to this Agreement, including pursuant to Section 9.2. The Purchaser's indemnity obligations set forth in this Section 8.1 shall survive the Closing Date indefinitely pursuant to Section 14.3.

8.2 Third Party Claims

- (a) If any of the Vendor, the Debtor, their respective Affiliates or any of their respective Representatives receives written notice of the commencement or assertion of any Third Party Claim for which the Purchaser is liable pursuant to this Agreement (or has otherwise agreed to indemnify the Vendor, the Debtor, their respective Affiliates or their respective Representatives against), the Vendor shall give the Purchaser reasonably prompt notice thereof, but in any event no later than ten (10) days after receipt of such notice of such Third Party Claim. Such notice to the Purchaser shall describe the Third Party Claim in reasonable detail and shall indicate, if reasonably practicable, the estimated amount (or the method of computation of the amount) of the Losses and Liabilities that has been or may

be sustained by the Vendor, the Debtor, their respective Affiliates or their respective Representatives, respectively, and a reference to the provisions of this Agreement, or other applicable document, upon which such claim is based.

- (b) The Purchaser may assume the carriage and control of the defence of any Third Party Claim by giving notice to that effect to the Vendor or the Debtor(s), respectively, not later than ten (10) days after receiving notice of that Third Party Claim (the "**Notice Period**") so long as: (i) the Purchaser first acknowledges to the Vendor, in writing, liability to the Vendor, the Debtor, their respective Affiliates and/or their respective Representatives, under this Agreement with respect to such Third Party Claim and that the outcome of such Third Party Claim does not alter or diminish the Purchaser's obligation to indemnify the Vendor, the Debtor, their respective Affiliates and/or their respective Representatives, pursuant to this Agreement, subject to the Purchaser's right to contest in good faith the Third Party Claim; (ii) the Purchaser has the financial resources to defend against the Third Party Claim and fulfill any indemnification obligations and has provided the Vendor, the Debtor, their respective Affiliates and/or their respective Representatives, with evidence thereof; (iii) the Third Party Claim involves monetary damages; and (iv) the Purchaser thereafter pursues the defence or settlement of the Third Party Claim actively and diligently. The Purchaser's right to do so shall be subject to the rights of any insurer or other third party who has potential liability in respect of that Third Party Claim. The Purchaser shall pay all of its own expenses of participating in or assuming such defence. In the event that the Purchaser elects to assume the carriage and control of the defence of a Third Party Claim pursuant to this Section 8.2(b), then the Vendor shall, or shall cause the Debtor, their respective Affiliates and/or their respective Representatives to, cooperate in good faith in the defence of each Third Party Claim and may participate in such defence assisted by counsel of its own choice at its own expense.
- (c) If the Vendor has not received notice within the Notice Period that the Purchaser has elected to assume the carriage and control of the defence of such Third Party Claim in accordance with Section 8.2(b), or if the Purchaser has given such notice but thereafter fails or is unable to pursue the defence or settlement of such Third Party Claim actively and diligently, the Vendor, the Debtor, their respective Affiliates and/or their respective Representatives, may, at their option, elect to settle or compromise the Third Party Claim on terms of its choosing, or assume such defence assisted by counsel of its own choosing, and the Purchaser shall be liable for all reasonable costs and expenses paid or incurred in connection therewith and any Losses and Liabilities suffered or incurred by the Vendor, the Debtor, their respective Affiliates and/or their Representatives with respect to such Third Party Claim.

8.3 Failure to Give Timely Notice

Notwithstanding that time is of the essence, a failure to give timely notice as provided in this Article 8 shall not affect the rights or obligations of any Party except and only to the extent that, as a result of such failure, any Party which was entitled to receive such notice was deprived of its right to recover any payment under any applicable insurance coverage or was otherwise prejudiced as a result of such failure.

8.4 No Merger

There shall not be any merger of any liability or indemnity hereunder in any assignment, conveyance, transfer or document delivered pursuant hereto notwithstanding any rule of law, equity or statute to the contrary and all such rules are hereby waived.

8.5 Third Party Beneficiary

The Vendor's Representatives and the Vendor's Affiliates, the Debtor, their respective Affiliates and all of their respective Representatives are intended third party beneficiaries of this Article 8 and shall have the right, power and authority to enforce the provisions hereof as though they were each a party hereto. The Purchaser further agrees to execute such agreements as may be reasonably requested by such Persons in connection with these provisions that are consistent with this Article 8 or that are reasonably necessary to give further effect thereto.

ARTICLE 9 ENVIRONMENTAL MATTERS

9.1 Acknowledgements Regarding Environmental Condition

The Purchaser acknowledges that, insofar as the environmental condition of the Assets is concerned, it will acquire the Assets pursuant hereto on an "as is, where is" basis. The Purchaser acknowledges that it is familiar with the condition of the Assets, including the past and present use of the Lands and the Tangibles, that the Vendor has provided the Purchaser with a reasonable opportunity to inspect the Assets at the sole cost, risk and expense of the Purchaser (insofar as the Vendor could reasonably provide such access) and that the Purchaser is not relying upon any representation or warranty of the Vendor, the Debtor or any of their respective Representatives as to the environmental condition of the Assets, or any Environmental Liabilities or Abandonment and Reclamation Obligations in respect thereof.

9.2 Assumption of Environmental Liabilities

If Closing occurs, the Purchaser shall:

- (a) be liable to the Vendor, the Debtor, their respective Affiliates and their respective Representatives for; and
- (b) as a separate covenant, indemnify and save harmless the Vendor, the Debtor, their respective Affiliates and their respective Representatives from and against;

all Losses and Liabilities suffered, sustained, paid or incurred by the Vendor, the Debtor, their respective Affiliates or their respective Representatives as a result of any matter or thing arising out of, attributable to or connected with any Environmental Liabilities or any Abandonment and Reclamation Obligations. Once Closing has occurred, the Purchaser shall be solely responsible for all Environmental Liabilities and all Abandonment and Reclamation Obligations as between the Vendor and the Debtor (on one hand) and the Purchaser (on the other hand) including whether occurring or accruing prior to, on or after the Closing Date, and hereby releases the Vendor, the Debtor, their respective Affiliates and their respective Representatives from any claims the Purchaser may have against the Vendor or the Debtor with respect to all such Environmental Liabilities and Abandonment and Reclamation Obligations. Without restricting the generality of the foregoing, the Purchaser shall be responsible for all Environmental Liabilities and Abandonment and Reclamation Obligations (including whether occurring or accruing prior to, on or after the Closing Date) in respect of all Wells and Tangibles.

ARTICLE 10 COVENANTS

10.1 Conduct of Business Until Closing

- (a) From the date hereof until the Closing Date, subject to the Receivership Order and any limitations set out in the Title Documents and any other agreements and documents to which the Assets are subject, the Vendor shall use reasonable commercial efforts, to maintain the Assets in a proper and prudent manner in material compliance with all Applicable Laws, but for greater certainty only to the extent that the nature, scope and authority of the Vendor's role as receiver and manager of the assets, property and undertaking of the Debtor and the nature of the Receivership Proceedings permits and is consistent with the foregoing.
- (b) Until the Closing Date, the Vendor shall provide the Purchaser with all access to the Assets as is reasonably required by the Purchaser in order to allow for and assist the Purchaser with an orderly passing of the Assets to the Purchaser following Closing in accordance herewith.
- (c) The access to the Assets to be afforded to the Purchaser and its Representatives pursuant to this Section 10.1 will be subject to the Assumed Contracts and all of the Vendor's and the Debtor's site entry protocols, health, safety and environmental rules, policies and procedures. Further, the Purchaser acknowledges and agrees that it shall:
 - (i) be solely liable and responsible for any and all Losses and Liabilities which the Vendor, the Debtor, their respective Affiliates or their respective Representatives may suffer, sustain, pay or incur; and
 - (ii) as a separate covenant, indemnify and save harmless the Vendor, the Debtor, their respective Affiliates and their respective Representatives harmless from any and all Claims or Losses and Liabilities whatsoever which may be brought against, suffered by or incurred by the Vendor, the Debtor, their respective Affiliates or their respective Representatives;

arising out of, resulting from, attributable to or in any way connected with any access provided to the Purchaser or its Representatives pursuant to this Section 10.1.

10.2 ROFRs

- (a) The Purchaser acknowledges that it shall be responsible for conducting such separate investigation of the Assets as the Purchaser has determined is appropriate with respect to the identification of ROFRs applicable to the Assets as soon as is reasonably practicable after the date hereof. The Purchaser shall indemnify Losses and Liabilities suffered, sustained, paid or incurred by the Vendor, the Debtor, their respective Affiliates or their respective Representatives as a result of any failure by the Purchaser to identify ROFRs applicable to the Assets or any Third Party Claim relating to the allocation of the value of a ROFR to be determined by the Purchaser in accordance with Section 10.2(b)(i), as applicable.
- (b) If the Purchaser has identified any ROFRs pursuant to Section 10.2(a):

- (i) promptly following the identification of Assets which are the subject of ROFRs, the Purchaser shall prepare and provide the Vendor with ROFR notices to be issued in respect of such ROFRs, which shall include the Purchaser's bona fide allocation of the amount of the Purchase Price attributable to each of such Assets which are subject to a ROFR;
 - (ii) the Vendor shall courier ROFR notices to the Third Parties holding such ROFRs promptly following the receipt of the same from the Purchaser; and
 - (iii) to the extent the Purchaser is not copied directly on a response from a Third Party ROFR holder, the Vendor shall notify the Purchaser in writing forthwith upon each Third Party exercising or waiving such a ROFR.
- (c) If any such Third Party elects to exercise such a ROFR, then:
- (i) the definition of Assets shall be deemed to be amended to exclude those Assets in respect of which the ROFR has been exercised;
 - (ii) such Assets shall not be conveyed to the Purchaser;
 - (iii) any proceeds received by the Vendor from a Third Party in respect of the sale and conveyance of any Assets which are subject to a ROFR shall be deemed to not constitute Assets for the purposes of this Agreement; and
 - (iv) the Purchase Price shall be reduced by the aggregate value of all exercised ROFRs, provided however, if the aggregate value of all exercised ROFRs exceeds the amount of the Purchase Price, the Purchase Price shall only be reduced to an amount equal to \$0.00.
- (d) In the event that a Third Party exercises a ROFR and is then unable or unwilling to enter into a conveyance agreement with the Vendor for the relevant Assets, the Purchaser agrees to accept a conveyance of such Assets under the same terms and conditions as this Agreement to whatever extent possible.
- (e) Closing shall not be delayed even though certain of the ROFRs are outstanding and capable of exercise by the holders thereof as of the Closing Date (such ROFRs being referred to as "**Outstanding ROFRs**"). In such case, the following procedures shall apply:
- (i) the Parties shall proceed with Closing (for greater certainty without any reduction in the Purchase Price for the Outstanding ROFRs, and without variation of any other terms or conditions of this Agreement);
 - (ii) the Purchaser shall have (as of the Closing Date) prepared all Specific Conveyances and other closing documentation required for the sale of the Assets subject to the Outstanding ROFRs (the "**Outstanding ROFR Assets**");
 - (iii) if an Outstanding ROFR is exercised by a Third Party, the Vendor will promptly notify the Purchaser thereof in writing, the Specific Conveyances and other closing documentation related to such Outstanding ROFR Assets will be of no force or effect and shall be destroyed by the Purchaser, and the provisions of Section

10.2(c) shall apply to the Assets which are the subject of the Outstanding ROFR being exercised by the Third Party, *mutatis mutandis*; and

- (iv) if after Closing an Outstanding ROFR is extinguished by lapse of time, waiver or otherwise (other than as a result of being exercised), the Vendor will promptly notify the Purchaser thereof in writing and promptly deliver copies of the Specific Conveyances and closing documentation previously prepared to the Purchaser, and such documentation shall be effective and the sale of such Outstanding ROFR Assets to Purchaser pursuant hereto shall be deemed to have closed on the Closing Date.

10.3 Document Review

Prior to Closing, the Vendor shall provide Purchaser with reasonable access to the Title Documents and other Miscellaneous Interests in the possession or under the control of Vendor for the purpose of verifying the continued validity and effect of the Title Documents, the identification of Assets the subject of ROFRs, the preparation of Specific Conveyances and other matters related to this Agreement and the Transaction.

ARTICLE 11 CONDITIONS

11.1 Mutual Conditions

The respective obligations of the Parties to complete the purchase and sale of the Assets are subject to the following conditions being fulfilled or performed as at or prior to the Closing Date:

- (a) the Court shall have granted the Approval and Vesting Order;
- (b) no Governmental Authority shall have enacted, issued or promulgated any final or non-appealable order or Applicable Law subsequent to the date hereof which has the effect of: (i) making any of the transactions contemplated by this Agreement illegal; or (ii) otherwise prohibiting, preventing or restraining the Vendor from the sale of the Assets; and
- (c) the Closing is not otherwise prohibited by Applicable Law.

The foregoing conditions are for the mutual benefit of the Vendor and the Purchaser and may be asserted by the Vendor or the Purchaser regardless of the circumstances and may be waived only with the agreement of the Vendor and the Purchaser.

11.2 Conditions for the Benefit of the Purchaser

The obligation of the Purchaser to complete the purchase of the Assets is subject to the following conditions being fulfilled or performed as at or prior to the Closing Date:

- (a) all representations and warranties of the Vendor contained in Section 5.1 of this Agreement shall be true and correct in all material respects as at the Closing Date with the same force and effect as if made at and as of such time;
- (b) the Vendor shall have complied with and performed, in all material respects, all of its covenants and obligations contained in this Agreement; and

- (c) the Vendor shall have executed and delivered or caused to have been executed and delivered to the Purchaser at or before the Closing all the documents contemplated in Section 12.2.

The foregoing conditions are for the exclusive benefit of the Purchaser and may be waived by it in its sole discretion, in whole or in part, at any time and from time to time without prejudice to any other rights which the Purchaser may have.

11.3 Conditions for the Benefit of the Vendor

The obligation of the Vendor to complete the sale of the Assets is subject to the following conditions being fulfilled or performed as at or prior to the Closing Date:

- (a) all representations and warranties of the Purchaser contained in Section 5.2 of this Agreement shall be true and correct in all material respects as at the Closing Date with the same force and effect as if made at and as of such time;
- (b) the Purchaser shall have complied with and performed in all material respects all of its covenants and obligations contained in this Agreement;
- (c) the Purchaser shall have executed and delivered or caused to have been executed and delivered to the Vendor at or before the Closing all the documents contemplated in Section 12.3; and
- (d) the Vendor has not lost its ability to convey the Assets due to an order of the Court.

The foregoing conditions are for the exclusive benefit of the Vendor and may be waived by it in its sole discretion, in whole or in part, at any time and from time to time without prejudice to any other rights which the Vendor may have.

11.4 Satisfaction of Conditions

Each of the Parties shall proceed diligently and in good faith and use all commercially reasonable efforts to fulfill and assist in the fulfillment of the conditions set forth in Sections 11.1, 11.2 and 11.3. In addition, each of the Parties agrees not to take any action that could reasonably be expected to preclude, delay or have an adverse effect on the Transaction or would render, or may reasonably be expected to render, any representation or warranty made by it in this Agreement untrue in any material respect.

ARTICLE 12 CLOSING

12.1 Closing Date and Place of Closing

Subject to the conditions set out in this Agreement, the Transaction shall close and be completed on the Closing Date, or at such other time as the Parties may agree in writing.

12.2 Deliveries on Closing by the Vendor

The Vendor shall deliver (or cause to be delivered) to the Purchaser on or before the Closing Date:

- (a) a Court certified copy of the Approval and Vesting Order;

- (b) any consents for the Consent Required Contracts received prior to the Closing Date;
- (c) the General Conveyance, Assignment and Assumption Agreement duly executed by the Vendor; and
- (d) any other deeds, conveyances, assurances, transfers, assignments, instruments, documents, resolutions and certificates as are referred to in this Agreement or as the Purchaser may reasonably require to give effect to this Agreement.

12.3 Deliveries on Closing by the Purchaser

The Purchaser shall deliver (or cause to be delivered) to the Vendor's Solicitor on or before the Closing Date:

- (a) payment of the Purchase Price in accordance with Section 3.3(b);
- (b) evidence of payment of the Cure Costs in accordance with Section 2.6(a)(i), as applicable;
- (c) payment of all Transfer Taxes payable on Closing to the Vendor or the Vendor's Solicitors (or evidence of self-assessment and payment by the Purchaser thereof to the relevant Governmental Authorities);
- (d) the General Conveyance, Assignment and Assumption Agreement duly executed by the Purchaser; and
- (e) any other deeds, conveyances, assurances, transfers, assignments, instruments, documents, resolutions and certificates as are referred to in this Agreement or as the Vendor may reasonably require to give effect to this Agreement.

ARTICLE 13 TERMINATION

13.1 Grounds for Termination

This Agreement may be terminated at any time prior to Closing:

- (a) by the mutual written agreement of the Vendor and the Purchaser, provided however that if this Agreement has been approved by the Court, any such termination shall require the approval of the Court;
- (b) by the Purchaser, upon written notice to the Vendor, if there has been a material breach by the Vendor of any material representation, warranty or covenant contained in this Agreement, which breach has not been waived by the Purchaser, and: (i) such breach is not curable and has rendered the satisfaction of any condition in Section 11.2 impossible by the Outside Date; or (ii) if such breach is curable, the Purchaser has provided prior written notice of such breach to the Vendor, and such breach has not been cured within ten (10) days (or, if not curable within ten (10) days, such longer period as is reasonable under the circumstances, not to exceed thirty (30) days) following the date upon which the Vendor received such notice;

- (c) by the Purchaser, upon written notice to the Vendor, any time after the Outside Date, if (A) the Approval and Vesting Order has not been obtained, or (B) the Closing has not occurred by the Outside Date and such failure to close was not caused by or as a result of the Purchaser's breach of this Agreement;
- (d) by the Vendor, upon written notice to the Purchaser, if there has been a material breach by the Purchaser of any material representation, warranty or covenant contained in this Agreement, which breach has not been waived by the Vendor, and: (i) such breach is not curable and has rendered the satisfaction of any condition in Section 11.3 impossible by the Outside Date; or (ii) if such breach is curable, the Vendor has provided prior written notice of such breach to the Purchaser, and such breach has not been cured within ten (10) days (or, if not curable within ten (10) days, such longer period as is reasonable under the circumstances, not to exceed thirty (30) days) following the date upon which the Purchaser received such notice; or
- (e) by the Vendor, upon written notice to the Purchaser, any time after the Outside Date, if (A) the Approval and Vesting Order has not been obtained, or (B) the Closing has not occurred by the Outside Date and such failure to close was not caused by or as a result of the breach of this Agreement by the Vendor.

13.2 Effect of Termination

Notwithstanding any termination of this Agreement as permitted under Section 13.1, or as otherwise provided for in this Agreement, the provisions of Sections 3.3 (Deposit), 14.1 (Public Announcements), 14.4 (Governing Law), 14.5 (Consequential Damages), 14.11 (Costs and Expenses) and 14.15 (Third Party Beneficiaries) shall remain in full force and effect following any such permitted termination, and the Deposit shall be governed by Section 3.3.

ARTICLE 14 GENERAL

14.1 Public Announcements

- (a) Subject to Section 14.1(b), if a Party intends to issue a press release or other public disclosure of this Agreement, the terms hereof or the Transaction, the disclosing Party shall provide the other Parties with an advance copy of any such press release or public disclosure with sufficient time to enable the other Parties to review such press release or other public disclosure and provide any comments. The disclosing Party shall not issue such press release or other public disclosure without the prior written consent of the other Parties, such consent not to be unreasonably withheld.
- (b) Notwithstanding Section 14.1(a): (i) this Agreement may be filed by the Vendor with the Court; and (ii) the Transaction may be disclosed by the Vendor to the Court, subject to redacting confidential or sensitive information as permitted by Applicable Law. The Parties further agree that:
 - (i) the Vendor may prepare and file reports and other documents with the Court containing references to the Transaction and the terms of the Transaction;
 - (ii) the Vendor may forward a copy of this Agreement and all related documentation to the Orphan Well Association and its Representatives, agents, legal counsel and

financial advisors, and may further advise such Persons of the existence and nature of any discussions and negotiations in relation thereto or in relation to the Transaction; provided that the Orphan Well Association and its Representatives agree in advance to be bound by any confidentiality undertakings or similar confidentiality requirements reasonably requested by the Vendor; and

- (iii) the Vendor and its professional advisors may prepare and file such reports and other documents with the Court containing references to the Transaction contemplated by this Agreement and the terms of such Transaction as may reasonably be necessary to obtain the Approval and Vesting Order and to complete the Transaction contemplated by this Agreement or to comply with their obligations to the Court.

14.2 Dissolution of Debtor

The Purchaser acknowledges and agrees that nothing in this Agreement shall operate to prohibit or diminish in any way the right of the Vendor or any of its Affiliates to cause the dissolution or wind-up of any of the Debtor subsequent to the Closing Date, or otherwise cause or allow the Debtor to cease operations in any manner or at any time subsequent to the Closing Date as the Vendor may determine in its sole discretion, which may be exercised without regard to the impact any such action may have on the Vendor's ability to fulfil its obligations under this Agreement that survive Closing.

14.3 Survival

Upon Closing, the obligations, covenants, representations and warranties of the Parties set out in this Agreement shall expire, be terminated and extinguished and of no further force or effect, provided that notwithstanding the Closing contemplated hereunder or the delivery of documents pursuant to this Agreement, the obligations and covenants of the Parties set out in Section 2.3 (Assignment of Consent Required Contracts), Section 2.4 (Licence Transfers), Section 2.5 (Specific Conveyances), Section 2.6 (Post-Closing Maintenance of Assets), Section 5.3 (Enforcement of Representations and Warranties), Section 10.2 (ROFRs) and Article 4 (Transfer Taxes), Article 6 ("As Is, Where Is" and No Additional Representations and Warranties), Article 8 (Indemnification), Article 9 (Environmental Matters) and Article 14 (General), shall survive Closing, shall remain in full force and effect, shall not merge as a result of Closing and shall be binding on the Parties indefinitely thereafter except as expressly stated to the contrary therein or otherwise in accordance with Applicable Laws.

14.4 Governing Law

- (a) This Agreement shall be governed by and construed in accordance with the laws of the Province of Alberta, and the federal laws of Canada applicable therein (excluding any conflict of law rule or principle of such laws that might refer such interpretation or enforcement to the laws of another jurisdiction). The Parties consent to the jurisdiction and venue of the courts of Alberta for the resolution of any such dispute arising under this Agreement.
- (b) Notwithstanding Section 14.4(a), any and all documents or orders that may be filed, made or entered in the Receivership Proceedings, and the rights and obligations of the Parties thereunder, including all matters of construction, validity and performance thereunder, shall in all respects be governed by, and interpreted, construed and determined in accordance with the laws of the Province of Alberta. The Parties consent to the jurisdiction and venue of the Court, as applicable, for the resolution of any such disputes, regardless of

whether such disputes arose under this Agreement. Each Party agrees that service of process on such Party as provided in Section 14.13 shall be deemed effective service of process on such Party.

14.5 Consequential Damages

Under no circumstance shall any of the Parties, their Representatives or their respective directors, officers, employees or agents be liable for any punitive, exemplary, consequential or indirect damages (including for greater certainty, any loss of profits) (collectively, "**Consequential Damages**") that may be alleged to result, in connection with, arise out of, or relate to this Agreement or the Transaction, other than Consequential Damages for which the Purchaser is liable as a result of a Third Party Claim (which liability shall be subject to and recoverable under Article 8 (Indemnification)). For greater certainty, the Parties agree that none of the Parties, the Debtor, their respective Affiliates or their respective Representatives shall be liable for any lost profits whatsoever, whether such lost profits are considered to be direct, consequential or indirect losses, and regardless of whether such lost profits were foreseeable by the Parties at any time or whether such lost profits were the direct and natural result of a Party's breach of its obligations under this Agreement.

14.6 Further Assurances

Each of the Parties from and after the date hereof shall, from time to time, and at the request and expense of the Party requesting the same, do all such further acts and things and execute and deliver such further instruments, documents, matters, papers and assurances as may be reasonably requested to complete the Transaction and for more effectually carrying out the true intent and meaning of this Agreement.

14.7 Assignment

The Purchaser shall not, without the Vendor's prior written consent, assign any right or interest in this Agreement, which consent may be withheld in the Vendor's sole and absolute discretion, except that the Purchaser shall have the right to assign any or all of its rights, interests or obligations hereunder to one or more Affiliates of the Purchaser, provided that: (a) such Affiliate agrees to be bound by the terms of this Agreement; (b) the Purchaser shall remain liable hereunder for any breach of the terms of this Agreement by such Affiliate; (c) such assignment shall not release the Purchaser from any obligation or liability hereunder in favour of the Vendor; and (d) the Purchaser shall acknowledge and confirm its continuing obligations in favour of the Vendor in an assignment and assumption agreement in form and substance satisfactory to the Vendor.

14.8 Waiver

No failure on the part of any Party in exercising any right or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or remedy preclude any other or further exercise thereof or the exercise of any right or remedy in law or in equity or by statute or otherwise conferred. No waiver by any Party of any breach (whether actual or anticipated) of any of the terms, conditions, representations or warranties contained herein shall take effect or be binding upon that Party unless the waiver is expressed in writing under the authority of that Party. Any waiver so given shall extend only to the particular breach so waived and shall not limit or affect any rights with respect to any other or future breach.

14.9 Amendment

This Agreement shall not be varied in its terms or amended by oral agreement or by representations or otherwise other than by an instrument in writing dated subsequent to the date hereof, executed by a duly authorized representative of each Party.

14.10 Time of the Essence

Time is of the essence in this Agreement.

14.11 Costs and Expenses

Unless otherwise provided for in this Agreement, each Party shall be responsible for all costs and expenses (including the fees and disbursements of legal counsel, bankers, investment bankers, accountants, brokers and other advisors) incurred by it in connection with this Agreement and the Transaction. Notwithstanding any other provision of this Agreement, the Purchaser shall pay the cost of all surveys, title insurance policies and title reports ordered by the Purchaser.

14.12 Entire Agreement

This Agreement and the Confidentiality Agreement (the terms and conditions of which are incorporated by reference into this Agreement, and binding upon the Parties, as if such agreement were signed directly by the Parties) constitute the entire agreement between the Parties with respect to the subject matter hereof and cancel and supersede all prior agreements, understandings, negotiations and discussions, whether oral or written, between the Parties with respect to the subject matter hereof. There are no conditions, covenants, agreements, representations, warranties or other provisions, whether oral or written, express or implied, collateral, statutory or otherwise, relating to the subject matter hereof other than those contained in this Agreement or in the Confidentiality Agreement.

14.13 Notices

Any notice, direction or other communication given regarding the matters contemplated by this Agreement must be in writing, sent by personal delivery, courier or electronic mail and addressed:

- (a) in the case of the Vendor:

PricewaterhouseCoopers Inc. LIT
Suncor Energy Centre
111 5th Avenue SW, Suite 2900
Calgary, AB T2P 5L3

Attention: Rick Osuna; Llewellyn Sterling
Email: rick.f.osuna@pwc.com; llewellyn.s.sterling@pwc.com

With a copy, which shall not constitute notice, to the Vendor's Solicitors:

Bennett Jones LLP
4500, 855 - 2nd Avenue S.W.
Calgary, AB T2P 4K7

Attention: Kelsey Meyer; Kristos Iatridis
Email: meyerk@bennettjones.com; iatridisk@bennettjones.com

(b) In the case of the Purchaser:

Mancal Energy Inc.
2400, 530 - 8th Ave SW
Calgary, AB T2P 3S8

Attention: Land Manager
Email: mei-info@mancal.com

A notice is deemed to be given and received if: (i) sent by personal delivery or courier, on the date of delivery if it is a Business Day and the delivery was made prior to 4:00 p.m. (local time in place of receipt) and otherwise on the next Business Day; or (ii) email, on the date of transmission if it is a Business Day and the transmission was made prior to 4:00 p.m. (local time in place of receipt), and otherwise on the next Business Day. A Party may change its address for service from time to time by providing a notice in accordance with the foregoing. Any subsequent notice must be sent to the Party at its changed address. Any element of a Party's address that is not specifically changed in a notice will be assumed not to be changed. **Sending a copy of a notice to a Party's legal counsel as contemplated above is for information purposes only and does not constitute delivery of the notice to that Party. The failure to send a copy of a notice to legal counsel does not invalidate delivery of that notice to a Party.**

14.14 Enurement

This Agreement shall be binding upon, and enure to the benefit of, the Parties and their respective successors and permitted assigns.

14.15 Third Party Beneficiaries

Except as otherwise provided for in this Agreement, each Party intends that this Agreement shall not benefit or create any right or cause of action in or on behalf of any Person other than the Parties and their successors and permitted assigns and, except as otherwise provided for in this Agreement, no Person, other than the Parties and their successors and permitted assigns shall be entitled to rely on the provisions hereof in any action, suit, proceeding, hearing or other forum. The Purchaser acknowledges to the Vendor, the Debtor, their respective Affiliates and their respective Representatives their direct rights against the Purchaser under this Agreement. To the extent required by Applicable Law to give full effect to these direct rights, the Purchaser agrees and acknowledges that the Vendor is acting as agent and/or as trustee of its Representatives, its Affiliates and their respective Representatives and the Debtor, their respective Affiliates and their respective Representatives.

14.16 Severability

If any provision of this Agreement or any document delivered in connection with this Agreement is partially or completely invalid or unenforceable, the invalidity or unenforceability of that provision shall not affect the validity or enforceability of any other provision of this Agreement, all of which shall be construed and enforced as if that invalid or unenforceable provision were omitted. The invalidity or unenforceability of any provision in one jurisdiction shall not affect such provision validity or enforceability in any other jurisdiction.


14.17 Counterparts

This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which shall constitute one and the same agreement. Transmission by facsimile or other electronic means of an executed counterpart of this Agreement shall be deemed to constitute due and sufficient delivery of such counterpart.


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IN WITNESS WHEREOF this Agreement has been properly executed by the Parties as of the date first above written.

PRICEWATERHOUSECOOPERS INC. LIT, A CORPORATION EXISTING UNDER THE FEDERAL LAWS OF CANADA, SOLELY IN ITS CAPACITY AS THE RECEIVER AND MANAGER OF THE ASSETS, PROPERTY AND UNDERTAKING OF LONG RUN EXPLORATION LTD., AND NOT IN ITS PERSONAL OR CORPORATE CAPACITY

Per: 
6B2F33509D7049B...
Name: Paul Darby
Title: Senior Vice President

MANCAL ENERGY INC.

Per: 
76223BFC1AF1450...
Name: Jordan Murray
Title: VP Commercial

Per: 
17391CBDC3B747A...
Name: Byron Lutes
Title: President

SCHEDULE A

Assets Listing

Lands Schedule/Mineral Property Report:

See attached Mineral Property Report generated on January 26, 2026 at 3:48:52 pm.

LONG RUN EXPLORATION LTD.

Mineral Property Report

Schedule A

Generated by BERNIE KANWAL on January 26, 2026 at 3:48:52 pm.

Selection

Admin Company:

Category:

Country:

Province:

Division:

Area(s):

Active / Inactive:

Status Types:

Lease Types:

Acreage Status:

Expiry Period:

Acreage Category:

Active

LONG RUN EXPLORATION LTD.

Mineral Property Report

Print Options

Acres / Hectares: Hectares
Working Interest DOI: Yes
Other DOI: Reference
Related Contracts: Yes **Related Units:** Yes
Royalty Information: Yes **Expand:** Yes
Well Information: No
Remarks: No
Acreage: Developed / Undeveloped

Sort Options

Division: No
Category: No
Province: No
Area: No
Location: Yes



**LONG RUN EXPLORATION LTD.
Mineral Property Report**

Report Date: Jan 26, 2026
Page Number: 1

REPORTED IN HECTARES

Schedule A

File Number	Lse Type	Lessor Type	Exposure	Oper.Cont.	ROFR	DOI Code	Lease Description / Rights Held
File Status	Int Type / Lse No/Name	Operator / Payor	Net	Doi Partner(s)	*	*	
M04083	PNG LEASIFH	Eff: Mar 01, 2011	64.700	C01647	A No	WI	Area : BRUDERHEIM SOUTH
Sub: A	WI	Exp: Feb 28, 2014	4.620	LONG RUN EXPL		50.000000000	TWP 55 RGE 20 W4M SW 33
ACTIVE	STELTER & SCOTT	Ext: HBP	2.310	MANCAL		50.000000000	(UNDIVIDED 1/14 INTEREST)
	MANCAL						(EXCL ASSOCIATED PRODUCTION
7.14285000	MANCAL	Count Acreage = No	Total Rental: 0.00				FROM THE 100/13-33-055-20 W4
							AND 100/14-33-055-20 W4 WELLS)
							ALL PNG (EXCL COAL)

----- Related Contracts -----
C01647 A JOA Mar 23, 2010
PS0505 A PUR/SAL-C Aug 08, 2012(l)

Royalty / Encumbrances

Royalty Type	Product Type	Sliding Scale	Convertible	% of Prod/Sales
LESSOR ROYALTY	ALL	N	N	100.00000000 % of
Roy Percent: 18.00000000				
Deduction: YES				
Gas: Royalty:	Max:	Min Pay:		Prod/Sales:
S/S OIL: Min:		Div:		Prod/Sales:
Other Percent:		Min:		Prod/Sales:
Paid to: DEPOSITO(M)		Paid by: WI	(C)	
STELTER, D.F.	50.00000000	LONG RUN EXPL		50.000000000
SCOTT, CAROL J.	50.00000000	MANCAL		50.000000000

ROYALTY REVIEWED - May 28, 2015
ROYALTY REVIEWED BY LRE.

M04100	PNG LEASIFH	Eff: Mar 01, 2011	64.700	C01647	A No	WI	Area : BRUDERHEIM SOUTH
Sub: A	WI	Exp: Feb 28, 2014	0.000	LONG RUN EXPL		50.000000000	TWP 55 RGE 20 W4M SW 33
ACTIVE	FRANK & STELTER	Ext: HBP	0.000	MANCAL		50.000000000	(UNDIVIDED 1/7 INTEREST)
	MANCAL						(EXCL ASSOCIATED PRODUCTION

**LONG RUN EXPLORATION LTD.
Mineral Property Report**

Schedule A

Report Date: Jan 26, 2026
 Page Number: 2
 REPORTED IN HECTARES

File Number	Lse Type	Lessor Type	Exposure	Oper.Cont.	ROFR	DOI Code	Lease Description / Rights Held
File Status	Int Type / Lse No/Name	Operator / Payor	Net	Doi Partner(s)	*	*	
M04100	MANCAL						

(cont'd)

Sub: A
 14.28600000 MANCAL Count Acreage = No Total Rental: 0.00
 FROM THE 100/13-33-055-20 W4
 AND 100/14-33-055-20 W4 WELLS)
 ALL PNG (EXCL COAL)

----- Related Contracts -----
 C01647 A JOA Mar 23, 2010
 PS0505 A PUR/SAL-C Aug 08, 2012(I)

Royalty / Encumbrances

Royalty Type	LESSOR ROYALTY	Product Type	ALL	Sliding Scale	N	Convertible	N	% of Prod/Sales	100.00000000 % of
Roy Percent:	18.00000000	Max:		Min Pay:		Div:		Prod/Sales:	
Deduction:	YES	Gas: Royalty:		Min:		Other Percent:		Prod/Sales:	
S/S OIL: Min:		Paid to:	DEPOSITO(M)	Div:	WI	Other Percent:		Prod/Sales:	
Other Percent:		STELTER, D.F.	50.00000000	MANCAL	LONG RUN EXPL	Other Percent:		Prod/Sales:	50.00000000
		FRANK, KAREN M.	50.00000000	MANCAL	MANCAL	Other Percent:		Prod/Sales:	50.00000000

ROYALTY REVIEWED - May 28, 2015
 ROYALTY REVIEWED BY LRE.

M04102	PNG LEASIFH		Eff: Mar 01, 2011	64.700	C01647	A	No	WI	Area : BRUDERHEIM SOUTH
Sub: A	WI		Exp: Feb 28, 2014	0.000	LONG RUN EXPL			50.00000000	TWP 55 RGE 20 W4M SW 33
ACTIVE	FREDERKING, R&A	Ext: HBP		0.000	MANCAL			50.00000000	(UNDIVIDED 1/7 INTEREST)
	MANCAL								(EXCL ASSOCIATED PRODUCTION)

**LONG RUN EXPLORATION LTD.
Mineral Property Report**

Report Date: Jan 26, 2026
Page Number: 3

REPORTED IN HECTARES

Schedule A

File Number	Lse Type	Lessor Type	Exposure	Oper.Cont.	ROFR	DOI Code	Lease Description / Rights Held
File Status	Int Type / Lse No/Name	Operator / Payor	Net	Doi Partner(s)	*	*	
M04102	MANCAL						FROM THE 100/13-33-055-20 W4 AND 100/14-33-055-20 W4 WELLS) ALL PNG (EXCL COAL)

(cont'd)

Sub: A	Count Acreage =	No	Total Rental:	0.00			
14.28600000							
	Status	Hectares	Net	Undev:	Hectares	Net	
		0.000	0.000	0.000	0.000	0.000	
	Dev:						

----- Related Contracts -----
C01647 A JOA Mar 23, 2010
PS0505 A PUR/SAL-C Aug 08, 2012(l)

Royalty / Encumbrances

Royalty Type	Product Type	Sliding Scale	Convertible	% of Prod/Sales
LESSOR ROYALTY	ALL	N	N	100.00000000 % of
Roy Percent:				
18.00000000				
Deduction:				
YES				
Gas: Royalty:				
S/S OIL: Min:				
Other Percent:				
Paid to:	DEPOSITO(M)			
FREDERKING, R&A	100.00000000			
Paid by:	WI		(C)	
	LONG RUN EXPL			50.00000000
	MANCAL			50.00000000

ROYALTY REVIEWED - May 28, 2015
ROYALTY REVIEWED BY LRE.

M04103	PNG LEASIFH		Eff: Mar 01, 2011	64.700	C01647	A	No	WI	Area : BRUDERHEIM SOUTH
Sub: A	WI		Exp: Feb 28, 2014	0.000	LONG RUN EXPL			50.00000000	TWP 55 RGE 20 W4M SW 33
ACTIVE	FRANK, K&W		Ext: HBP	0.000	MANCAL			50.00000000	(UNDIVIDED 1/14 INTEREST)
	MANCAL								(EXCL ASSOCIATED PRODUCTION)

**LONG RUN EXPLORATION LTD.
Mineral Property Report**

Schedule A

Report Date: Jan 26, 2026
 Page Number: 4
 REPORTED IN HECTARES

File Number	Lse Type	Lessor Type	Exposure	Oper.Cont.	ROFR	DOI Code	Lease Description / Rights Held
File Status	Int Type / Lse No/Name	Operator / Payor	Net	Doi Partner(s)	*	*	
M04103	Sub: A	7.14285000	MANCAL	Count Acreage =	No	Total Rental: 0.00	FROM THE 100/13-33-055-20 W4 AND 100/14-33-055-20 W4 WELLS) ALL PNG (EXCL COAL)

(cont'd)

Status	Hectares	Net	Undev:	Hectares	Net	Related Contracts
Dev:	0.000	0.000	0.000	0.000	0.000	-----
						C01647 A JOA Mar 23, 2010 PS0505 A PUR/SAL-C Aug 08, 2012(l)

Royalty / Encumbrances

Royalty Type	Product Type	Sliding Scale	Convertible	% of Prod/Sales
LESSOR ROYALTY	ALL	N	N	100.00000000 % of
Roy Percent:	18.00000000			
Deduction:	YES			
Gas: Royalty:				
S/S OIL: Min:				
Other Percent:				

Paid to:	DEPOSITO(M)	Min Pay:	Div:	Min:	Prod/Sales:
FRANK, KAREN M.	50.000000000	LONG RUN EXPL	WI	(C)	50.000000000
FRANK, HENRY W.	50.000000000	MANCAL			50.000000000

ROYALTY REVIEWED - May 28, 2015
 ROYALTY REVIEWED BY LRE.

M04104	PNG LEASIFH	Eff:	Mar 01, 2011	64.700	C01647	A	No	WI	Area : BRUDERHEIM SOUTH
Sub: A	WI	Exp:	Feb 28, 2014	0.000	LONG RUN EXPL			50.000000000	TWP 55 RGE 20 W4M SW 33
ACTIVE	HILL, CHARLES	Ext:	HBP	0.000	MANCAL			50.000000000	(UNDIVIDED 1/7 INTEREST)
	MANCAL								(EXCL ASSOCIATED PRODUCTION)

**LONG RUN EXPLORATION LTD.
Mineral Property Report**

Report Date: Jan 26, 2026
Page Number: 5

REPORTED IN HECTARES

Schedule A

File Number	Lse Type	Lessor Type	Exposure	Oper.Cont.	ROFR	DOI Code
File Status	Int Type / Lse No/Name		Gross			
Mineral Int	Operator / Payor		Net	Doi Partner(s)	*	Lease Description / Rights Held

(cont'd)

M04104

Sub: A

14.28600000 MANCAL

Count Acreage = No

Total Rental: 0.00

FROM THE 100/13-33-055-20 W4
AND 100/14-33-055-20 W4 WELLS)
ALL PNG (EXCL COAL)

Status	Hectares	Net	Hectares	Net
	0.000	0.000	0.000	0.000
Dev:		Undev:		

----- Related Contracts -----
C01647 A JOA Mar 23, 2010
PS0505 A PUR/SAL-C Aug 08, 2012(I)

Royalty / Encumbrances

Royalty Type	Product Type	Sliding Scale	Convertible	% of Prod/Sales
LESSOR ROYALTY	ALL	N	N	100.00000000 % of
Roy Percent:	18.00000000			
Deduction:	YES			
Gas: Royalty:				
S/S OIL: Min:				
Other Percent:				
Paid to:	DEPOSITO(M)			
HILL, C.B.	50.00000000	LONG RUN EXPL	WI	(C)
WILLIAMS TYLER	50.00000000	MANCAL		
			50.00000000	
			50.00000000	

Min Pay:

Div:

Min:

Prod/Sales:

Prod/Sales:

Prod/Sales:

Paid by: WI (C)

LONG RUN EXPL 50.00000000

MANCAL 50.00000000

ROYALTY REVIEWED - May 28, 2015
ROYALTY REVIEWED BY LRE.

M04105	PNG LEASIFH	Eff: Mar 01, 2011	64.700	C01647	A	No	WI	Area : BRUDERHEIM SOUTH
Sub: A	WI	Exp: Feb 28, 2014	4.620	LONG RUN EXPL			50.00000000	TWP 55 RGE 20 W4M SW 33
ACTIVE	STEIN, ALICE	Ext: HBP	2.310	MANCAL			50.00000000	(UNDIVIDED 1/7 INTEREST)
	MANCAL							(EXCL ASSOCIATED PRODUCTION)

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File Number	Lse Type	Lessor Type	Exposure	Oper.Cont.	ROFR	DOI Code	Lease Description / Rights Held
File Status	Int Type / Lse No/Name	Operator / Payor	Gross		Net	Doi Partner(s)	*
Mineral Int			Count	Acreage	=	No	Total Rental:

(cont'd)

M04105

Sub: A

14.28600000 MANCAL

Count Acreage = No

Total Rental: 0.00

FROM THE 100/13-33-055-20 W4
AND 100/14-33-055-20 W4 WELLS)
ALL PNG (EXCL COAL)

Status	Hectares	Net
Dev:	0.000	0.000
Undev:	0.000	0.000

Hectares Hectares Net
0.000 0.000 0.000

----- Related Contracts -----
C01647 A JOA Mar 23, 2010
PS0505 A PUR/SAL-C Aug 08, 2012(l)

Royalty / Encumbrances

Royalty Type	Product Type	Sliding Scale	Convertible	% of Prod/Sales
LESSOR ROYALTY	ALL	N	N	100.00000000 % of
Roy Percent:	18.00000000			
Deduction:	YES			
Gas: Royalty:				
S/S OIL: Min:				
Other Percent:				

Paid to: TD TRUST	DEPOSITO(M)	WI
100.00000000	LONG RUN EXPL	(C)
	MANCAL	50.00000000
		50.00000000

ROYALTY REVIEWED - May 28, 2015
ROYALTY REVIEWED BY LRE.

M04757	PNG LEASIFH	Eff: Apr 20, 2011	64.700	C01647	A	No	WI	Area : BRUDERHEIM SOUTH
Sub: A	WI	Exp: Apr 19, 2014	0.000	LONG RUN EXPL			50.00000000	TWP 55 RGE 20 W4M SW 33
ACTIVE	FREDERKING, G&R	Ext: HBP	0.000	MANCAL			50.00000000	(UNDIVIDED 1/7 INTEREST)
	MANCAL							(EXCL ASSOCIATED PRODUCTION)

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Schedule A

File Number	Lse Type	Lessor Type	Exposure	Oper.Cont.	ROFR	DOI Code	Lease Description / Rights Held
File Status	Int Type / Lse No/Name	Operator / Payor	Net	Doi Partner(s)	*	*	
M04757	Sub: A	14.28600000	MANCAL	Count Acreage =	No	Total Rental: 0.00	FROM THE 100/13-33-055-20W4 AND 100/14-33-055-20 W4 WELLS) ALL PNG (EXCL COAL)

(cont'd)

Status	Hectares	Net	Undev:	Hectares	Net	Related Contracts
	0.000	0.000	0.000	0.000	0.000	----- C01647 A JOA Mar 23, 2010 PS0505 A PUR/SAL-C Aug 08, 2012(l)

Royalty / Encumbrances

Royalty Type	Product Type	Sliding Scale	Convertible	% of Prod/Sales
LESSOR ROYALTY	ALL	N	N	100.00000000 % of PROD
Roy Percent:	18.00000000			
Deduction:	YES			
Gas: Royalty:				
S/S OIL: Min:				
Other Percent:				

Paid to:	DEPOSITO(M)	WI	(C)	Prod/Sales:
FREDERKING, G	50.00000000	LONG RUN EXPL	50.00000000	Prod/Sales:
FREDERKING, R	50.00000000	MANCAL	50.00000000	Prod/Sales:

GENERAL - May 28, 2015
ROYALTY REVIEWED BY LRE.

File Number	Lse Type	Eff:	Mar 30, 2011	64.700	C01647	A	No	WI	Area :
M04758	PNG LEASIFH	Sub: A	WI	0.000	LONG RUN EXPL	50.00000000	50.00000000	WI	BRUDERHEIM SOUTH
ACTIVE	FREDERKING, WILLI/Ext: HBP	MANCAL	MANCAL	0.000	MANCAL	50.00000000	50.00000000		TWP 55 RGE 20 W4M SW 33 (UNDIVIDED 1/7 INTEREST) (EXCL ASSOCIATED PRODUCTION

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File Number	Lse Type	Lessor Type	Exposure	Oper.Cont.	ROFR	DOI Code	Lease Description / Rights Held
File Status	Int Type / Lse No/Name	Operator / Payor	Net	Doi Partner(s)	*	*	
M04758	MANCAL						FROM THE 100/13-33-055-20W4 AND 100/14-33-055-20 W4 WELLS) ALL PNG (EXCL COAL)
Sub: A							
14.28600000	MANCAL		Count Acreage =	No	Total Rental:	0.00	

(cont'd)

Status	Hectares	Net	Hectares	Net	Hectares	Net
Dev:	0.000	0.000	Undev:	0.000	0.000	0.000

Royalty / Encumbrances

Royalty Type	Product Type	Sliding Scale	Convertible	% of Prod/Sales
LESSOR ROYALTY	ALL	N	N	100.00000000 % of PROD

Roy Percent: 18.00000000
Deduction: YES
Gas: Royalty:
S/S OIL: Min:
Other Percent:

Min Pay:
Div:
Min:
Prod/Sales:
Prod/Sales:
Prod/Sales:

Paid to: DEPOSITO(M)
FREDERKING, W 100.00000000
Paid by: WI (C)
LONG RUN EXPL 50.00000000
MANCAL 50.00000000

ROYALTY REVIEWED - May 28, 2015
ROYALTY REVIEWED BY LRE:

M04083	PNG LEASIFH	Eff: Mar 01, 2011	64.700	C01647	D	No	POOLED
Sub: B	WI	Exp: Feb 28, 2014	2.310	MANCAL			46.11820000
ACTIVE	STELTER & SCOTT	Ext: HBP	1.065	LONG RUN EXPL			46.11820000
	MANCAL			BUCHHOLZ ESTATE			1.24420000

Area : BRUDERHEIM SOUTH
TWP 55 RGE 20 W4M LSDS 3, 6 SEC
33
(UNDIVIDED 1/14 INTEREST)

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File Number	Lse Type	Lessor Type	Exposure	Oper. Cont.	ROFR	DOI Code	Lease Description / Rights Held	
							Mineral Int	Operator / Payor
File Status	Int Type / Lse No/Name	Operator / Payor	Gross		Net	Doi Partner(s)	* * *	
M04100	PNG LEASIFH	WI	64.700	C01647	D No	POOLED	Area : BRUDERHEIM SOUTH	
Sub: B	WI		4.620	MANCAL		46.11820000	TWP 55 RGE 20 W4M LSDS 3, 6 SEC	
ACTIVE	FRANK & STELTER	Ext: HBP	2.131	LONG RUN EXPL		46.11820000	33	
14.28600000	MANCAL			BUCHOLZ ESTATE		1.24420000	(UNDIVIDED 1/7 INTEREST)	
	MANCAL			HOLME, G. EST		1.89110000	(ONLY ASSOCIATED PRODUCTION	
				SCHULTZ, O EST		1.40590000	FROM THE 100/14-33-055-20 W4	
				KITTLITZ, E. ES		3.22240000	WELL)	
							PET IN VIKING_ZONE (EXCL COAL)	
							----- Related Contracts -----	
							C01647 D	JOA Mar 23, 2010
							PS0505 A	PUR/SAL-C Aug 08, 2012(I)

Total Rental: 12.50

Status	Hectares	Net	Hectares	Net
DEVELOPED	4.620	2.131	0.000	0.000
			Undev:	0.000

Royalty / Encumbrances

Royalty Type	Product Type	Sliding Scale	Convertible	% of Prod/Sales
LESSOR ROYALTY	ALL	N	N	100.00000000 % of
Roy Percent:	18.00000000			
Deduction:	YES			
Gas: Royalty:	Min Pay:			
S/S OIL: Min:	Div:			
Other Percent:	Min:			
Paid to: DEPOSITO(M)	Paid by: RENTAL (C)			
STELTER, D.F.	MANCAL 50.00000000			
FRANK, KAREN M.	LONG RUN EXPL 50.00000000			

ROYALTY REVIEWED - May 28, 2015
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File Number	Lse Type	Lessor Type	Exposure	Oper. Cont.	ROFR	DOI Code	Lease Description / Rights Held		
							Mineral Int	Operator / Payor	
File Status	Int Type / Lse No/Name	Operator / Payor	Net	Doi Partner(s)	*	*			
M04102	PNG LEASIFH	WI	64.700	C01647	D No	POOLED	Area : BRUDERHEIM SOUTH		
Sub: B	WI		4.620	MANCAL		46.11820000	TWP 55 RGE 20 W4M LSDS 3, 6 SEC		
ACTIVE	FREDERKING, R&A	Ext: HBP	2.131	LONG RUN EXPL		46.11820000	33		
14.28600000	MANCAL			BUCHOLZ ESTATE		1.24420000	(UNDIVIDED 1/7 INTEREST)		
	MANCAL			HOLME, G. EST		1.89110000	(ONLY ASSOCIATED PRODUCTION		
				SCHULTZ, O EST		1.40590000	FROM THE 100/14-33-055-20 W4		
				KITTLITZ, E. ES		3.22240000	WELL)		
							PET IN VIKING_ZONE (EXCL COAL)		
							----- Related Contracts -----		
							C01647 D	JOA	Mar 23, 2010
							PS0505 A	PUR/SAL-C	Aug 08, 2012 (I)

Total Rental: 12.50

Status	Hectares	Net	Hectares	Net
DEVELOPED	4.620	2.131	0.000	0.000
			Undev:	0.000

Royalty / Encumbrances

Royalty Type	Product Type	Sliding Scale	Convertible	% of Prod/Sales
LESSOR ROYALTY	ALL	N	N	100.00000000 % of
Roy Percent:				
Deduction:				
Gas: Royalty:				
S/S OIL: Min:				
Other Percent:				
Min Pay:				
Div:				
Min:				
Prod/Sales:				
Prod/Sales:				
Prod/Sales:				
Paid to:	DEPOSITO(M)		RENTAL	(C)
FREDERKING, R&A	100.000000000		MANCAL	50.000000000
			LONG RUN EXPL	50.000000000

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File Number	Lse Type	Lessor Type	Exposure	Oper. Cont.	ROFR	DOI Code	Lease Description / Rights Held	
							Mineral Int	Operator / Payor
File Status	Int Type / Lse No/Name		Gross					
Mineral Int	Operator / Payor		Net	Doi Partner(s)	*	*		
M04103	PNG LEASIFH	Eff: Mar 01, 2011	64.700	C01647	D No	POOLED	Area : BRUDERHEIM SOUTH	
Sub: B	WI	Exp: Feb 28, 2014	2.310	MANCAL		46.11820000	TWP 55 RGE 20 W4M LSDS 3, 6 SEC	
ACTIVE	FRANK, K&W	Ext: HBP	1.065	LONG RUN EXPL		46.11820000	33	
	MANCAL			BUCHOLZ ESTATE		1.24420000	(UNDIVIDED 1/14 INTEREST)	
7.14285000	MANCAL			HOLME, G. EST		1.89110000	(ONLY ASSOCIATED PRODUCTION	
				SCHULTZ, O EST		1.40590000	FROM THE 100/14-33-055-20 W4	
				KITTLITZ, E. ES		3.22240000	WELL)	
							PET IN VIKING_ZONE (EXCL COAL)	
							----- Related Contracts -----	
							C01647 D JOA Mar 23, 2010	
							PS0505 A PUR/SAL-C Aug 08, 2012(I)	
							Total Rental: 12.50	
Status			Hectares	Net	Undev:	Hectares	Net	Net
DEVELOPED			2.310	1.065		0.000	0.000	0.000

Royalty / Encumbrances			
Royalty Type	Product Type	Sliding Scale	Convertible % of Prod/Sales
LESSOR ROYALTY	ALL	N	N 100.00000000 % of
Roy Percent:			
18.00000000			
Deduction:			
YES			
Gas: Royalty:			
S/S OIL: Min:			
Other Percent:			
Paid to:	DEPOSITO(M)		
FRANK, KAREN M.	50.00000000	MANCAL	50.00000000
FRANK, HENRY W.	50.00000000	LONG RUN EXPL	50.00000000
Paid by:	RENTAL (C)		

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File Number	Lse Type	Lessor Type	Exposure	Oper. Cont.	ROFR	DOI Code	Lease Description / Rights Held
File Status	Int Type / Lse No/Name		Gross				
Mineral Int	Operator / Payor		Net	Doi Partner(s)	*	*	
M04105	PNG LEASIFH	Eff: Mar 01, 2011	64.700	C01647	D No	POOLED	Area : BRUDERHEIM SOUTH
Sub: B	WI	Exp: Feb 28, 2014	4.620	MANCAL		46.11820000	TWP 55 RGE 20 W4M LSDS 3, 6 SEC
ACTIVE	STEIN, ALICE	Ext: HBP	2.131	LONG RUN EXPL		46.11820000	33
	MANCAL			BUCHOLZ ESTATE		1.24420000	(UNDIVIDED 1/7 INTEREST)
14.28600000	MANCAL			HOLME, G. EST		1.89110000	(ONLY ASSOCIATED PRODUCTION
				SCHULTZ, O EST		1.40590000	FROM THE 100/14-33-055-20 W4
				KITTLITZ, E. ES		3.22240000	WELL)
				Total Rental:	12.50		PET IN VIKING_ZONE (EXCL COAL)

----- Related Contracts -----
 C01647 D JOA Mar 23, 2010
 PS0505 A PUR/SAL-C Aug 08, 2012 (l)

Royalty / Encumbrances

Royalty Type	Product Type	Sliding Scale	Convertible	% of Prod/Sales
LESSOR ROYALTY	ALL	N	N	100.00000000 % of
Roy Percent:	18.00000000			
Deduction:	YES			
Gas: Royalty:				Prod/Sales:
S/S OIL: Min:				Prod/Sales:
Other Percent:				Prod/Sales:
Paid to: DEPOSITO(M)				
TD TRUST	100.00000000			
	MANCAL			50.00000000
	LONG RUN EXPL			50.00000000

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File Number	Lse Type	Lessor Type	Exposure	Oper. Cont.	ROFR	DOI Code	Lease Description / Rights Held	
File Status	Int Type / Lse No/Name	Operator / Payor	Gross	Net	Doi Partner(s)	* *	* *	* *
M04083	PNG LEASIFH		64.700	C01647	C No	POOLED	WI	Area : BRUDERHEIM SOUTH
Sub: C	WI		2.310	MANCAL		46.34520000	50.00000000	TWP 55 RGE 20 W4M LSDS 4, 5 SEC
ACTIVE	STELTER & SCOTT	Ext: HBP	1.071	LONG RUN EXPL	RISKE, GUSTAV	46.34520000	50.00000000	33
	MANCAL					7.30960000		(UNDIVIDED 1/14 INTEREST)
7.14285000	MANCAL				Total Rental: 12.50			(ONLY ASSOCIATED PRODUCTION FROM THE 100/13-33-055-20 W4 WELL)
	Status		Hectares	Net	Hectares	Undev:	Net	Hectares
	DEVELOPED		2.310	1.071	0.000	0.000	0.000	PET IN VIKING_ZONE (EXCL COAL)
----- Related Contracts -----								
					C00665 A	PSUA	Mar 20, 2012	
					C01647 C	JOA	Mar 23, 2010	
					PS0505 A	PUR/SAL-C	Aug 08, 2012 (I)	
----- Royalty / Encumbrances -----								
Royalty Type	Product Type	Sliding Scale	Convertible	% of Prod/Sales				
LESSOR ROYALTY	ALL	N	N	100.00000000	% of			
Roy Percent: 18.00000000	Deduction: YES	Gas: Royalty:	S/S OIL: Min:	Other Percent:	Min Pay:	Div:	Min:	Prod/Sales:
					MANCAL	LONG RUN EXPL		50.00000000
					DEPOSITO(M)	LONG RUN EXPL		50.00000000
					STELTER, D.F.	MANCAL		50.00000000
					SCOTT, CAROL J.	LONG RUN EXPL		50.00000000
ROYALTY REVIEWED - May 28, 2015								
ROYALTY REVIEWED BY LRE.								

M04100	PNG LEASIFH		64.700	C01647	C No	POOLED	WI	Area : BRUDERHEIM SOUTH
Sub: C	WI		4.620	MANCAL		46.34520000	50.00000000	TWP 55 RGE 20 W4M LSDS 4, 5 SEC
		Exp: Feb 28, 2014						

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File Number	Lse Type	Lessor Type	Exposure	Oper. Cont.	ROFR	DOI Code	Lease Description / Rights Held
File Status	Int Type / Lse No/Name		Gross				
Mineral Int	Operator / Payor		Net	Doi Partner(s)	*	*	

(cont'd)

M04100							
Sub: C							
ACTIVE	FRANK & STELTER	Ext: HBP	2.141	LONG RUN EXPL	46.34520000	50.00000000	(UNDIVIDED 1/7 INTEREST)
	MANCAL			RISKE, GUSTAV	7.30960000		(ONLY ASSOCIATED PRODUCTION FROM THE 100/13-33-055-20 W4 WELL)
14.28600000	MANCAL			Total Rental: 12.50			PET IN VIKING_ZONE (EXCL COAL)

----- Related Contracts -----
 C00665 A PSUA Mar 20, 2012
 C01647 C JOA Mar 23, 2010
 PS0505 A PUR/SAL-C Aug 08, 2012(I)

Royalty / Encumbrances

Royalty Type	Product Type	Sliding Scale	Convertible	% of Prod/Sales
LESSOR ROYALTY	ALL	N	N	100.00000000 % of
Roy Percent:				
18.00000000				
Deduction:				
YES				
Gas: Royalty:				
S/S OIL: Min:				
Other Percent:				

Min Pay: Prod/Sales:
Div: Prod/Sales:
Min: Prod/Sales:

Paid to: DEPOSITO(M) Paid by: WI (C)
 STELTER, D.F. 50.00000000 MANCAL 50.00000000
 FRANK, KAREN M. 50.00000000 LONG RUN EXPL 50.00000000

ROYALTY REVIEWED - May 28, 2015
 ROYALTY REVIEWED BY LRE.

M04102	PNG LEASIFH	Eff: Mar 01, 2011	64.700	C01647	C	No	POOLED	WI Area : BRUDERHEIM SOUTH
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File Number	Lse Type	Lessor Type	Exposure	Oper. Cont.	ROFR	DOI Code	Lease Description / Rights Held
File Status	Int Type / Lse No/Name	Operator / Payor	Gross	Net	Doi Partner(s)	*	*

(cont'd)

M04103	WI		2.310	MANCAL		46.34520000	TWP 55 RGE 20 W4M LSDS 4, 5 SEC
Sub: C	Exp: Feb 28, 2014		1.071	LONG RUN EXPL		46.34520000	33
ACTIVE	Ext: HBP	RISKE, GUSTAV				7.30960000	(UNDIVIDED 1/14 INTEREST)
							(ONLY ASSOCIATED PRODUCTION FROM THE 100/13-33-055-20 W4 WELL)
7.14285000	MANCAL						PET IN VIKING_ZONE (EXCL COAL)
	MANCAL		Total Rental:	12.50			

----- Related Contracts -----
C00665 A PSUA Mar 20, 2012
C01647 C JOA Mar 23, 2010
PS0505 A PUR/SAL-C Aug 08, 2012 (I)

Royalty / Encumbrances

Royalty Type	Product Type	Sliding Scale	Convertible	% of Prod/Sales
LESSOR ROYALTY	ALL	N	N	100.00000000 % of
Roy Percent:	18.00000000			
Deduction:	YES			
Gas: Royalty:				Prod/Sales:
S/S OIL: Min:				Prod/Sales:
Other Percent:				Prod/Sales:
Paid to: DEPOSITO(M)				
FRANK, KAREN M.	50.00000000	MANCAL	WI (C)	50.00000000
FRANK, HENRY W.	50.00000000	LONG RUN EXPL		50.00000000

ROYALTY REVIEWED - May 28, 2015
ROYALTY REVIEWED BY LRE.

M04104	PNG LEASIFH	Eff: Mar 01, 2011	64.700	C01647	C	No	POOLED	WI	Area : BRUDERHEIM SOUTH
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File Number	Lse Type	Lessor Type	Exposure	Oper. Cont.	ROFR	DOI Code	Lease Description / Rights Held
File Status	Int Type / Lse No/Name	Operator / Payor	Gross	Net	Doi Partner(s)	*	*

(cont'd)

M04104	WI		4.620	MANCAL		46.34520000	TWP 55 RGE 20 W4M LSDS 4, 5 SEC
Sub: C	Exp: Feb 28, 2014		2.141	LONG RUN EXPL		46.34520000	33
ACTIVE	Ext: HBP	RISKE, GUSTAV				7.30960000	(UNDIVIDED 1/7 INTEREST)
14.28600000	MANCAL						(ONLY ASSOCIATED PRODUCTION FROM THE 100/13-33-055-20W4 WELL)
MANCAL							PET IN VIKING_ZONE (EXCL COAL)
	Total Rental:	12.50					

----- Related Contracts -----
C00665 A PSUJA Mar 20, 2012
C01647 C JOA Mar 23, 2010
PS0505 A PUR/SAL-C Aug 08, 2012(I)

Royalty / Encumbrances

Royalty Type	Product Type	Sliding Scale	Convertible	% of Prod/Sales
LESSOR ROYALTY	ALL	N	N	100.00000000 % of
Roy Percent:	18.00000000			
Deduction:	YES			
Gas: Royalty:				Prod/Sales:
S/S OIL: Min:				Prod/Sales:
Other Percent:				Prod/Sales:

Paid to:	DEPOSITO(M)	Paid by:	WI	(C)
HILL, C.B.	50.00000000	MANCAL		50.00000000
WILLIAMS TYLER	50.00000000	LONG RUN EXPL		50.00000000

ROYALTY REVIEWED - May 28, 2015
ROYALTY REVIEWED BY LRE.

M04105	PNG LEASIFH	Eff: Mar 01, 2011	64.700	C01647	C	No	POOLED	WI	Area : BRUDERHEIM SOUTH
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File Number	Lse Type	Lessor Type	Exposure	Oper. Cont.	ROFR	DOI Code	Lease Description / Rights Held
File Status	Int Type / Lse No/Name		Gross				
Mineral Int	Operator / Payor		Net	Doi Partner(s)	*	*	

(cont'd)

M04105	WI		4.620	MANCAL		46.34520000	TWP 55 RGE 20 W4M LSDS 4, 5 SEC
Sub: C	Exp: Feb 28, 2014		2.141	LONG RUN EXPL		46.34520000	33
ACTIVE	Ext: HBP			RISKE, GUSTAV		7.30960000	(UNDIVIDED 1/7 INTEREST)
	MANCAL						(ONLY THE ASSOCIATED PRODUCTION FROM THE 100/13-33-055-20 W4 WELL)
14.28600000	MANCAL						PET IN VIKING_ZONE (EXCL COAL)
	Total Rental:	12.50					

----- Related Contracts -----
 C00665 A PSUA Mar 20, 2012
 C01647 C JOA Mar 23, 2010
 PS0505 A PUR/SAL-C Aug 08, 2012(I)

Royalty / Encumbrances

Royalty Type	Product Type	Sliding Scale	Convertible	% of Prod/Sales
LESSOR ROYALTY	ALL	N	N	100.00000000 % of
Roy Percent:	18.00000000			
Deduction:	YES			
Gas: Royalty:				Prod/Sales:
S/S OIL: Min:				Prod/Sales:
Other Percent:				Prod/Sales:

Paid to: DEPOSITO(M)				
TD TRUST	100.00000000			
		WI	(C)	
	MANCAL			50.00000000
	LONG RUN EXPL			50.00000000

ROYALTY REVIEWED - May 28, 2015
 ROYALTY REVIEWED BY LRE.

M04757	PNG LEASIFH	Eff: Apr 20, 2011	64.700	C01647	C	No	POOLED	WI	Area : BRUDERHEIM SOUTH
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File Number	Lse Type	Lessor Type	Exposure	Oper. Cont.	ROFR	DOI Code	Lease Description / Rights Held
File Status	Int Type / Lse No/Name		Gross				
Mineral Int	Operator / Payor		Net	Doi Partner(s)	*	*	
M04758	WI	Exp: Mar 29, 2014	4.572	MANCAL		46.34520000	TWP 55 RGE 20 W4M LSDS 4, 5 SEC
Sub: C	FREDERKING, WILLI/Ext: HBP		2.119	LONG RUN EXPL		46.34520000	33
ACTIVE	MANCAL			RISKE, GUSTAV		7.30960000	(UNDIVIDED 1/7 INTEREST)
14.28600000	MANCAL			Total Rental: 12.50			(ONLY ASSOCIATED PRODUCTION FROM THE 100/13-33-055-20W4 WELL)
							PET IN VIKING_ZONE (EXCL COAL)
----- Related Contracts -----							
							C00665 A PSUA Mar 20, 2012
							C01647 C JOA Mar 23, 2010
							PS0505 A PUR/SAL-C Aug 08, 2012 (I)
----- Royalty / Encumbrances -----							
	Royalty Type	Product Type	Sliding Scale	Convertible	% of Prod/Sales		
	LESSOR ROYALTY	ALL	N	N	100.00000000	% of PROD	
	Roy Percent: 18.00000000						
	Deduction: YES						
	Gas: Royalty:	Min Pay:				Prod/Sales:	
	S/S OIL: Min:	Div:				Prod/Sales:	
	Other Percent:	Min:				Prod/Sales:	
	Paid to: DEPOSITO(M)	Paid by: WI		(C)			
	FREDERKING, W	MANCAL				50.00000000	
		LONG RUN EXPL				50.00000000	
ROYALTY REVIEWED - May 28, 2015							
ROYALTY REVIEWED BY LRE.							

M03961 PNG LEASIFH Eff: Jul 30, 2008 2.348 C01647 A No WI Area : BRUDERHEIM SOUTH

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File Status	Int Type / Lse No/Name	Operator / Payor	Gross	Net	Doi Partner(s)	*	*
M03961	WI		0.000	0.000	LONG RUN EXPL	50.000000000	TWP 55 RGE 20 W4M PTN LSD 11
Sub: A	T KRAUSE ESTATE	Ext: HBP	0.000	0.000	MANCAL	50.000000000	SEC 33
ACTIVE	MANCAL						(PLAN 1843CL PARCEL 6)
100.00000000	MANCAL	Count Acreage = No	Total Rental: 0.00				ALL PNG EXCL PET IN VIKING_ZONE (EXCL COAL)

(cont'd)

Status	Hectares	Net	Hectares	Net	Hectares	Net	Related Contracts
Dev:	0.000	0.000	Undev:	0.000	0.000	0.000	-----
							C01647 A JOA Mar 23, 2010
							PS0505 A PUR/SAL-C Aug 08, 2012(l)

Royalty / Encumbrances

Royalty Type	Product Type	Sliding Scale	Convertible	% of Prod/Sales
LESSOR ROYALTY	ALL	N	N	100.00000000 % of PROD
Roy Percent:	18.00000000			
Deduction:	YES			
Gas: Royalty:				Prod/Sales:
S/S OIL: Min:				Prod/Sales:
Other Percent:				Prod/Sales:
Paid to: DEPOSITO(M)				
KRAUSE ESTATE	50.00000000	LONG RUN EXPL	WI (C)	50.00000000
ADCOCK, E.	50.00000000	MANCAL		50.00000000

ROYALTY REVIEWED - May 14, 2015
 ROYALTY REVIEWED BY LRE.

M03961	PNG LEASfFH	Eff: Jul 30, 2008	2.348	C01647	D	No	POOLED	Area : BRUDERHEIM SOUTH
Sub: B	WI	Exp: Jul 29, 2013	2.348	MANCAL			46.11820000	TWP 55 RGE 20 W4M PTN LSD 11

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File Number	Lse Type	Lessor Type	Exposure	Oper.Cont.	ROFR	DOI Code	Lease Description / Rights Held
File Status	Int Type / Lse No/Name	Operator / Payor	Gross	Net	Doi Partner(s)	*	*
M03961	ACTIVE	T KRAUSE ESTATE MANCAL	1.083	LONG RUN EXPL	46.11820000	SEC 33	(PLAN 1843CL PARCEL 6)
100.00000000	MANCAL	Ext: HBP	BUCHOLZ ESTATE	1.24420000			(SUBJECT TO COMPULSORY POOLING ORDER NO. P 418, DATED JANUARY 19, 2011)
			HOLME, G. EST	1.89110000			PET IN VIKING_ZONE (EXCL COAL)
			SCHULTZ, O EST	1.40590000			
			KITTLITZ, E ES	3.22240000			
			Total Rental:	6.00			

(cont'd)

----- Related Contracts -----
 C01647 D JOA Mar 23, 2010
 PS0505 A PUR/SAL-C Aug 08, 2012(I)

Royalty / Encumbrances

Royalty Type	Product Type	Sliding Scale	Convertible	% of Prod/Sales
LESSOR ROYALTY	ALL	N	N	100.00000000 % of PROD
Roy Percent:	18.00000000			
Deduction:	YES			
Gas: Royalty:				
S/S OIL: Min:				
Other Percent:				
Min Pay:				Prod/Sales:
Div:				Prod/Sales:
Min:				Prod/Sales:
Paid to:	DEPOSITO(M)	RENTAL (C)		
KRAUSE ESTATE	50.00000000	MANCAL		50.00000000
ADCOCK, E.	50.00000000	LONG RUN EXPL		50.00000000

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File Number	Lse Type	Lessor Type	Exposure	Oper.Cont.	ROFR	DOI Code	Lease Description / Rights Held	
File Status	Int Type / Lse No/Name	Operator / Payor	Gross		Net	Doi Partner(s)	*	
Mineral Int							*	
M03965	PNG LEASIFH	WI	0.000	C01647	A	No	Area : BRUDERHEIM SOUTH	
Sub: A	THIEL, H & R	MANCAL	0.000	LONG RUN EXPL			TWP 55 RGE 20 W4M PTN LSDS 11,	
ACTIVE			0.000	MANCAL			14 SEC 33	
100.00000000	MANCAL		Count Acreage =	No	Total Rental:	0.00	(PLAN 1843CL, BLOCK 9 AND N/2 BLOCK 8)	
			Status	Hectares	Net	Undev:	Hectares	
			Dev:	0.000	0.000	0.000	0.000	
							ALL PNG EXCL PET IN VIKING_ZONE (EXCL COAL)	
----- Related Contracts -----								
							C01647 A JOA Mar 23, 2010	
							PS0505 A PUR/SAL-C Aug 08, 2012 (I)	
----- Royalty / Encumbrances -----								
Royalty Type	Product Type	Sliding Scale	Convertible	% of Prod/Sales				
LESSOR ROYALTY	ALL	N	N	100.00000000	% of PROD			
Roy Percent:	18.00000000							
Deduction:	YES							
Gas: Royalty:								
S/S OIL: Min:								
Other Percent:								
Paid to:	DEPOSITO(M)	Min Pay:	WI	Prod/Sales:				
THIEL, H.P.	50.00000000	LONG RUN EXPL	(C)	50.00000000				
THIEL, R.W.	50.00000000	MANCAL		50.00000000				
ROYALTY REVIEWED - May 28, 2015								
ROYALTY REVIEWED BY LRE.								

M03965	PNG LEASIFH	WI	2.720	C01647	D	No	Area : BRUDERHEIM SOUTH
Sub: B	THIEL, H & R	MANCAL	2.720	MANCAL			TWP 55 RGE 20 W4M PTN LSDS 11,
ACTIVE			1.254	LONG RUN EXPL			14 SEC 33
							POOLED
							46.11820000
							46.11820000

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File Status	Int Type / Lse No/Name	Operator / Payor	Gross	Net	Doi Partner(s)	*	*
M03965	B	MANCAL	BUCHOLZ ESTATE	1.24420000			(PLAN 1843CL, BLOCK 9 AND N/2 BLOCK 8)
100.00000000	MANCAL		HOLME, G. EST	1.89110000			(SUBJECT TO COMPULSORY POOLING ORDER NO. P. 418. DATED JANUARY 19, 2011)
			SCHULTZ, O EST	1.40590000			PET IN VIKING_ZONE (EXCL COAL)
			KITTLITZ, E. ES	3.22240000			
			Total Rental:	7.00			

(cont'd)

Status	Hectares	Net	Hectares	Net	Related Contracts
DEVELOPED	2.720	1.254	0.000	0.000	C01647 D JOA Mar 23, 2010
			Undev:		PS0505 A PUR/SAL-C Aug 08, 2012 (I)

Royalty / Encumbrances

Royalty Type	Product Type	Sliding Scale	Convertible	% of Prod/Sales
LESSOR ROYALTY	ALL	N	N	100.00000000 % of PROD
Roy Percent:				
Deduction:				
Gas: Royalty:				
S/S OIL: Min:				
Other Percent:				
Paid to:	DEPOSITO(M)			
THIEL, H.P.	50.00000000			
THIEL, R.W.	50.00000000			
Paid by:	RENTAL (C)			
	MANCAL			50.00000000
	LONG RUN EXPL			50.00000000

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File Status	Int Type / Lse No/Name	Operator / Payor	Gross	Net	Doi Partner(s)	Lease Description / Rights Held
M03966	PNG LEASIFH		0.000	C01647	A No	WI
Sub: A	WI		0.000	LONG RUN EXPL		50.000000000
ACTIVE	THIEL, H & G		0.000	MANCAL		50.000000000
	MANCAL					
100.00000000	MANCAL			Total Rental:	0.00	

Eff: Jul 15, 2008 **Exp:** Jul 14, 2013 **Ext:** HBP
 Area : BRUDERHEIM SOUTH
 TWP 55 RGE 20 W4M PTN LSDS 11,
 14 SEC 33
 (PLAN 1843CL, BLOCKS 4 & 5)
 ALL PNG EXCL PET IN VIKING_ZONE
 (EXCL COAL)

----- Related Contracts -----
 C01647 A JOA Mar 23, 2010
 PS0505 A PUR/SAL-C Aug 08, 2012(l)

Royalty / Encumbrances

Royalty Type	Product Type	Sliding Scale	Convertible	% of Prod/Sales
LESSOR ROYALTY	ALL	N	N	100.00000000 % of PROD
Roy Percent:				
18.00000000				
Deduction:				
YES				
Gas: Royalty:				
S/S OIL: Min:				
Other Percent:				

Min Pay: **Div:** **Min:** **Prod/Sales:**
Max: **Prod/Sales:** **Prod/Sales:**
Other Percent: **Prod/Sales:**

Paid to: DEPOSITO(M)
 THIEL, H. & G. 100.00000000 **Paid by:** WI (C)
 LONG RUN EXPL 50.00000000
 MANCAL 50.00000000

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File Number	Lse Type	Lessor Type	Exposure	Oper.Cont.	ROFR	DOI Code	Lease Description / Rights Held
File Status	Int Type / Lse No/Name	Operator / Payor	Gross	Net	Doi Partner(s)	*	*
M03966	Sub: B	MANCAL	BUCHOLZ ESTATE	1.24420000			(PLAN 1843CL, BLOCKS 4 & 5)
100.00000000	MANCAL	MANCAL	HOLME, G. EST	1.89110000			(SUBJECT TO COMPULSORY POOLING ORDER NO. P. 418, DATED JANUARY 19, 2011)
			SCHULTZ, O EST	1.40590000			PET IN VIKING_ZONE (EXCL COAL)
			KITTLITZ, E. ES	3.22240000			
			Total Rental:	10.00			

----- Related Contracts -----
C01647 D JOA Mar 23, 2010
PS0505 A PUR/SAL-C Aug 08, 2012(l)

Royalty / Encumbrances

Royalty Type	Product Type	Sliding Scale	Convertible	% of Prod/Sales
LESSOR ROYALTY	ALL	N	N	100.00000000 % of PROD
Roy Percent:				18.00000000
Deduction:				YES
Gas: Royalty:				Prod/Sales:
S/S OIL: Min:				Prod/Sales:
Other Percent:				Prod/Sales:
Paid to: DEPOSITO(M)				
THIEL, H. & G.				100.00000000
Paid by: RENTAL (C)				
MANCAL				50.00000000
LONG RUN EXPL				50.00000000

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File Status	Int Type / Lse No/Name	Operator / Payor	Gross	Net	Doi Partner(s)	*	*
M03968	B	MANCAL	BUCHOLZ ESTATE	1.24420000			(PLAN 1843CL, BLOCKS 7 & S/2 8)
50.00000000	MANCAL	MANCAL	HOLME, G. EST	1.89110000			(UNDIVIDED 1/2 INTEREST)
			SCHULTZ, O EST	1.40590000			(SUBJECT TO COMPULSORY POOLING
			KITTLITZ, E. ES	3.22240000			ORDER NO. P. 418. DATED JANUARY
			Total Rental:	3.00			19, 2011)
							PET IN VIKING_ZONE (EXCL COAL)
							----- Related Contracts -----
							C01647 D JOA Mar 23, 2010
							PS0505 A PUR/SAL-C Aug 08, 2012(I)

(cont'd)

Royalty / Encumbrances

Royalty Type	Product Type	Sliding Scale	Convertible	% of Prod/Sales
LESSOR ROYALTY	ALL	N	N	100.00000000 % of PROD
Roy Percent:	18.00000000			
Deduction:	YES			
Gas: Royalty:				Prod/Sales:
S/S OIL: Min:				Prod/Sales:
Other Percent:				Prod/Sales:
Paid to:	DEPOSITO(M)			
TAYLOR, GARY R	100.00000000			
		PAID by:	RENTAL (C)	
		MANCAL	50.00000000	
		LONG RUN EXPL	50.00000000	

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File Number	Lse Type	Lessor Type	Exposure	Oper. Cont.	ROFR	DOI Code	Lease Description / Rights Held	
							Mineral Int	Operator / Payor
File Status	Int Type / Lse No/Name		Gross					
Mineral Int	Operator / Payor		Net	Doi Partner(s)	*	*		
M03972	PNG LEASIFH	Eff: Jul 13, 2010	0.000	C01647	A No	WI	Area : BRUDERHEIM SOUTH	
Sub: A	WI	Exp: Jul 12, 2015	0.000	LONG RUN EXPL		50.000000000	TWP 55 RGE 20 W4M PTN LSD 11	
ACTIVE	AASGARD, C & K	Ext: HBP	0.000	MANCAL		50.000000000	SEC 33	
	MANCAL						(PLAN 1843CL, BLOCKS 7 AND S/2	
50.000000000	MANCAL	Count Acreage = No		Total Rental: 0.00			BLOCK 8)	
		Dev:	Hectares	Net	Undev:	Hectares	Net	(UNDIVIDED 1/2 INTEREST)
			0.000	0.000	0.000	0.000	0.000	ALL PNG EXCL PET IN VIKING_ZONE
								(EXCL COAL)
----- Related Contracts -----								
C01647 A JOA Mar 23, 2010								
PS0505 A PUR/SAL-C Aug 08, 2012 (I)								
----- Royalty / Encumbrances -----								
Royalty Type	Product Type	Sliding Scale	Convertible	% of Prod/Sales				
LESSOR ROYALTY	ALL	N	N	100.00000000	% of PROD			
Roy Percent: 16.000000000								
Deduction: YES								
Gas: Royalty:	Min Pay:							Prod/Sales:
S/S OIL: Min:	Div:							Prod/Sales:
Other Percent:	Min:							Prod/Sales:
Paid to: DEPOSITO(M)	Paid by: WI				(C)			
AASCK	LONG RUN EXPL					50.000000000		
	MANCAL					50.000000000		
ROYALTY REVIEWED - May 28, 2015								
ROYALTY REVIEWED BY LRE.								

M03972	PNG LEASIFH	Eff: Jul 13, 2010	2.400	C01647	D No	POOLED	Area : BRUDERHEIM SOUTH
Sub: B	WI	Exp: Jul 12, 2015	2.400	MANCAL		46.11820000	TWP 55 RGE 20 W4M PTN LSD 11
ACTIVE	AASGARD, C & K	Ext: HBP	1.107	LONG RUN EXPL		46.11820000	SEC 33

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File Number	Lse Type	Lessor Type	Exposure	Oper.Cont.	ROFR	DOI Code	Lease Description / Rights Held
File Status	Int Type / Lse No/Name	Operator / Payor	Gross	Net	Doi Partner(s)	*	*
M03972	Sub: B	MANCAL	BUCHOLZ ESTATE	1.24420000			(PLAN 1843CL, BLOCKS 7 AND S/2 BLOCK 8)
50.00000000	MANCAL		HOLME, G. EST	1.89110000			(UNDIVIDED 1/2 INTEREST)
			SCHULTZ, O EST	1.40590000			(SUBJECT TO COMPULSORY POOLING ORDER NO. P. 418, DATED JANUARY 19, 2011)
			KITTLITZ, E. ES	3.22240000			PET IN VIKING_ZONE (EXCL COAL)
			Total Rental:	25.00			
							----- Related Contracts -----
							C01647 D JOA Mar 23, 2010
							PS0505 A PUR/SAL-C Aug 08, 2012(I)
Royalty / Encumbrances							
	Royalty Type	Product Type	Sliding Scale	Convertible	% of Prod/Sales		
	LESSOR ROYALTY	ALL	N	N	100.00000000	% of PROD	
	Roy Percent:	16.00000000					
	Deduction:	YES					
	Gas: Royalty:						Prod/Sales:
	S/S OIL: Min:						Prod/Sales:
	Other Percent:						Prod/Sales:
	Paid to:	DEPOSITO(M)					Paid by: RENTAL (C)
	AASCK	100.00000000					MANCAL 50.00000000
							LONG RUN EXPL 50.00000000
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File Status	Int Type / Lse No/Name	Operator / Payor	Gross	Net	Doi Partner(s)	*	*
M04049	B	MANCAL	BUCHOLZ ESTATE			1.24420000	(PLAN 1820CL, PARCEL B)
33.33000000	MANCAL	MANCAL	HOLME, G. EST			1.89110000	(AN UNDIVIDED 1/3 INTEREST)
			SCHULTZ, O EST			1.40590000	(SUBJECT TO COMPULSORY POOLING ORDER NO. P. 418, DATED JANUARY 19, 2011)
			KITTLITZ, E. ES			3.22240000	PET IN VIKING_ZONE (EXCL COAL)
			Total Rental:	3.33			

(cont'd)

Status	Hectares	Net	Hectares	Net	Related Contracts
DEVELOPED	2.570	1.185	0.000	0.000	----- C01647 D JOA Mar 23, 2010 PS0505 A PUR/SAL-C Aug 08, 2012(I)
		Undev:			

Royalty / Encumbrances

Royalty Type	Product Type	Sliding Scale	Convertible	% of Prod/Sales
LESSOR ROYALTY	ALL	N	N	100.00000000 % of PROD
Roy Percent:				
Deduction:				
Gas: Royalty:				
S/S OIL: Min:				
Other Percent:				
Paid to: DEPOSITO(M)				
SCWETZ, K	100.000000000			
Paid by: RENTAL (C)				
MANCAL	50.000000000			
LONG RUN EXPL	50.000000000			

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File Number	Lse Type	Lessor Type	Exposure	Oper. Cont.	ROFR	DOI Code	Lease Description / Rights Held
File Status	Int Type / Lse No/Name	Operator / Payor	Gross	Net	Doi Partner(s)	*	*
M04050	PNG LEASIFH	WI	0.000	C01647	A No	WI	Area : BRUDERHEIM SOUTH TWP 55 RGE 20 W4M PTN LSD 11 SEC 33
Sub: A	Eff: May 27, 2011	Exp: May 26, 2014	0.000	LONG RUN EXPL	50.000000000		(PLAN 1820CL, PARCEL B)
ACTIVE	Ext: HBP	MANCAL	0.000	MANCAL	50.000000000		(AN UNDIVIDED 1/3 INTEREST) ALL PNG EXCL PET IN VIKING_ZONE (EXCL COAL)
33.33000000	MANCAL	Count Acreage = No	Total Rental: 0.00				
		Hectares	Net	Hectares	Net		
	Dev:	0.000	0.000	Undev:	0.000		

----- Related Contracts -----
 C01647 A JOA Mar 23, 2010
 PS0505 A PUR/SAL-C Aug 08, 2012(l)

Royalty Type	Product Type	Sliding Scale	Convertible	% of Prod/Sales
LESSOR ROYALTY	ALL	N	N	100.00000000 % of PROD
Roy Percent:	17.00000000			
Deduction:	NO			
Gas: Royalty:				
S/S OIL: Min:				
Other Percent:				
Paid to:	DEPOSITO(M)			
LUKAWESKY GW	50.00000000	LONG RUN EXPL	WI (C)	50.00000000
TANSLEY DL	50.00000000	MANCAL		50.00000000

ROYALTY REVIEWED - May 28, 2015
 ROYALTY REVIEWED BY LRE.

M04050	PNG LEASIFH	WI	7.710	C01647	D No	POOLED	Area : BRUDERHEIM SOUTH TWP 55 RGE 20 W4M PTN LSD 11 SEC 33
Sub: B	Eff: May 27, 2011	Exp: May 26, 2014	2.570	MANCAL	46.11820000		
ACTIVE	Ext: HBP	MANCAL	1.185	LONG RUN EXPL	46.11820000		

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File Status	Int Type / Lse No/Name	Operator / Payor	Gross	Net	Doi Partner(s)	*	*
M04050	B	MANCAL	BUCHOLZ ESTATE			1.24420000	(PLAN 1820CL, PARCEL B)
33.33000000	MANCAL	MANCAL	HOLME, G. EST			1.89110000	(AN UNDIVIDED 1/3 INTEREST)
			SCHULTZ, O EST			1.40590000	(SUBJECT TO COMPULSORY POOLING ORDER NO. P. 418, DATED JANUARY 19, 2011)
			KITTLITZ, E. ES			3.22240000	PET IN VIKING_ZONE (EXCL COAL)
			Total Rental:	3.33			

----- Related Contracts -----
C01647 D JOA Mar 23, 2010
PS0505 A PUR/SAL-C Aug 08, 2012 (I)

Royalty / Encumbrances

Royalty Type	Product Type	Sliding Scale	Convertible	% of Prod/Sales
LESSOR ROYALTY	ALL	N	N	100.00000000 % of PROD
Roy Percent:				
Deduction:				
Gas: Royalty:				
S/S OIL: Min:				
Other Percent:				
Paid to:	DEPOSITO(M)			
LUKAWESKY GW				
TANSLEY DL				
Min Pay:				
Div:				
Min:				
Paid by:	RENTAL (C)			
MANCAL				
LONG RUN EXPL				
Prod/Sales:				
Prod/Sales:				
Prod/Sales:				

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File Status	Int Type / Lse No/Name	Operator / Payor	Gross	Net	Doi Partner(s)	*	*
M04054	B	MANCAL	BUCHOLZ ESTATE	1.24420000			(PLAN 1820CL, PARCEL B)
33.34000000	MANCAL	MANCAL	HOLME, G. EST	1.89110000			(AN UNDIVIDED 1/3 INTEREST)
			SCHULTZ, O EST	1.40590000			(SUBJECT TO COMPULSORY POOLING ORDER NO. P. 418, DATED JANUARY 19, 2011)
			KITTLITZ, E. ES	3.22240000			PET IN VIKING_ZONE (EXCL COAL)
			Total Rental:	3.33			

(cont'd)

Status	Hectares	Net	Hectares	Net	Related Contracts
DEVELOPED	2.570	1.185	0.000	0.000	----- C01647 D JOA Mar 23, 2010 PS0505 A PUR/SAL-C Aug 08, 2012(I)
		Undev:			

Royalty / Encumbrances

Royalty Type	Product Type	Sliding Scale	Convertible	% of Prod/Sales
LESSOR ROYALTY	ALL	N	N	100.00000000 % of PROD
Roy Percent:				
Deduction:				
Gas: Royalty:				
S/S OIL: Min:				
Other Percent:				
Paid to:	DEPOSITO(M)			
GERALDDOUGLA	100.000000000			
	MANCAL			50.000000000
	LONG RUN EXPL			50.000000000
	RENTAL (C)			
Min Pay:				Prod/Sales:
Div:				Prod/Sales:
Min:				Prod/Sales:

ROYALTY REVIEWED - May 28, 2015
ROYALTY REVIEWED BY LRE.

**LONG RUN EXPLORATION LTD.
Mineral Property Report**

Schedule A

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REPORTED IN HECTARES

File Number	Lse Type	Lessor Type	Exposure	Oper.Cont.	ROFR	DOI Code	Lease Description / Rights Held
File Status	Int Type / Lse No/Name	Operator / Payor	Gross		Net	Doi Partner(s)	*
Mineral Int							*
M04763	PNG LEASIFH	WI	1.182	C01647	D No	POOLED	Area : BRUDERHEIM SOUTH
Sub: A	WI		1.182	MANCAL		46.11820000	TWP 55 RGE 20 W4M PTN LSD 11,
ACTIVE	KITTLITZ, E		0.545	LONG RUN EXPL		46.11820000	14 SEC 33
100.00000000	MANCAL			BUCHOLZ ESTATE		1.24420000	(PLAN 1843CL ALL THAT PORTION
	MANCAL			HOLME, G. EST		1.89110000	TAKEN OF UNAMED STREET WITHIN
				SCHULTZ, O EST		1.40590000	THE LIMITS OF THE SAID PLAN)
				KITTLITZ, E. ES		3.22240000	(SUBJECT TO COMPULSORY POOLING
							ORDER NO. P 418, DATED JANUARY
							19, 2011)
							PET IN VIKING_ZONE (EXCL COAL)
							----- Related Contracts -----
							C01647 D JOA Mar 23, 2010
							PS0505 A PUR/SAL-C Aug 08, 2012(I)

Total Rental: 0.00

Status	Hectares	Net	Hectares	Net
DEVELOPED	1.182	0.545	0.000	0.000

Royalty / Encumbrances

Royalty Type	Product Type	Sliding Scale	Convertible	% of Prod/Sales
LESSOR ROYALTY	ALL	N	N	100.00000000 % of
Roy Percent:				
Deduction:				
Gas: Royalty:				
S/S OIL: Min:				
Other Percent:				
Min Pay:				Prod/Sales:
Max:				Prod/Sales:
				Prod/Sales:
Paid to: DEPOSITO(M)				
KITTLITZ, E. ES	100.000000000			MANCAL 50.000000000
				LONG RUN EXPL 50.000000000

GENERAL - Jan 19, 2011
SUBJECT TO COMPULSORY POOLING ORDER NO. P 418. NO LEASE DOCUMENT HAS BEEN ISSUED, AS SUCH THERE IS NO LESSOR ROYALTY RATE.

LONG RUN EXPLORATION LTD. Mineral Property Report

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File Number	Lse Type	Lessor Type	Exposure	Oper. Cont.	ROFR	DOI Code	Lease Description / Rights Held	
							Mineral Int	Operator / Payor
File Status	Int Type / Lse No/Name		Gross					
Mineral Int	Operator / Payor		Net	Doi Partner(s)			*	*

M04056 PNG LEASIFH Eff: May 10, 2010 0.117 C01647 A No WI
 Sub: A WI Exp: May 09, 2015 0.117 LONG RUN EXPL 50.000000000
 ACTIVE KROKER, GLEADA Ext: HBP 0.059 MANCAL 50.000000000
 MANCAL
 100.000000000 MANCAL Count Acreage = No Total Rental: 0.00

Status
 DEVELOPED **Dev:** 0.117 **Hectares** **Net** **Hectares** **Undev:** 0.059 **Undev:** 0.000 **Net** 0.000

Area : BRUDERHEIM SOUTH
 TWP 55 RGE 20 W4M PTN LSD 12
 SEC 33
 (WEST OF A LINE DRAWN PARALLEL TO THE WESTERLY BOUNDARY OF THE SAID LSD 12 & PERPENDICULARLY DISTANT 173 FEET EASTERLY & TO THE SOUTH OF THE SOUTHERLY BOUNDARIES OF LOT A & HIGHWAY STREET AS SHOWN ON SUBDIVISION PLAN 1009KS)
 ALL PNG EXCL PET IN VIKING_ZONE

Royalty Type
 LESSOR ROYALTY ALL N N 100.00000000 % of PROD

Roy Percent: 17.00000000
Deduction: NO
Gas Royalty:
S/S OIL: Min:
Other Percent:

Min Pay: **Prod/Sales:**
Div: **Prod/Sales:**
Min: **Prod/Sales:**

Paid to: DEPOSITO(M) **Paid by:** WI (C)
 KROKER, G.P. 100.000000000 LONG RUN EXPL 50.000000000
 MANCAL 50.000000000

Related Contracts
 C01647 A JOA Mar 23, 2010
 PS0505 A PUR/SAL-C Aug 08, 2012 (I)

DEDUCTIONS - Jun 02, 2015
 ROYALTY REVIEWED BY LRE.

M04056 PNG LEASIFH Eff: May 10, 2010 0.117 C01647 C No POOLED WI Area : BRUDERHEIM SOUTH
 Sub: B WI Exp: May 09, 2015 0.117 MANCAL 46.34520000 50.000000000 TWP 55 RGE 20 W4M PTN LSD 12
 ACTIVE KROKER, GLEADA Ext: HBP 0.054 LONG RUN EXPL 46.34520000 50.000000000 SEC 33

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File Number	Lse Type	Lessor Type	Exposure	Oper.Cont.	ROFR	DOI Code	Lease Description / Rights Held
File Status	Int Type / Lse No/Name	Operator / Payor	Gross	Net	Doi Partner(s)	*	*

(cont'd)

M04056	Sub: B	MANCAL	RISKE, GUSTAV	7.30960000			(WEST OF A LINE DRAWN PARALLEL TO THE WESTERLY BOUNDARY OF THE SAID LSD 12 & PERPENDICULARLY DISTANT 173 FEET EASTERLY & TO THE SOUTH OF THE SOUTHERLY BOUNDARIES OF LOT A & HIGHWAY STREET AS SHOWN ON SUBDIVISION PLAN 1009KS)
100.00000000	MANCAL		Total Rental: 25.00				(SUBJECT TO COMPULSORY POOLING ORDER NO. P 418, DATED JANUARY 19, 2011) PET IN VIKING_ZONE
	Status		Hectares	Net	Hectares	Net	
	DEVELOPED		0.117	0.054	0.000	0.000	
	Dev:		Undev:				

Royalty / Encumbrances

Royalty Type	Product Type	Sliding Scale	Convertible	% of Prod/Sales
LESSOR ROYALTY	ALL	N	N	100.00000000 % of PROD
Roy Percent:				
17.00000000				
Deduction:				
NO				
Gas: Royalty:				
S/S OIL: Min:				
Other Percent:				
Paid to:	DEPOSITO(M)			
KROKER, G.P.	100.00000000			
Paid by:	WI		(C)	
	MANCAL		50.00000000	
	LONG RUN EXPL		50.00000000	
Min Pay:				
Div:				
Max:				
Prod/Sales:				
Prod/Sales:				
Prod/Sales:				

-----**Related Contracts**-----
C00665 A PSUA Mar 20, 2012
C01647 C JOA Mar 23, 2010
PS0505 A PUR/SAL-C Aug 08, 2012(l)

DEDUCTIONS - Jun 02, 2015

ROYALTY REVIEWED BY LRE.

M04057	PNG LEASIFH	Eff: Aug 31, 2010	16.188	C01647	A	No	WI	Area : BRUDERHEIM SOUTH
Sub: A	WI	Exp: Aug 30, 2013	0.704	LONG RUN EXPL			50.00000000	TWP 55 RGE 20 W4M PTN LSD 12
ACTIVE	SCWETZ, KARODEN	Ext: HBP	0.352	MANCAL			50.00000000	SEC 33

**LONG RUN EXPLORATION LTD.
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File Number	Lse Type	Lessor Type	Exposure	Oper.Cont.	ROFR	DOI Code
File Status	Int Type / Lse No/Name		Gross			
Mineral Int	Operator / Payor		Net	Doi Partner(s)	*	Lease Description / Rights Held

(cont'd)

M04057						
Sub: A	MANCAL					
100.00000000	MANCAL	Count Acreage = No	Total Rental: 0.00			ALL PNG EXCL PET IN VIKING_ZONE
Status		Hectares	Net	Hectares	Net	Related Contracts
DEVELOPED		0.704	0.352	0.000	0.000	----- C01647 A JOA Mar 23, 2010 PS0505 A PUR/SAL-C Aug 08, 2012(l)

Royalty / Encumbrances

Royalty Type	Product Type	Sliding Scale	Convertible	% of Prod/Sales
LESSOR ROYALTY	ALL	N	N	100.00000000 % of PROD
Roy Percent:				
Deduction:				
Gas: Royalty:				
S/S OIL: Min:				
Other Percent:				
Min Pay:				Prod/Sales:
				Prod/Sales:
				Prod/Sales:
Paid to: DEPOSITO(M)				
SCWETZ, K	100.00000000	WI	(C)	
		LONG RUN EXPL		50.00000000
		MANCAL		50.00000000

DEDUCTIONS - Jun 02, 2015
ROYALTY REVIEWED BY LRE.

M04057	PNG LEASIFH	Eff: Aug 31, 2010	16.188	C01647	C	No	WI	Area : BRUDERHEIM SOUTH
Sub: B	WI	Exp: Aug 30, 2013	0.704	MANCAL			50.00000000	TWP 55 RGE 20 W4M PTN LSD 12
ACTIVE	SCWETZ, KARODEN	Ext: HBP	0.326	LONG RUN EXPL			50.00000000	SEC 33
	MANCAL			RISKE, GUSTAV				(SUBJECT TO COMPULSORY POOLING

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LONG RUN EXPLORATION LTD.
Mineral Property Report

REPORTED IN HECTARES

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File Number	Lse Type	Lessor Type	Exposure	Oper. Cont.	ROFR	DOI Code	Lease Description / Rights Held
File Status	Int Type / Lse No/Name	Operator / Payor	Net	Doi Partner(s)	*	*	
M04057	B	MANCAL	0.704	0.326	83.34		PET IN VIKING_ZONE

(cont'd)

Sub: B
 100.00000000 MANCAL

ORDER NO. P 418, DATED JANUARY 19, 2011)

Status: DEVELOPED
Hectares: 0.704
Net: 0.326
Undev: 0.000
Hectares: 0.000
Net: 0.000

Related Contracts
 C00665 A PSUA Mar 20, 2012
 C01647 C JOA Mar 23, 2010
 PS0505 A PUR/SAL-C Aug 08, 2012 (I)

Royalty / Encumbrances

Royalty Type: LESSOR ROYALTY
Roy Percent: 17.00000000
Deduction: NO
Gas Royalty:
S/S OIL: Min:
Other Percent:

Product Type: ALL
Sliding Scale: N
Convertible: N
% of Prod/Sales: 100.00000000 % of PROD

Min Pay:
Div:
Min:

Paid to: SCWETZ, K
DEPOSITO(M): 100.00000000
Paid by: WI (C)
MANCAL: 50.00000000
LONG RUN EXPL: 50.00000000

DEDUCTIONS - Jun 02, 2015
 ROYALTY REVIEWED BY LRE.

M04101	PNG LEASIFH	WI	16.188	C01647	A	No	WI
Sub: A	ACTIVE	PRAIRIESKY	10.627	5.314	MANCAL	LONG RUN EXPL	50.00000000
		Ext: HBP					50.00000000

Area : BRUDERHEIM SOUTH
 TWP 55 RGE 20 W4M PTN LSD 12
 SEC 33

**LONG RUN EXPLORATION LTD.
Mineral Property Report**

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File Number	Lse Type	Lessor Type	Exposure	Oper.Cont.	ROFR	DOI Code
File Status	Int Type / Lse No/Name		Gross			
Mineral Int	Operator / Payor		Net	Doi Partner(s)	*	Lease Description / Rights Held

(cont'd)

M04101	Sub: A	MANCAL				
100.00000000	MANCAL		Count Acreage =	No	Total Rental: 0.00	
	Status		Hectares	Net	Hectares	Net
	DEVELOPED		10.627	5.314	Undev:	0.000
						0.000
						PNG TO BASE VIKING_ZONE (EXCL COAL, CBM) EXCL PET IN VIKING_ZONE (VIKING_ZONE DEFINED AS 665.7M TO 697.4M TVD)

Royalty / Encumbrances

Related Contracts

Royalty Type	Product Type	Sliding Scale	Convertible	% of Prod/Sales
LESSOR ROYALTY	ALL	N	N	100.00000000 % of PROD

Roy Percent: 17.50000000
Deduction: YES
Gas: Royalty:
S/S OIL: Min:
Other Percent:

Min Pay:
Div:
Min:
Prod/Sales:
Prod/Sales:
Prod/Sales:

Paid to: LESSOR (M) 100.00000000
PRAIRIESKY
Paid by: WI (C)
LONG RUN EXPL 50.00000000
MANCAL 50.00000000

ROYALTY REVIEWED - Jun 02, 2015
ROYALTY REVIEWED BY LRE.

M04101	PNG LEASIFH	Eff: Feb 24, 2010	16.188	C01647	C	No	WI	Area : BRUDERHEIM SOUTH
Sub: B	WI	Exp: Feb 23, 2013	10.627	MANCAL			50.00000000	TWP 55 RGE 20 W4M PTN LSD 12
ACTIVE	PRAIRIESKY	Ext: HBP	4.925	LONG RUN EXPL			50.00000000	SEC 33
	MANCAL			RISKE, GUSTAV				(SUBJECT TO COMPULSORY POOLING

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File Number	Lse Type	Lessor Type	Exposure	Oper.Cont.	ROFR	DOI Code	Lease Description / Rights Held
File Status	Int Type / Lse No/Name	Operator / Payor	Gross	Net	Doi Partner(s)	*	*
M04101	B	MANCAL					
ORDER NO. P 418, DATED JANUARY 19, 2011) PET IN VIKING_ZONE (EXCL COAL, CBM) (VIKING_ZONE DEFINED AS 665.7M TO 697.4M TVD)							

(cont'd)

M04101
Sub: B
100.00000000 MANCAL

Total Rental: 0.00

Status	Hectares	Net	Hectares	Net
DEVELOPED	10.627	4.925	0.000	0.000

Royalty / Encumbrances

Royalty Type	Product Type	Sliding Scale	Convertible	% of Prod/Sales	Related Contracts
LESSOR ROYALTY	ALL	N	N	100.00000000	PSUA Mar 20, 2012 JOA Mar 23, 2010 PUR/SAL-C Aug 08, 2012(I)

Roy Percent: 17.50000000

Deduction: YES

Gas: Royalty:

S/S OIL: Min:

Other Percent:

Min Pay:

Div:

Min:

Prod/Sales:

Prod/Sales:

Prod/Sales:

Paid to: DEPOSITO(M)

PRAIRIESKY

100.00000000

Paid by: WI (C)

MANCAL

50.00000000

LONG RUN EXPL

50.00000000

ROYALTY REVIEWED - Jun 02, 2015

ROYALTY REVIEWED BY LRE.

M04764	PNG LEASIFH	WI	ESTATE OF RISKE	Eff: Jan 19, 2011	4.977	C01647	C	No	WI	Area : BRUDERHEIM SOUTH
Sub: A	ACTIVE	WI	ESTATE OF RISKE	Exp: Jan 18, 2110	4.977	MANCAL			50.00000000	TWP 55 RGE 20 W4M PTN LSD 12
					2.307	LONG RUN EXPL			50.00000000	SEC 33

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File Number	Lse Type	Lessor Type	Exposure	Oper.Cont.	ROFR	DOI Code	Lease Description / Rights Held
File Status	Int Type / Lse No/Name	Operator / Payor	Gross	Net	Doi Partner(s)	*	*
M04764	A	MANCAL			RISKE, GUSTAV	7.30960000	(PTN OF THE MOST SOUTHERLY 393.8 FEET IN DEPTH THROUGHOUT OF LSD 12 CONTAINING 4.86 HA.) (EXCL. THEREOUT OF LSD 12 WHICH LIES TO THE WEST OF A LINE DRAWN PARALLEL TO THE WESTERLY BOUNDARY OF THE SAID LSD 12 AND PERPENDICULARLY DISTANT 173 FEET EASTERLY THERE FROM AND TO THE SOUTH OF THE SOUTHERLY BOUNDARIES OF LOT A AND HIGHWAY STREET AS SHOWN ON PLAN 1009KS, CONTAINING 0.117(HA.) (SUBJECT TO COMPULSORY POOLING ORDER NO. P 418, DATED JANUARY 19, 2011) PET IN VIKING_ZONE
			Total Rental:	0.00			

(cont'd)

Status	Hectares	Net	Hectares	Net
DEVELOPED	4.977	2.307	0.000	0.000
Undev:				

Royalty / Encumbrances

Royalty Type	Product Type	Sliding Scale	Convertible	% of Prod/Sales
LESSOR ROYALTY	ALL	N	N	100.00000000 % of
Roy Percent:				
Deduction:				
Gas: Royalty:				
S/S OIL: Min:				
Other Percent:				
Min Pay:				Prod/Sales:
Max:				Prod/Sales:
				Prod/Sales:

Paid to:	DEPOSITO(M)	Paid by:	WI	(C)
RISKE, GUSTAV	100.00000000	MANCAL	LONG RUN EXPL	50.00000000
				50.00000000

GENERAL - Jan 19, 2011

SUBJECT TO COMPULSORY POOLING ORDER NO. P 418. NO LEASE DOCUMENT HAS BEEN ISSUED, AS SUCH THERE IS NO LESSOR ROYALTY RATE.

----- Related Contracts -----

C00665 A	PSUA	Mar 20, 2012
C01647 C	JOA	Mar 23, 2010
PS0505 A	PUR/SAL-C	Aug 08, 2012 (I)

M03951	PNG LEASfCR	Eff:	Nov 15, 2007	16.000	C01647	A	No	WI	Area : BRUDERHEIM SOUTH
Sub: A	WI	Exp:	Nov 14, 2012	16.000	LONG RUN EXPL		50.00000000		TWP 55 RGE 20 W4M LSD 13 SEC 33

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File Number	Lse Type	Lessor Type	Exposure	Oper. Cont.	ROFR	DOI Code	Lease Description / Rights Held
File Status	Int Type / Lse No/Name	Operator / Payor	Net	Doi Partner(s)	*	*	
M03951	Sub: A						
ACTIVE	0407110384	Ext: AB 15	8.000	MANCAL		50.000000000	PNG TO BASE VIKING_ZONE
100.000000000	MANCAL						EXCL PET IN VIKING_ZONE

(cont'd)

Status	Hectares	Net	Hectares	Net	Related Contracts
UNDEVELOPED	0.000	0.000	16.000	8.000	C01420 A PARTICIPAT Jul 22, 2009 (I)
					C01647 A JOA Mar 23, 2010
					PS0505 A PUR/SAL-C Aug 08, 2012 (I)

Count Acreage = No Total Rental: 0.00

Royalty / Encumbrances

Royalty Type	Product Type	Sliding Scale	Convertible	% of Prod/Sales
CROWN	ALL	Y	N	100.000000000 % of PROD

Roy Percent: STANDARD
Deduction: STANDARD
Gas: Royalty:
S/S OIL: Min: Max:
Other Percent: Min Pay: Div: Min: Prod/Sales: Prod/Sales: Prod/Sales:

Paid to: DEPOSITO(M) Paid by: WI (C)
GOV OF ALBERTA 100.000000000 LONG RUN EXPL 50.000000000
MANCAL MANCAL 50.000000000

File Number	Lse Type	Eff: Nov 15, 2007	C No	Pooled	WI Area : BRUDERHEIM SOUTH
M03951	PNG LEAS/CR				
Sub: C	WI	Exp: Nov 14, 2012	16.000	MANCAL	50.000000000 TWP 55 RGE 20 W4M LSD 13 SEC 33
ACTIVE	0407110384	Ext: AB 15	7.415	LONG RUN EXPL	50.000000000 (SUBJECT TO COMPULSORY POOLING
100.000000000	MANCAL			RISKE, GUSTAV	ORDER NO. P 418)
	MANCAL				PET IN VIKING_ZONE

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File Number	Lse Type	Lessor Type	Exposure	Oper.Cont.	ROFR	DOI Code	Lease Description / Rights Held
File Status	Int Type / Lse No/Name	Operator / Payor	Net	Doi Partner(s)	*	*	

(cont'd)

M03951
Sub: C

Total Rental: 56.00

Status	Hectares	Dev:	Hectares	Net	Undev:	Hectares	Net	Related Contracts
DEVELOPED	16.000		16.000	7.415		0.000	0.000	C00665 A PSUA Mar 20, 2012 C01420 A PARTICIPAT Jul 22, 2009 (I) C01647 C JOA Mar 23, 2010 PS0505 A PUR/SAL-C Aug 08, 2012 (I)

Royalty / Encumbrances

Royalty Type	Product Type	Sliding Scale	Convertible	% of Prod/Sales
CROWN	ALL	Y	N	100.00000000 % of PROD

Roy Percent: STANDARD
Deduction: STANDARD
Gas: Royalty:
S/S OIL: Min:
Other Percent:

Min Pay: Prod/Sales:
Div: Prod/Sales:
Min: Prod/Sales:

Paid to: DEPOSITO(M) WI (C)
GOV OF ALBERTA 100.000000000 MANCAL 50.000000000
LONG RUN EXPL 50.000000000

M03962	PNG LEASfH	Eff:	Jul 15, 2008	2.000	C01647	A	No	WI	Area : BRUDERHEIM SOUTH
Sub: A	WI	Exp:	Jul 14, 2013	0.000	LONG RUN EXPL			50.000000000	TWP 55 RGE 20 W4M PTN LSD 14
ACTIVE	KOTTKE, G. ESTATE Ext: HBP			0.000	MANCAL			50.000000000	SEC 33
100.00000000	MANCAL	Count Acreage =	No	Total Rental:	0.00				(PLAN 1843CL PARCEL 3)
									ALL PNG EXCL PET IN VIKING_ZONE
									(EXCL COAL)

Status: Hectares: Net: Hectares: Net
Dev: 0.000 0.000 Undev: 0.000 0.000

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File Number	Lse Type	Lessor Type	Exposure	Oper. Cont.	ROFR	DOI Code
File Status	Int Type / Lse No/Name	Operator / Payor	Gross	Net	Doi Partner(s)	Lease Description / Rights Held
M03962	Sub: A					
						C01647 A JOA Mar 23, 2010 PS0505 A PUR/SAL-C Aug 08, 2012(I)

(cont'd)

Royalty / Encumbrances

Royalty Type	Product Type	Sliding Scale	Convertible	% of Prod/Sales
LESSOR ROYALTY	ALL	N	N	100.00000000 % of PROD
Roy Percent:	18.00000000			
Deduction:	YES			
Gas: Royalty:				
S/S OIL: Min:	Max:			
Other Percent:				
	Min Pay:			Prod/Sales:
	Div:			Prod/Sales:
	Min:			Prod/Sales:
	Paid to: DEPOSITO(M)	WI	(C)	
	BARTZ, ELSIE	LONG RUN EXPL		50.00000000
	KOTTKE, PAT	MANCAL		50.00000000
	KOTTKE, GUENTHE			
	SABO, WILMA			

ROYALTY REVIEWED - May 28, 2015

ROYALTY REVIEWED BY LRE.

M03962	PNG LEASIFH	Eff: Jul 15, 2008	2.000	C01647	D No	POOLED	Area : BRUDERHEIM SOUTH
Sub: B	WI	Exp: Jul 14, 2013	2.000	MANCAL		46.11820000	TWP 55 RGE 20 W4M PTN LSD 14
ACTIVE	KOTTKE, G. ESTATE	Ext: HBP	0.922	LONG RUN EXPL		46.11820000	SEC 33
	MANCAL			BUCHOLZ ESTATE		1.24420000	(PLAN 1843CL PARCEL 3)
	MANCAL			HOLME, G. EST		1.89110000	(SUBJECT TO COMPULSORY POOLING
				SCHULTZ, O EST		1.40590000	ORDER NO. P 418, DATED JANUARY
				KITTLITZ, E. ES		3.22240000	19, 2011)

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File Number	Lse Type	Lessor Type	Exposure	Oper.Cont.	ROFR	DOI Code	Lease Description / Rights Held
File Status	Int Type / Lse No/Name	Operator / Payor	Gross	Net	Doi Partner(s)	*	*
M03962							
Sub: B							

(cont'd)

M03962
Sub: B

PET IN VIKING_ZONE (EXCL COAL)

Total Rental: 5.00

Status
DEVELOPED

Hectares
2.000

Dev:
0.922

Undev:
0.000

Net
0.922

Hectares
0.000

Net
0.000

Related Contracts

C01647 D JOA Mar 23, 2010

PS0505 A PUR/SAL-C Aug 08, 2012(I)

Royalty / Encumbrances

Royalty Type	Product Type	Sliding Scale	Convertible	% of Prod/Sales
LESSOR ROYALTY	ALL	N	N	100.00000000 % of PROD

Roy Percent: 18.00000000

Deduction: YES

Gas: Royalty:

S/S OIL: Min:

Other Percent:

Min Pay:

Div:

Min:

Prod/Sales:

Prod/Sales:

Prod/Sales:

Paid to: DEPOSITO(M)

BARTZ, ELSIE 25.000000000

KOTTKE, PAT 25.000000000

KOTTKE, GUENTHE 25.000000000

SABO, WILMA 25.000000000

Paid by: RENTAL (C)

MANCAL 50.000000000

LONG RUN EXPL 50.000000000

ROYALTY REVIEWED - May 28, 2015
ROYALTY REVIEWED BY LRE.

M03963	PNG LEASfFH		Eff: Jun 18, 2008	0.000	C01647	A	No	WI	Area : BRUDERHEIM SOUTH
Sub: A	WI		Exp: Jun 17, 2013	0.000	LONG RUN EXPL		50.000000000		TWP 55 RGE 20 W4M PTN LSD 14

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Schedule A

File Number	Lse Type	Lessor Type	Exposure	Oper.Cont.	ROFR	DOI Code	Lease Description / Rights Held
File Status	Int Type / Lse No/Name	Operator / Payor	Gross	Net	Doi Partner(s)	*	*
M03963	ACTIVE	KEHLERT ET AL MANCAL	0.000	MANCAL	50.000000000	SEC 33 (PLAN 1843CL, BLOCKS 1&2) (UNDIVIDED 1/3 INTEREST) ALL PNG EXCL PET IN VIKING_ZONE (EXCL COAL)	
33.33400000	MANCAL	Count Acreage = No	Total Rental: 0.00				

(cont'd)

M03963

Sub: A

Ext: HBP

Count Acreage = No

Dev: 0.000

Net 0.000

Undev: 0.000

Hectares 0.000

Net 0.000

Hectares 0.000

Undev: 0.000

Net 0.000

Hectares 0.000

Undev: 0.000

Net 0.000

Hectares 0.000

Undev: 0.000

Net 0.000

Hectares 0.000

Undev: 0.000

Net 0.000

Hectares 0.000

Undev: 0.000

Net 0.000

Hectares 0.000

Undev: 0.000

Net 0.000

Hectares 0.000

Undev: 0.000

Net 0.000

Hectares 0.000

Undev: 0.000

Net 0.000

Hectares 0.000

Undev: 0.000

Net 0.000

Hectares 0.000

Undev: 0.000

Net 0.000

----- Related Contracts -----

C01647 A JOA Mar 23, 2010

PS0505 A PUR/SAL-C Aug 08, 2012 (I)

Royalty / Encumbrances

Royalty Type LESSOR ROYALTY Product Type ALL Sliding Scale N Convertible N % of Prod/Sales 100.00000000 % of PROD

Roy Percent: 16.000000000

Deduction: YES

Gas: Royalty: Max: Min Pay: Prod/Sales:

S/S OIL: Min: Max: Div: Prod/Sales:

Other Percent: Min: Paid by: WI (C)

Paid to: DEPOSITO(M) KEHLERT, RONALD 25.000000000 LONG RUN EXPL 50.000000000

KEHLERT, P. 25.000000000 MANCAL 50.000000000

PELENSKY, J. 25.000000000

KEHLERT, A. 25.000000000

ROYALTY REVIEWED - May 28, 2015

ROYALTY REVIEWED BY LRE.

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							Mineral Int	Operator / Payor
File Status	Int Type / Lse No/Name		Gross					
Mineral Int	Operator / Payor		Net	Doi Partner(s)	*	*		
M03963	PNG LEASIFH	Eff: Jun 18, 2008	2.644	C01647	D No	POOLED	Area : BRUDERHEIM SOUTH	
Sub: B	WI	Exp: Jun 17, 2013	0.881	MANCAL		46.11820000	TWP 55 RGE 20 W4M PTN LSD 14	
ACTIVE	KEHLERT ET AL	Ext: HBP	0.406	LONG RUN EXPL		46.11820000	SEC 33	
	MANCAL			BUCHOLZ ESTATE		1.24420000	(PLAN 1843CL, BLOCKS 1&2)	
33.33400000	MANCAL			HOLME, G. EST		1.89110000	(UNDIVIDED 1/3 INTEREST)	
				SCHULTZ, O EST		1.40590000	(SUBJECT TO COMPULSORY POOLING	
				KITTLITZ, E. ES		3.22240000	ORDER NO. P. 418, DATED JANUARY	
							19, 2011)	
							PET IN VIKING_ZONE (EXCL COAL)	
							----- Related Contracts -----	
							C01647 D	JOA Mar 23, 2010
							PS0505 A	PUR/SAL-C Aug 08, 2012(I)
				Total Rental:	3.00			

Royalty / Encumbrances

Royalty Type	Product Type	Sliding Scale	Convertible	% of Prod/Sales
LESSOR ROYALTY	ALL	N	N	100.00000000 % of PROD
Roy Percent:	18.00000000			
Deduction:	YES			
Gas: Royalty:				Prod/Sales:
S/S OIL: Min:				Prod/Sales:
Other Percent:				Prod/Sales:
Paid to: DEPOSITO(M)				
KEHLERT, RONALD	25.00000000	MANCAL	RENTAL (C)	50.00000000
KEHLERT, P.	25.00000000	LONG RUN EXPL		50.00000000
PELENSKY, J.	25.00000000			
KEHLERT, A.	25.00000000			

ROYALTY REVIEWED - May 28, 2015
ROYALTY REVIEWED BY LRE.

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File Status	Int Type / Lse No/Name	Operator / Payor	Gross	Net	Doi Partner(s)	*	*
M03964	B	MANCAL	BUCHOLZ ESTATE			1.24420000	(PLAN 1843CL, BLOCKS 1&2)
33.33400000	MANCAL	MANCAL	HOLME, G. EST			1.89110000	(UNDIVIDED 1/3 INTEREST)
			SCHULTZ, O EST			1.40590000	(SUBJECT TO COMPULSORY POOLING ORDER NO. P. 418, DATED JANUARY 19, 2011)
			KITTLITZ, E. ES			3.22240000	PET IN VIKING_ZONE (EXCL COAL)
			Total Rental:	3.00			

----- Related Contracts -----
C01647 D JOA Mar 23, 2010
PS0505 A PUR/SAL-C Aug 08, 2012 (I)

Royalty / Encumbrances

Royalty Type	Product Type	Sliding Scale	Convertible	% of Prod/Sales
LESSOR ROYALTY	ALL	N	N	100.00000000 % of PROD
Roy Percent:				16.00000000
Deduction:				YES
Gas: Royalty:				
S/S OIL: Min:				
Other Percent:				
Paid to:	DEPOSITO(M)			
MEAKINS, KEITH		100.00000000		
	MANCAL			50.00000000
	LONG RUN EXPL			50.00000000
	RENTAL (C)			

ROYALTY REVIEWED - May 28, 2015
ROYALTY REVIEWED BY LRE.

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File Status	Int Type / Lse No/Name	Operator / Payor	Gross	Net	Doi Partner(s)	*	*
M03967	B	MANCAL	BUCHOLZ ESTATE	1.24420000			(PLAN 1843CL, BLOCKS 12 & 13)
100.00000000	MANCAL		HOLME, G. EST	1.89110000			(SUBJECT TO COMPULSORY POOLING ORDER NO. P. 418, DATED JANUARY 19, 2011)
			SCHULTZ, O EST	1.40590000			PET IN VIKING_ZONE (EXCL COAL)
			KITTLITZ, E. ES	3.22240000			
			Total Rental:	8.00			

(cont'd)

Status	Hectares	Net	Hectares	Net	Related Contracts
DEVELOPED	3.248	1.498	0.000	0.000	C01647 D JOA Mar 23, 2010
			Undev:		PS0505 A PUR/SAL-C Aug 08, 2012(l)

Royalty / Encumbrances

Royalty Type	Product Type	Sliding Scale	Convertible	% of Prod/Sales
LESSOR ROYALTY	ALL	N	N	100.00000000 % of PROD
Roy Percent:				
Deduction:				
Gas: Royalty:				
S/S OIL: Min:				
Other Percent:				
Paid to:	DEPOSITO(M)	RENTAL (C)		
WOODRUFF, W.D.	50.00000000	MANCAL		50.00000000
WOODRUFF, BARRY	50.00000000	LONG RUN EXPL		50.00000000

ROYALTY REVIEWED - May 28, 2015
ROYALTY REVIEWED BY LRE.

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File Number	Lse Type	Lessor Type	Exposure	Oper.Cont.	ROFR	DOI Code	Lease Description / Rights Held
File Status	Int Type / Lse No/Name	Operator / Payor	Gross		Net	Doi Partner(s)	*
Mineral Int							*
M03971	PNG LEASIFH	WI	0.000	0.000	C01647 A No	WI	Area : BRUDERHEIM SOUTH
Sub: A	WI		0.000	0.000	LONG RUN EXPL	50.000000000	TWP 55 RGE 20 W4M PTN LSD 14
ACTIVE	EST H. SMITH	MANCAL	0.000	0.000	MANCAL	50.000000000	SEC 33
33.33400000	MANCAL		Count Acreage = No		Total Rental: 0.00		(PLAN 1843CL, BLOCKS 1&2)
							(UNDIVIDED 1/3 INTEREST)
							ALL PNG EXCL PET IN VIKING_ZONE
							(EXCL COAL)
							----- Related Contracts -----
							C01647 A JOA Mar 23, 2010
							PS0505 A PUR/SAL-C Aug 08, 2012(l)

Royalty Type	Product Type	Sliding Scale	Convertible	% of Prod/Sales
LESSOR ROYALTY	ALL	N	N	100.00000000 % of PROD
Roy Percent:	16.00000000			
Deduction:	YES			
Gas: Royalty:				Prod/Sales:
S/S OIL: Min:				Prod/Sales:
Other Percent:				Prod/Sales:

Paid to:	DEPOSITO(M)	Min Pay:	Div:	Min:	Paid by:	WI	(C)
SMITH ESTATE	100.00000000	LONG RUN EXPL	MANCAL		50.00000000		
					50.00000000		

ROYALTY REVIEWED - May 28, 2015
ROYALTY REVIEWED BY LRE.

File Number	Lse Type	Lessor Type	Exposure	Oper.Cont.	ROFR	DOI Code	Lease Description / Rights Held
File Status	Int Type / Lse No/Name	Operator / Payor	Gross		Net	Doi Partner(s)	*
Mineral Int							*
M03971	PNG LEASIFH	WI	2.644	0.881	C01647 D No	POOLED	Area : BRUDERHEIM SOUTH
Sub: B	WI		0.881	0.406	MANCAL	46.11820000	TWP 55 RGE 20 W4M PTN LSD 14
ACTIVE	EST H. SMITH	MANCAL	0.406		LONG RUN EXPL	46.11820000	SEC 33

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File Status	Int Type / Lse No/Name	Operator / Payor	Gross	Net	Doi Partner(s)	*	*
M03971	B	MANCAL	BUCHOLZ ESTATE	1.24420000			(PLAN 1843CL, BLOCKS 1&2)
33.33400000	MANCAL		HOLME, G. EST	1.89110000			(UNDIVIDED 1/3 INTEREST)
			SCHULTZ, O EST	1.40590000			(SUBJECT TO COMPULSORY POOLING ORDER NO. P. 418, DATED JANUARY 19, 2011)
			KITTLITZ, E. ES	3.22240000			PET IN VIKING_ZONE (EXCL COAL)
			Total Rental:	30.00			

(cont'd)

Status	Hectares	Net	Hectares	Net	Related Contracts
DEVELOPED	0.881	0.406	0.000	0.000	----- C01647 D JOA Mar 23, 2010 PS0505 A PUR/SAL-C Aug 08, 2012 (I)

Royalty / Encumbrances

Royalty Type	Product Type	Sliding Scale	Convertible	% of Prod/Sales
LESSOR ROYALTY	ALL	N	N	100.00000000 % of PROD
Roy Percent:				
Deduction:				
Gas: Royalty:				
S/S OIL: Min:				
Other Percent:				
Paid to:	DEPOSITO(M)			
SMITH ESTATE	100.000000000			
	MANCAL			50.000000000
	LONG RUN EXPL			50.000000000
	RENTAL (C)			

ROYALTY REVIEWED - May 28, 2015
ROYALTY REVIEWED BY LRE.

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File Number	Lse Type	Lessor Type	Exposure	Oper.Cont.	ROFR	DOI Code	Lease Description / Rights Held
File Status	Int Type / Lse No/Name	Operator / Payor	Gross	Net	Doi Partner(s)	*	*
M04055	Sub: B	MANCAL	BUCHOLZ ESTATE	1.24420000			(PTN OF THE E/2 OF THE NW/4 COMMENCING AT THE NE CORNER OF THE SAID NW/4 SECTION; THENCE SOUTHERLY ALONG THE EAST BOUNDARY THEREOF FOR A DISTANCE OF 165 FEET; THENCE WESTERLY PARALLEL TO THE NORTH BOUNDARY THEREOF FOR A DISTANCE OF 82.5 FEET; THENCE NORTHERLY PRALLEL TO THE EAST BOUNDARY THEREOF FOR A DISTANCE OF 165 FEET TO THE NORTH BOUNDARY OF THE SAID QUARTER SECTION; THENCE EASTERLY ALONG THE SAID NORTH BOUNDARY FOR A DISTANCE OF 82.5 FEET TO THE POINT OF COMMENCEMENT) (SUBJECT TO COMPULSORY POOLING ORDER NO. P 418, DATED JANUARY 19, 2011) PET IN VIKING_ZONE (EXCL COAL)
			HOLME, G. EST	1.89110000			
			SCHULTZ, O EST	1.40590000			
			KITTLITZ, E. ES	3.22240000			
			Total Rental:	25.00			
			Status	Hectares	Net	Hectares	Net
			DEVELOPED	0.130	0.060	0.000	0.000
			Dev:	Undev:			
			Royalty / Encumbrances				
			Royalty Type	Product Type	Sliding Scale	Convertible	% of Prod/Sales
			LESSOR ROYALTY	ALL	N	N	100.00000000 % of PROD
			Roy Percent:	16.00000000			
			Deduction:	YES			
			Gas: Royalty:				Prod/Sales:
			S/S OIL: Min:				Prod/Sales:
			Other Percent:				Prod/Sales:
			Min Pay:				
			Div:				
			Min:				
			Paid to:	DEPOSITO(M)			
			BRUDERHEIM	100.00000000			
			Paid by:	RENTAL (C)			
			MANCAL	50.00000000			
			LONG RUN EXPL	50.00000000			
			ROYALTY REVIEWED - May 28, 2015				
			ROYALTY REVIEWED BY LRE.				

(cont'd)

----- **Related Contracts** -----
C01647 D JOA Mar 23, 2010
PS0505 A PUR/SAL-C Aug 08, 2012(I)

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File Number File Status Mineral Int	Lse Type Int Type / Lse No/Name Operator / Payor	Lessor Type	Exposure Gross	Oper.Cont.	ROFR	DOI Code	Lease Description / Rights Held	
							Net	Doi Partner(s) *
M04759	PNG LEASIFH WI SCHULTZ, OLGA MANCAL		0.915 0.915 0.422		D No MANCAL LONG RUN EXPL	POOLED 46.11820000 46.11820000	Area : BRUDERHEIM SOUTH TWP 55 RGE 20 W4M PTN LSD 14 SEC 33 (PLAN 1843CL, BLOCK 11) (SUBJECT TO COMPULSORY POOLING ORDER NO. P 418, DATED JANUARY 19, 2011) PET IN VIKING_ZONE (EXCL COAL)	
100.00000000	MANCAL		1.24420000 1.89110000 1.40590000 3.22240000		BUCHOLZ ESTATE HOLME, G. EST SCHULTZ, O EST KITTLITZ, E. ES			
				Total Rental:	0.00			
		Status	Hectares	Net	Undev:	Hectares	Net	
		DEVELOPED	0.915	0.422		0.000	0.000	

----- Related Contracts -----
C01647 D JOA Mar 23, 2010
PS0505 A PUR/SAL-C Aug 08, 2012(I)

Royalty / Encumbrances

Royalty Type	Product Type	Sliding Scale	Convertible	% of Prod/Sales
LESSOR ROYALTY	ALL	N	N	100.00000000 % of
Roy Percent:				
Deduction:				
Gas: Royalty:				
S/S OIL: Min:				
Other Percent:				
Paid to:	DEPOSITO(M)	RENTAL (C)		
SCHULTZ, O EST	100.000000000	MANCAL		50.000000000
		LONG RUN EXPL		50.000000000

GENERAL - Jan 19, 2011
SUBJECT TO COMPULSORY POOLING ORDER NO. P 418. NO LEASE DOCUMENT HAS BEEN
ISSUED, AS SUCH THERE IS NO LESSOR ROYALTY RATE.

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File Number File Status Mineral Int	Lse Type Int Type / Lse No/Name Operator / Payor	Lessor Type	Exposure Gross	Oper.Cont.	ROFR	DOI Code	Lease Description / Rights Held	
							Net	Doi Partner(s) *
M04762	PNG LEASIFH WI KITTLITZ, E MANCAL		0.915	C01647	D No	POOLED 46.11820000	Area : BRUDERHEIM SOUTH TWP 55 RGE 20 W4M PTN LSD 14 SEC 33	
			0.915	MANCAL				
			0.422	LONG RUN EXPL		46.11820000	(PLAN 1843CL, BLOCK 10)	
100.00000000	MANCAL			BUCHOLZ ESTATE		1.24420000	(SUBJECT TO COMPULSORY POOLING ORDER NO. P 418, DATED JANUARY 19, 2011)	
				HOLME, G. EST		1.89110000		
				SCHULTZ, O EST		1.40590000		
				KITTLITZ, E. ES		3.22240000	PET IN VIKING_ZONE (EXCL COAL)	
Total Rental: 0.00								

----- Related Contracts -----
C01647 D JOA Mar 23, 2010
PS0505 A PUR/SAL-C Aug 08, 2012 (I)

Royalty / Encumbrances

Royalty Type	Product Type	Sliding Scale	Convertible	% of Prod/Sales
LESSOR ROYALTY	ALL	N	N	100.00000000 % of
Roy Percent:				
Deduction:				
Gas: Royalty:				
S/S OIL: Min:				
Other Percent:				
Paid to:	DEPOSITO(M)			
	KITTLITZ, E. ES	100.00000000		
			RENTAL (C)	
			MANCAL	50.00000000
			LONG RUN EXPL	50.00000000

GENERAL - Jan 19, 2011

SUBJECT TO COMPULSORY POOLING ORDER NO. P 418. NO LEASE DOCUMENT HAS BEEN ISSUED, AS SUCH THERE IS NO LESSOR ROYALTY RATE.

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File Number	Lse Type	Lessor Type	Exposure	Oper. Cont.	ROFR	DOI Code	Lease Description / Rights Held
File Status	Int Type / Lse No/Name	Operator / Payor	Gross	Net	Doi Partner(s)	*	*

M04492	PNG LEASICR	Eff: Sep 22, 2005	256.000	C01896	A No	WI	Area : REDWATER NORTH
Sub: A	RI	Exp: Sep 21, 2010	256.000	OHANARESOURC		50.000000000	TWP 57 RGE 20 W4M SEC 16
ACTIVE	0405090453	Ext: AB 15	0.000	PETRUS RC		50.000000000	(SURFACE RESTRICTIONS - SEE REMARKS)
100.000000000	OHANARESOURC						PNG TO BASE MANNVILLE

Status	Hectares	Dev:	Net	Undev:	Hectares	Net	Related Contracts
DEVELOPED	256.000	0.000	0.000	0.000	0.000	0.000	----- C01889 A PUR/SAL-D Nov 03, 2005 (I) C01890 B JOA Nov 03, 2005 (I) C01896 A FARMOUT Jun 21, 2006 PS0113 A PUR/SAL-C May 11, 2011 (I) PS0168 A PUR/SAL-A Feb 01, 2006 (I) PS0505 A PUR/SAL-C Aug 08, 2012 (I)

Royalty / Encumbrances

<Linked>	Royalty Type	Product Type	Sliding Scale	Convertible	% of Prod/Sales
C01896 A	GROSS OVERRIDING ROY	ALL	N	N	50.000000000 % of PROD

Roy Percent: YES
 Deduction: YES
 Gas: Royalty: 12.500000000
 S/S OIL: Min: 5.000000000 Max: 12.500000000 Div: 23.8365
 Other Percent: 12.5
 Min Pay: Prod/Sales: Prod/Sales: Prod/Sales:
 Paid to: FARMOR (C) Paid by: WI (C)
 LONG RUN EXPL 100.000000000 OHANARESOURC 50.000000000
 PETRUS RC PETRUS RC 50.000000000

**DEDUCTIONS -
CROWN EQUIVALENT**

Royalty Type	Product Type	Sliding Scale	Convertible	% of Prod/Sales
CROWN	ALL	Y	N	100.000000000 % of PROD

Roy Percent: STANDARD
 Deduction: STANDARD
 Gas: Royalty: Min Pay: Prod/Sales:
 S/S OIL: Min: Min Pay: Prod/Sales:

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File Status	Int Type / Lse No/Name	Operator / Payor	Gross	Net	Doi Partner(s)	*	*

(cont'd)

Other Percent:
 Max: Div: Prod/Sales:
 Min: Min: Prod/Sales:

Paid to: DEPOSITO(M) WI (C)
 GOV OF ALBERTA 100.000000000 OHANARESOURC 50.000000000
 PETRUS RC 50.000000000

M03979 PETROLEUFH Eff: Jan 27, 2010 64.750 C01391 A No WI Area : REDWATER NORTH
 Sub: A WI Exp: Jan 26, 2012 64.750 LONG RUN EXPL 50.000000000 TWP 57 RGE 21 W4M NW 7
 ACTIVE PSK M108148 Ext: HBP 32.375 MANCAL 50.000000000 PET IN VIKING_ZONE
 MANCAL (BETWEEN THE DEPTHS OF 640M
 MANCAL Total Rental: 323.75 TVD AND 672M TVD)

Status DEVELOPED **Dev:** 64.750 **Hectares** 64.750 **Net** 32.375 **Undev:** 0.000 **Hectares** 0.000 **Net** 0.000
Royalty / Encumbrances
 Product Type OIL Sliding Scale Y Convertible N % of Prod/Sales 100.00000000 % of PROD
Royalty Type LESSOR ROYALTY
Roy Percent:
Deduction: YES
Gas: Royalty:
S/S OIL: Min: **Max:**
Other Percent: **Min Pay:** **Div:** **Min:** **Prod/Sales:** **Prod/Sales:** **Prod/Sales:**
Paid to: DEPOSITO(M) 100.000000000 **Paid by:** WI (C)
 PRAIRIESKY LONG RUN EXPL 50.000000000

Related Contracts
 C01391 A JOA Mar 14, 2007
 C01423 A FARMOUT Nov 16, 2009
 PS0238 A PUR/SAL-C Oct 06, 2008 (I)
 PS0505 A PUR/SAL-C Aug 08, 2012 (I)

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File Status	Int Type / Lse No/Name	Operator / Payor	Gross	Net	Doi Partner(s)	*	*

(cont'd)

M03979	A		MANCAL			50.000000000	
--------	---	--	--------	--	--	--------------	--

ROYALTY RATE - Apr 15, 2015
ROYALTY RATES: S/S 4%-40%.
ROYALTY REVIEWED - Apr 15, 2015
ROYALTY REVIEWED BY LRE.

M03980	PETROLEUFH		Eff: Jan 27, 2010	64.750	C01391 A No	BPEN	WI	Area : REDWATER NORTH
Sub: A	PEN		Exp: Jan 26, 2012	64.750	MANCAL	100.000000000	50.000000000	TWP 57 RGE 21 W4M SE/4 7
ACTIVE	PSK M108370		Ext: HBP	0.000	LONG RUN EXPL		50.000000000	PET IN VIKING_ZONE
	MANCAL							(INTERVAL 640M TVD TO 672M TVD)
100.000000000	MANCAL		Total Rental:	323.75				

----- Related Contracts -----
C01391 A JOA Mar 14, 2007
C01423 A FARMOUT Nov 16, 2009
PS0505 A PUR/SAL-C Aug 08, 2012(l)

Royalty / Encumbrances

Royalty Type	Product Type	Sliding Scale	Convertible	% of Prod/Sales
LESSOR ROYALTY	OIL	Y	N	100.00000000 % of PROD
Roy Percent:				
Deduction:	YES			
Gas Royalty:				
S/S OIL: Min:				
Other Percent:				
Paid to:	DEPOSITO(M)			
PRAIRIESKY	100.000000000			
Min Pay:				
Div:				
Min:				
Paid by:	BPEN			
MANCAL	(C)			
				100.000000000

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File Status	Int Type / Lse No/Name	Operator / Payor	Gross	Net	Doi Partner(s)	*	*

(cont'd)

M03980 A LONG RUN EXPL

ROYALTY RATE - Jan 14, 2016
ROYALTY RATES: S/S 4-40%

ROYALTY REVIEWED - Jan 14, 2016
ROYALTY REVIEWED BY LRE.

M03981	PETROLEUFH	WI	64.750	C01391	A	WI	Area : REDWATER NORTH
Sub: A	WI	Exp: Jan 27, 2010	64.750	LONG RUN EXPL	50.000000000	50.000000000	TWP 57 RGE 21 W4M NE/4 7
ACTIVE	PSK M108149	Ext: HBP	32.375	MANCAL	50.000000000		PET IN VIKING_ZONE
	MANCAL						(INTERVAL 640M TVD TO 672M TVD)
100.00000000	MANCAL	Total Rental:	323.75				

Status	Hectares	Net	Hectares	Net	Related Contracts
DEVELOPED	64.750	32.375	0.000	0.000	C01391 A JOA Mar 14, 2007
		Undev:			C01423 A FARMOUT Nov 16, 2009
					PS0505 A PUR/SAL-C Aug 08, 2012(l)

Royalty / Encumbrances

Royalty Type	Product Type	Sliding Scale	Convertible	% of Prod/Sales
LESSOR ROYALTY	OIL	Y	N	100.00000000 % of PROD
Roy Percent:				
Deduction:	YES			
Gas Royalty:				
S/S OIL: Min:				
Other Percent:				
Min Pay:				Prod/Sales:
Div:				Prod/Sales:
Min:				Prod/Sales:
Paid to: DEPOSITO(M)				Paid by: WI (C)

**LONG RUN EXPLORATION LTD.
Mineral Property Report**

Report Date: Jan 26, 2026
Page Number: 71

REPORTED IN HECTARES

Schedule A

File Number	Lse Type	Lessor Type	Exposure	Oper.Cont.	ROFR	DOI Code	Lease Description / Rights Held
File Status	Int Type / Lse No/Name	Operator / Payor	Net	Doi Partner(s)	*	*	

(cont'd)

M03981	A	PRAIRIESKY	100.000000000	LONG RUN EXPL	MANCAL	50.000000000	50.000000000
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ROYALTY RATE -
ROYALTY RATE: S/S 4% - 40%.
ROYALTY REVIEWED -
ROYALTY REVIEWED BY LRE

M03982	PETROLEUFH	Eff: Jan 27, 2010	64.750	C01391	A	No	BPEN	WI	Area : REDWATER NORTH
Sub: A	PEN	Exp: Jan 26, 2012	64.750	MANCAL			100.000000000	50.000000000	TWP 57 RGE 21 W4M SW 7
ACTIVE	PSK M108170	Ext: HBP	0.000	LONG RUN EXPL				50.000000000	PET IN VIKING_ZONE
	MANCAL								(BETWEEN THE DEPTHS OF 640M
	MANCAL								TVD AND 672M TVD)
100.000000000	MANCAL	Total Rental:	323.75						

Status	Hectares	Net	Hectares	Net	Related Contracts
DEVELOPED	64.750	0.000	0.000	0.000	C01391 A JOA Mar 14, 2007
					C01423 A FARMOUT Nov 16, 2009
					PS0505 A PUR/SAL-C Aug 08, 2012(l)

Royalty / Encumbrances

Royalty Type	Product Type	Sliding Scale	Convertible	% of Prod/Sales
LESSOR ROYALTY	OIL	Y	N	100.000000000 % of PROD
Roy Percent:				
Deduction:	YES			
Gas Royalty:				
S/S OIL: Min:	Max:	Min Pay:	Div:	Prod/Sales:
Other Percent:				Prod/Sales:
				Prod/Sales:
Paid to:	DEPOSITO(M)			
				Paid by: BPEN (C)

**LONG RUN EXPLORATION LTD.
Mineral Property Report**

Report Date: Jan 26, 2026
Page Number: 73

REPORTED IN HECTARES

Schedule A

File Number	Lse Type	Lessor Type	Exposure	Oper.Cont.	ROFR	DOI Code	Lease Description / Rights Held
File Status	Int Type / Lse No/Name	Operator / Payor	Gross	Net	Doi Partner(s)	*	*

(cont'd)

M05492	A	FH ROYALTIES	100.00000000	LONG RUN EXPL		100.00000000	
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ROYALTY RATE - Apr 15, 2014

IN RESPECT OF NG, THE ORR SHALL BE A MINIMUM OF THE SALES VOLUMES (AS REPORTED TO PROVINCIAL REGULATORY AUTHORITIES) FROM EACH WELLHEAD ON THE ROYALTY LANDS EACH MONTH MULTIPLIED BY THE PROVINCIAL REFERENCE PRICE.

PRODUCTION ACCOUNTING ALERT - CAUTION -

00/16-01-057-22-W4/00, 02 & 03
100/05-13-057-22-W4/00
100/08-13-057-22-W4/00
**LRE IS IN 300% PENALTY IN THE ABOVE WELLBORES (SEE C02303). NO ORR PAYABLE TO LONGRIDGE (NOW HUSKY) IN THE ABOVE WELLBORES UNTIL AFTER PENALTY PAYOUT.

ROYALTY REVIEWED - Sep 07, 2016

ROYALTY REVIEWED BY LRE.

TAKEOVER - Apr 13, 2023

NO WELL TAKE OVER PROVISIONS

Royalty Type	Product Type	Sliding Scale	Convertible	% of Prod/Sales
LESSOR ROYALTY	ALL	N	N	100.00000000 % of PROD

Roy Percent: NO

Deduction: NO

Gas: Royalty: NO

S/S OIL: Min: NO

Other Percent: NO

Min Pay: Prod/Sales: Prod/Sales: Prod/Sales:

Paid to: DEPOSITO(M) 100.00000000

PRAIRIESKY

LONG RUN EXPL 33.33333000

MANCAL 66.66667000

WI (C)

Paid by: WI (C)

LONG RUN EXPL 33.33333000

MANCAL 66.66667000

NO ROYALTY PROVIDED.

GENERAL - Nov 01, 2004

NO ROYALTY PROVIDED.

**LONG RUN EXPLORATION LTD.
Mineral Property Report**

Report Date: Jan 26, 2026
Page Number: 75

REPORTED IN HECTARES

Schedule A

File Number	Lse Type	Lessor Type	Exposure	Oper.Cont.	ROFR	DOI Code	Lease Description / Rights Held
File Status	Int Type / Lse No/Name	Operator / Payor	Gross	Net	Doi Partner(s)	*	*

(cont'd)

M05492 B

ROYALTY RATE - Apr 15, 2014

IN RESPECT OF NG, THE ORR SHALL BE A MINIMUM OF THE SALES VOLUMES (AS REPORTED TO PROVINCIAL REGULATORY AUTHORITIES) FROM EACH WELLHEAD ON THE ROYALTY LANDS EACH MONTH MULTIPLIED BY THE PROVINCIAL REFERENCE PRICE.

ROYALTY REVIEWED - Sep 07, 2016

ROYALTY REVIEWED BY LRE.

PRODUCTION ACCOUNTING ALERT - CAUTION - Jan 04, 2018

THOUGH LONG RUN IS IN PENALTY UNDER THIS WELL - LRE IS STILL RESPONSIBLE TO PAY THIS GOR ON THEIR INTEREST AS THE GOR IS NOT A JOINT ACCOUNT GOR THEREOFRE CANNOT BE ADDED TO THE PAYOUT ACCOUNT BY THE OPERATOR

TAKEOVER - Apr 13, 2023
NO WELL TAKE OVER PROVISIONS

Royalty Type	LESSOR ROYALTY	Product Type	ALL	Sliding Scale	N	Convertible	N	% of Prod/Sales	100.00000000 % of PROD
Roy Percent:		Min Pay:		Div:		Prod/Sales:		Prod/Sales:	
Deduction:	NO	Max:		Min:		Prod/Sales:		Prod/Sales:	
Gas: Royalty:		Paid to:	DEPOSITO(M)	Paid by:	BPEN		(C)		
S/S OIL: Min:			100.00000000		MANCAL				100.00000000
Other Percent:					LONG RUN EXPL				

GENERAL - Nov 01, 2004

NO ROYALTY PROVIDED.

LONG RUN EXPLORATION LTD. Mineral Property Report

Report Date: Jan 26, 2026
Page Number: 76

REPORTED IN HECTARES

Schedule A

File Number	Lse Type	Lessor Type	Exposure	Oper. Cont.	ROFR	DOI Code	Lease Description / Rights Held
File Status	Int Type / Lse No/Name	Operator / Payor	Gross		Net	Doi Partner(s)	*
Mineral Int			Net	Doi Partner(s)	*		*
M05493	PNG LEASIFH	WI	258.800	C02303	C	Yes	Area : REDWATER NORTH
Sub: A	WI	PRAIRIESKY	258.800	LONG RUN EXPL			TWP 057 RGE 22 W4M SEC 13
ACTIVE	LONG RUN EXPL	LONG RUN EXPL	86.267	MANCAL			(EXCLUDING ASSOCIATED PRODUCTION FROM THE
33.33333000	LONG RUN EXPL						100/05-13-057-22W4/00 AND
							100/08-13-057-22W4/00 PENALTY)
							PNG FROM TOP SURFACE TO BASE
							MISSISSIPPIAN

Royalty / Encumbrances

<Linked>	Royalty Type	Product Type	Sliding Scale	Convertible	% of Prod/Sales
C00374 AI	GROSS OVERRIDING ROY	ALL	N	N	33.33330000 % of PROD
	Roy Percent:	5.00000000			
	Deduction:	NO			
	Gas: Royalty:				
	S/S OIL: Min:				
	Other Percent:				
	Paid to:	ROY PAIDT(C)			
	FH ROYALTIES	100.00000000			
	Min Pay:	SEE REMARKS			
	Div:				
	Min:				
	Paid by:	ROY PAIDE(C)			
	LONG RUN EXPL	100.00000000			

ROYALTY RATE - Apr 15, 2014
 IN RESPECT OF NG, THE ORR SHALL BE A MINIMUM OF THE SALES VOLUMES (AS REPORTED TO PROVINCIAL REGULATORY AUTHORITIES) FROM EACH WELLHEAD ON THE ROYALTY LANDS EACH MONTH MULTIPLIED BY THE PROVINCIAL REFERENCE PRICE.
PRODUCTION ACCOUNTING ALERT - CAUTION -
 00/16-01-057-22-W4/00, 02 & 03
 100/05-13-057-22-W4/00
 100/08-13-057-22-W4/00
 **LRE IS IN 300% PENALTY IN THE ABOVE WELLBORES (SEE C02303). NO ORR PAYABLE TO

----- Related Contracts -----
 C00374 AI ROYALTY Apr 15, 2014
 C01674 AE ROYALTY Dec 14, 1999 (I)
 C02303 C JOA Aug 11, 1988
 PS0400 A PUR/SAL-A Sep 13, 2013 (I)

**LONG RUN EXPLORATION LTD.
Mineral Property Report**

Schedule A

Report Date: Jan 26, 2026
 Page Number: 78
 REPORTED IN HECTARES

File Number	Lse Type	Lessor Type	Exposure	Oper. Cont.	ROFR	DOI Code	Lease Description / Rights Held
File Status	Int Type / Lse No/Name	Operator / Payor	Net	Doi Partner(s)	*	*	
M05493	ACTIVE	PRAIRIESKY MANCAL	0.000	LONG RUN EXPL			(ONLY ASSOCIATED PRODUCTION FROM THE 100/05-13-057-22W4/00; 100/08-13-057-22W4/00 PENALTY WELLS)
33.33333000	LONG RUN EXPL				0.00		()

(cont'd)

M05493
 Sub: B
 ACTIVE

33.33333000 LONG RUN EXPL

Status	DEVELOPED	Dev:		Hectares	0.000	Net	0.000	Hectares	0.000	Net	0.000
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Total Rental: 0.00

----- Related Contracts -----
 C00374 AK ROYALTY Apr 15, 2014
 C01674 BM ROYALTY Dec 14, 1999 (I)
 C02303 I JOA Aug 11, 1988
 PS0400 A PUR/SAL-A Sep 13, 2013 (I)

Royalty / Encumbrances

<Linked> Royalty Type	Product Type	Sliding Scale	Convertible	% of Prod/Sales
C00374 AK GROSS OVERRIDING ROY	ALL	N	N	33.33330000 % of PROD

Roy Percent: 5.00000000
 Deduction: NO
 Gas: Royalty:
 S/S OIL: Min:
 Other Percent:

Min Pay: SEE REMARKS
 Div:
 Min:
 Prod/Sales:
 Prod/Sales:
 Prod/Sales:

Paid to: ROY PAIDT(C)
 FH ROYALTIES 100.00000000
 Paid by: PAIDBY (R)
 LONG RUN EXPL 100.00000000

ROYALTY RATE - Apr 15, 2014
 IN RESPECT OF NG, THE ORR SHALL BE A MINIMUM OF THE SALES VOLUMES (AS REPORTED TO PROVINCIAL REGULATORY AUTHORITIES) FROM EACH WELLHEAD ON THE ROYALTY LANDS EACH MONTH MULTIPLIED BY THE PROVINCIAL REFERENCE PRICE.

ROYALTY REVIEWED - Sep 07, 2016
 ROYALTY REVIEWED BY LRE.

PRODUCTION ACCOUNTING ALERT - CAUTION - Jan 04, 2018
 THOUGH LONG RUN IS IN PENALTY UNDER THIS WELL - LRE IS STILL RESPONSIBLE

**LONG RUN EXPLORATION LTD.
Mineral Property Report**

Report Date: Jan 26, 2026
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REPORTED IN HECTARES

Schedule A

File Number	Lse Type	Lessor Type	Exposure	Oper.Cont.	ROFR	DOI Code	Lease Description / Rights Held
File Status	Int Type / Lse No/Name	Operator / Payor	Gross	Net	Doi Partner(s)	*	*

(cont'd)

M05493 B TO PAY THIS GOR ON THEIR INTEREST AS THE GOR IS NOT A JOINT ACCOUNT GOR THEREOFRE CANNOT BE ADDED TO THE PAYOUT ACCOUNT BY THE OPERATOR

TAKEOVER - Apr 13, 2023
NO WELL TAKE OVER PROVISIONS

Royalty Type	Product Type	Sliding Scale	Convertible	% of Prod/Sales
LESSOR ROYALTY	ALL	N	N	100.00000000 % of PROD
Roy Percent:				
Deduction:				
NO				
Gas: Royalty:				
S/S OIL: Min:	Max:			
Other Percent:				

Paid to:	DEPOSITO(M)	Paid by:	BPEN	(C)
PRAIRIESKY	100.00000000	MANCAL	100.00000000	
		LONG RUN EXPL		

GENERAL - Nov 01, 2004
NO ROYALTY PROVIDED.
PRODUCTION ACCOUNTING ALERT - CAUTION - Jul 12, 2016
THIS LEASE WAS ISSUED AS SCHEDULE "C" TO THE SETTLEMENT AGREEMENT DATED AUGUST 11, 1988 BETWEEN WESTMIN RESOURCES LIMITED AND ESSO RESOURCES CANADA LIMITED. THERE ARE NO LESSOR ROYALTIES OR ANNUAL RENTALS. LEASE TERM IS FOR 941 YEARS AND 142 DAYS.

**LONG RUN EXPLORATION LTD.
Mineral Property Report**

Report Date: Jan 26, 2026
 Page Number: 80
 REPORTED IN HECTARES

Schedule A

File Number	Lse Type	Lessor Type	Exposure	Oper.Cont.	ROFR	DOI Code	Lease Description / Rights Held
File Status	Int Type / Lse No/Name		Gross	Net	Doi Partner(s)	*	*
Mineral Int	Operator / Payor						

Report Total:	Total Gross:	1,164.161	Total Net:	298.103	Undev Gross :	0.000	Undev Net :	0.000
	Dev Gross:	1,164.161	Dev Net:	298.103				

** End of Report **

Wells:

Well UWI	Well License No.
100/12-33-055-20W4/00	0434597
100/13-33-055-20W4/04	0434597
100/13-33-055-20W4/03	0434597
100/13-33-055-20W4/02	0434597
100/14-33-055-20W4/00	0434596
100/14-33-055-20W4/02	0434596
100/14-33-055-20W4/03	0434596
100/16-16-057-20W4/02	0359018
100/16-16-057-20W4/00	0359018
100/04-07-057-21W4/00	0418366
100/05-07-057-21W4/00	0418426
100/12-07-057-21W4/00	0414367
100/13-07-057-21W4/00	0414363
102/13-07-057-21W4/00	0470415
103/13-07-057-21W4/00	0470435
102/01-01-057-22W4/00	0446843
102/01-01-057-22W4/03	0446843
102/01-01-057-22W4/02	0446843
100/07-01-057-22W4/04	0446842
100/08-01-057-22W4/05	0446842
100/08-01-057-22W4/03	0446842
100/08-01-057-22W4/02	0446842
100/08-01-057-22W4/00	0446842
100/09-01-057-22W4/03	0445736
100/09-01-057-22W4/02	0445736
100/09-01-057-22W4/00	0445736
100/16-01-057-22W4/02	0445735
100/16-01-057-22W4/00	0445735
100/16-01-057-22W4/03	0445735
100/01-13-057-22W4/05	0451353
102/04-13-057-22W4/05	0451007
102/04-13-057-22W4/03	0451007
102/05-13-057-22W4/00	0451007
100/05-13-057-22W4/00	0448523
102/05-13-057-22W4/02	0451007
100/06-13-057-22W4/02	0448523
102/06-13-057-22W4/06	0451007
102/06-13-057-22W4/04	0451007
100/07-13-057-22W4/05	0448522
102/07-13-057-22W4/06	0451353
102/07-13-057-22W4/04	0451353
102/07-13-057-22W4/02	0451353
102/08-13-057-22W4/00	0451353
102/08-13-057-22W4/03	0451353
100/08-13-057-22W4/00	0448522
100/09-13-057-22W4/02	0448522
100/10-13-057-22W4/03	0448522

100/11-13-057-22W4/04	0448523
100/12-13-057-22W4/05	0448523
100/12-13-057-22W4/03	0448523
100/14-13-057-22W4/06	0448523
100/16-13-057-22W4/06	0448522
100/16-13-057-22W4/04	0448522

Facilities:

Facility License No.	Facility ID	Location	Licensee
F44698	ABPN0044698	09-02-057-22W4	Mancal Energy Inc.
F45923	ABPN0045923	02-13-057-22W4	Mancal Energy Inc.
F41490	ABPN0041490	12-08-057-21W4	Mancal Energy Inc.
F43468	ABBT0118375	14-28-055-20W4	Mancal Energy Inc.
F43468	ABBT0119072	14-28-055-20W4	Mancal Energy Inc.
F46997	ABBT0131786	03-24-057-22W4	Mancal Energy Inc.
F448522	ABBT0125521	03-24-057-22W4	Mancal Energy Inc.

Pipelines:

License No.	Line No.	From	To	Licensee
50249	11	12-08-057-21W4	12-08-057-21W4	Mancal Energy Inc.
50249	12	05-08-057-21W4	12-08-057-21W4	Mancal Energy Inc.
50249	13	05-08-057-21W4	12-08-057-21W4	Mancal Energy Inc.
50249	22	02-13-057-22W4	11-07-057-21W4	Mancal Energy Inc.
50742	4	12-08-057-21W4	12-08-057-21W4	Mancal Energy Inc.
50742	5	05-08-057-21W4	12-08-057-21W4	Mancal Energy Inc.
50742	10	02-13-057-22W4	11-07-057-21W4	Mancal Energy Inc.
54194	1	08-02-057-22W4	09-02-057-22W4	Mancal Energy Inc.
54194	2	09-02-057-22W4	15-02-057-22W4	Mancal Energy Inc.
54194	3	08-02-057-22W4	09-02-057-22W4	Mancal Energy Inc.

SCHEDULE B

Form of Approval and Vesting Order

(see attached)

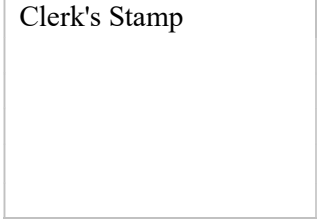
COURT FILE NUMBER 2401-09247

COURT COURT OF KING’S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

APPLICANT ORPHAN WELL ASSOCIATION

RESPONDENT LONG RUN EXPLORATION LTD.



DOCUMENT **APPROVAL AND VESTING ORDER**
(Sale by Receiver)

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT **BENNETT JONES LLP**
Suite 4500, 855 – 2nd Street S.W.
Calgary, AB T2P 4K7

Attention: Kelsey Meyer / Michael Selnes / Kaamil Khalfan
Telephone No.: 403-298-3323 / 3311 / 3117
Fax No.: 403-265-7219
Client File No.: 011866.00079
Meyerk@bennettjones.com / selnesm@bennettjones.com /
Khalfank@bennettjones.com

DATE ON WHICH ORDER WAS PRONOUNCED: _____

LOCATION WHERE ORDER WAS PRONOUNCED: _____

NAME OF JUSTICE WHO MADE THIS ORDER: _____

UPON THE APPLICATION by PricewaterhouseCoopers Inc., LIT, in its capacity as the Court-appointed receiver and manager (the “**Receiver**”) of the undertakings, property and assets of Long Run Exploration Ltd. (“**Long Run**” or the “**Debtor**”) for an order approving the sale transaction (the “**Transaction**”) contemplated by an agreement of purchase and sale (the “**Sale Agreement**”) between the Receiver and [Name of Purchaser] (the “**Purchaser**”) dated [Date] and appended to the ___ Report of the Receiver dated [Date] (the “**Report**”), and vesting in the Purchaser (or its nominee)¹ the Debtor’s right, title and interest in and to the assets described in the Sale Agreement (the “**Purchased Assets**”);

¹ Ensure that there are no legal obstacles to the vesting of assets in a nominee (for example competition and anti-trust law). Should land be transferred and vested in a nominee, the Registrar of Land Titles requires the Purchaser to complete a Certificate of Nomination (which needs to be signed under seal if the Purchaser is a corporation. If the Purchaser is an individual, the signature needs to be witnessed with an affidavit of execution completed.)

AND UPON HAVING READ the Receivership Order dated March 5, 2025 (the “**Receivership Order**”), the Report and the Affidavit of Service; **AND UPON HEARING** the submissions of counsel for the Receiver, the Purchaser [**Names of other parties appearing**], no one appearing for any other person on the service list, although properly served as appears from the Affidavit of Service, filed;

IT IS HEREBY ORDERED AND DECLARED THAT:

SERVICE

1. Service of notice of this application and supporting materials is hereby declared to be good and sufficient, no other person is required to have been served with notice of this application and time for service of this application is abridged to that actually given.

APPROVAL OF TRANSACTION

2. The Transaction is hereby approved and execution of the Sale Agreement by the Receiver is hereby authorized and approved, with such minor amendments as the Receiver may deem necessary. The Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for completion of the Transaction and conveyance of the Purchased Assets to the Purchaser (or its nominee).

VESTING OF PROPERTY

3. Subject only to approval by the Alberta Energy Regulator (“**Energy Regulator**”) of transfer of any applicable licenses, permits and approvals pursuant to section 24 of the *Oil and Gas Conservation Act* (Alberta) and section 18 of the *Pipeline Act* (Alberta) upon delivery of a Receiver’s certificate to the Purchaser (or its nominee) substantially in the form set out in **Schedule “A”** hereto (the “**Receiver’s Closing Certificate**”), all of the Debtor’s right, title and interest in and to the Purchased Assets listed in **Schedule “B”** hereto shall vest absolutely in the name of the Purchaser (or its nominee), free and clear of and from any and all caveats, security interests, hypothecs, pledges, mortgages, liens, trusts or deemed trusts, reservations of ownership, royalties, options, rights of pre-emption, privileges, interests, assignments, actions, judgements, executions, levies, taxes, writs of enforcement, charges, or other claims, whether contractual, statutory, financial, monetary or otherwise, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, “**Claims**”) including, without limiting the generality of the foregoing:

- (a) any encumbrances or charges created by the Receivership Order;
- (b) any charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Alberta) or any other personal property registry system;
- (c) any liens or claims of lien under the *Prompt Payment and Construction Lien Act* (Alberta); and
- (d) those Claims listed in **Schedule “C”** hereto (all of which are collectively referred to as the “**Encumbrances**”, which term shall not include the permitted encumbrances, caveats, interests, easements, and restrictive covenants listed in **Schedule “D”** (collectively, “**Permitted Encumbrances**”))

and for greater certainty, this Court orders that all Claims including Encumbrances other than Permitted Encumbrances, affecting or relating to the Purchased Assets are hereby expunged, discharged and terminated as against the Purchased Assets

4. Upon delivery of the Receiver’s Closing Certificate, and upon filing of a certified copy of this Order, together with any applicable registration fees, all governmental authorities including those referred to below in this paragraph (collectively, “**Governmental Authorities**”) are hereby authorized, requested and directed to accept delivery of such Receiver’s Closing Certificate and certified copy of this Order as though they were originals and to register such transfers, interest authorizations, discharges and discharge statements of conveyance as may be required to convey to the Purchaser or its nominee clear title to the Purchased Assets subject only to Permitted Encumbrances. Without limiting the foregoing:

- (a) notwithstanding that the appeal period in respect of this Order has not elapsed, the Land Titles Registrar shall and is hereby authorized, requested and directed to forthwith register the transfer to the Purchaser (or its nominee) of all caveats and all other registrations and/or instruments (except for Permitted Encumbrances) currently registered in the name of the Debtor in respect of the Purchased Assets;
- (b) Alberta Energy (“**Energy Ministry**”) shall and is hereby authorized, requested and directed to forthwith cancel and discharge those Claims including builders’ liens, security notices, assignments under section 426 (formerly section 177) of the *Bank Act* (Canada) and other Encumbrances (but excluding Permitted Encumbrances) registered (whether before or after the date of this Order) against the estate or interest of the Debtor in and to any of the Purchased Assets located in the Province of Alberta; and

- (c) the Registrar of the Alberta Personal Property Registry (the “**PPR Registrar**”) shall and is hereby directed to forthwith cancel and discharge any registrations at the Alberta Personal Property Registry (whether made before or after the date of this Order) claiming security interests (other than Permitted Encumbrances) in the estate or interest of the Debtor in any of the Purchased Assets which are of a kind prescribed by applicable regulations as serial-number goods.
5. In order to effect the transfers and discharges described above, this Court directs each of the Governmental Authorities to take such steps as are necessary to give effect to the terms of this Order and the Sale Agreement. Presentment of this Order and the Receiver’s Closing Certificate shall be the sole and sufficient authority for the Governmental Authorities to make and register transfers of title or interest and cancel and discharge registrations against any of the Purchased Assets of any Claims including Encumbrances but excluding Permitted Encumbrances.
 6. No authorization, approval or other action by and no notice to or filing with any governmental authority or regulatory body exercising jurisdiction over the Purchased Assets is required for the due execution, delivery and performance by the Receiver of the Sale Agreement, [other than any required approval by the Energy Regulator referenced in paragraph 3 above.
 7. Upon delivery of the Receiver’s Closing Certificate together with a certified copy of this Order, this Order shall be immediately registered by the Land Titles Registrar notwithstanding the requirements of section 191(1) of the *Land Titles Act*, RSA 2000, c.L-7 and notwithstanding that the appeal period in respect of this Order has not elapsed. The Land Titles Registrar is hereby directed to accept all Affidavits of Corporate Signing Authority submitted by the Receiver in its capacity as Receiver of the Debtor and not in its personal capacity.
 8. For the purposes of determining the nature and priority of Claims, net proceeds from sale of the Purchased Assets (to be held in an interest bearing trust account by the Receiver) shall stand in the place and stead of the Purchased Assets from and after delivery of the Receiver’s Closing Certificate and all Claims including Encumbrances (but excluding Permitted Encumbrances) shall not attach to, encumber or otherwise form a charge, security interest, lien, or other Claim against the Purchased Assets and may be asserted against the net proceeds from sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale. Unless otherwise

ordered (whether before or after the date of this Order), the Receiver shall not make any distributions to creditors of net proceeds from sale of the Purchased Assets without further order of this Court, provided however the Receiver may apply any part of such net proceeds to repay any amounts the Receiver has borrowed for which it has issued a Receiver's Certificate pursuant to the Receivership Order.

9. Except as expressly provided for in the Sale Agreement or by section 5 of the Alberta *Employment Standards Code*, the Purchaser (or its nominee) shall not, by completion of the Transaction, have liability of any kind whatsoever in respect of any Claims against the Debtor.
10. Upon completion of the Transaction, the Debtor and all persons who claim by, through or under the Debtor in respect of the Purchased Assets, and all persons or entities having any Claims of any kind whatsoever in respect of the Purchased Assets, save and except for persons entitled to the benefit of the Permitted Encumbrances, shall stand absolutely and forever barred, estopped and foreclosed from and permanently enjoined from pursuing, asserting or claiming any and all right, title, estate, interest, royalty, rental, equity of redemption or other Claim whatsoever in respect of or to the Purchased Assets, and to the extent that any such persons or entities remain in the possession or control of any of the Purchased Assets, or any artifacts, certificates, instruments or other indicia of title representing or evidencing any right, title, estate, or interest in and to the Purchased Assets, they shall forthwith deliver possession thereof to the Purchaser (or its nominee).
11. The Purchaser (or its nominee) shall be entitled to enter into and upon, hold and enjoy the Purchased Assets for its own use and benefit without any interference of or by the Debtor, or any person claiming by, through or against the Debtor.
12. Immediately upon closing of the Transaction, holders of Permitted Encumbrances shall have no claim whatsoever against the Receiver.
13. The Receiver is directed to file with the Court a copy of the Receiver's Closing Certificate forthwith after delivery thereof to the Purchaser (or its nominee).
14. Pursuant to clause 7(3)(c) of the *Personal Information Protection and Electronic Documents Act* (Canada) and section 20(e) of the Alberta *Personal Information Protection Act*, the Receiver is authorized and permitted to disclose and transfer to the Purchaser (or its nominee) all human resources and payroll information in the Debtor's records pertaining to the Debtor's past and current employees. The Purchaser (or its nominee) shall maintain and protect the privacy of such

information and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use (of such information) to which the Debtor was entitled.

MISCELLANEOUS MATTERS

15. Notwithstanding:

- (a) the pendency of these proceedings and any declaration of insolvency made herein;
- (b) the pendency of any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c.B-3, as amended (the “**BIA**”), in respect of the Debtor, and any bankruptcy order issued pursuant to any such applications;
- (c) any assignment in bankruptcy made in respect of the Debtor; and
- (d) the provisions of any federal or provincial statute:

the vesting of the Purchased Assets in the Purchaser (or its nominee) pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtor and shall not be void or voidable by creditors of the Debtor, nor shall it constitute nor be deemed to be a transfer at undervalue, settlement, fraudulent preference, assignment, fraudulent conveyance, or other reviewable transaction under the BIA or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

16. The Receiver, the Purchaser (or its nominee) and any other interested party, shall be at liberty to apply for further advice, assistance and direction as may be necessary in order to give full force and effect to the terms of this Order and to assist and aid the parties in closing the Transaction.

17. This Honourable Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in any of its provinces or territories or in any foreign jurisdiction, to act in aid of and to be complimentary to this Court in carrying out the terms of this Order, to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such order and to provide such assistance to the Receiver, as an officer of the Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

18. Service of this Order shall be deemed good and sufficient by:

- (a) Serving the same on:
 - (i) the persons listed on the service list created in these proceedings;
 - (ii) any other person served with notice of the application for this Order;
 - (iii) any other parties attending or represented at the application for this Order;
 - (iv) the Purchaser or the Purchaser's solicitors; and
- (b) Posting a copy of this Order on the Receiver's website at: www.pwc.com/ca/LongRun

and service on any other person is hereby dispensed with.

19. 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.

Justice of the Court of King's Bench of Alberta

SCHEDULE “A”

Form of Receiver’s Certificate

COURT FILE NUMBER 2401-09247

COURT COURT OF KING’S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

APPLICANT ORPHAN WELL ASSOCIATION

RESPONDENT LONG RUN EXPLORATION LTD.



DOCUMENT **RECEIVER’S CERTIFICATE**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT **BENNETT JONES LLP**
 Suite 4500, 855 – 2nd Street S.W.
 Calgary, AB T2P 4K7

Attention: Kelsey Meyer / Michael Selnes / Kaamil Khalfan
 Telephone No.: 403-298-3323 / 3311 / 3117
 Fax No.: 403-265-7219
 Client File No.: 011866.00079
 Meyerk@bennettjones.com / selnesm@bennettjones.com /
 Khalfank@bennettjones.com

RECITALS

- A. Pursuant to an Order of the Honourable Justice G. A. Campbell of the Court of King’s Bench of Alberta, Judicial District of Calgary (the “**Court**”) dated March 5, 2025, PricewaterhouseCoopers Inc., LIT was appointed as the receiver (the “**Receiver**”) of the undertakings, property and assets of Long Run Exploration Ltd. (the “**Debtor**”).

- B. Pursuant to an Order of the Court dated [**Date**], the Court approved the agreement of purchase and sale made as of [**Date of Agreement**] (the “**Sale Agreement**”) between the Receiver and [**Name of Purchaser**] (the “**Purchaser**”) and provided for the vesting in the Purchaser of the Debtor’s right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii)

that the conditions to Closing as set out in section [*] of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver.

C. Unless otherwise indicated herein, capitalized terms have the meanings set out in the Sale Agreement.

THE RECEIVER CERTIFIES the following:

1. The Purchaser (or its nominee) has paid and the Receiver has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the Sale Agreement;
2. The conditions to Closing as set out in section [*] of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser (or its nominee); and
3. The Transaction has been completed to the satisfaction of the Receiver.
4. This Certificate was delivered by the Receiver at [Time] on [Date].

PricewaterhouseCoopers Inc., LIT, in its capacity as Receiver of the undertakings, property and assets of Long Run Exploration Ltd., and not in its personal capacity.

Per: _____

Name:

Title:

SCHEDULE "B"
PURCHASED ASSETS

SCHEDULE "C"

CLAIMS

SCHEDULE "D"

PERMITTED ENCUMBRANCES

Permitted Encumbrances consist of the following (with capitalized terms having the definitions given to them in the Sale Agreement, unless otherwise defined in this Order):

- (a) any overriding royalties, net profits interests and other burdens, which are provided for under the Title Documents;
- (b) the terms and conditions of the Assumed Contracts and the Title Documents, including ROFRs, the requirement to pay any rentals or royalties to the grantor thereof to maintain the Title Documents in good standing and any royalty or other burden reserved to the grantor thereof or any gross royalty trusts applicable to the grantor's interest in any of the Title Documents;
- (c) the right reserved to or vested in any grantor, Governmental Authority or other public authority by the terms of any Title Document or by Applicable Laws to terminate any Title Document;
- (d) easements, rights of way, servitudes or other similar rights in land, including rights of way and servitudes for highways, railways, sewers, drains, gas and oil pipelines, gas and water mains, electric light, power, telephone or cable television conduits, poles, wires or cables;
- (e) taxes on Petroleum Substances or the income or revenue therefrom, unless specifically excluded and governmental restrictions on production rates from the Wells or on operations being conducted on the Lands or otherwise affecting the value of any of the Assets;
- (f) agreements for the sale, processing, transmission or transportation of Petroleum Substances entered into by the Debtor, or the Vendor for and on behalf of the Debtor subsequent to the date of this Agreement;
- (g) any obligation of the Vendor or the Debtor to hold any portion of their interest in and to any of the Assets in trust for Third Parties;
- (h) any rights reserved to or vested in any Governmental Authority to control or regulate the ownership, use or operation of any of the Assets in any manner, including governmental requirements imposed by statute or Governmental Authorities as to rates of production from operations or otherwise affecting recoverability of Petroleum Substances;
- (i) undetermined or inchoate liens incurred or created as security in favour of any Person with respect to the development or operation of any of the Assets, as regards the Vendor's or any Debtor's share of the costs and expenses thereof which are not due or delinquent as of the date hereof;
- (j) the reservations, limitations, provisos and conditions in any grants or transfers from the Crown of any of the Lands or interests therein, and statutory exceptions to title;
- (k) provisions for penalties and forfeitures under Title Documents as a consequence of non-participation in operations;

- (l) any requirement to post or maintain any deposits or other form of security required by any Governmental Authority;
- (m) any linear or non-linear municipal property tax claims under the *Municipal Government Act* (Alberta), or otherwise; and
- (n) liens granted in the ordinary course of business to a public utility, municipality or Governmental Authority with respect to operations pertaining to any of the Assets as regards the Vendor's or any Debtor's share of amounts owing to such public utility, municipality or Governmental Authority which are not due or delinquent as of the date hereof.

SCHEDULE C²

Form of General Conveyance, Assignment and Assumption Agreement

GENERAL CONVEYANCE, ASSIGNMENT, AND ASSUMPTION AGREEMENT

THIS General Conveyance, Assignment, and Assumption Agreement (this "**Agreement**") is made as of the [•] day of [•], [•].

AMONG:

PRICEWATERHOUSECOOPERS INC. LIT, a corporation existing under the federal laws of Canada, solely in its capacity as the receiver and manager of the assets, property and undertaking of Long Run Exploration Ltd. (the "**Debtor**"), and not in its personal or corporate capacity (herein referred to as the "**Vendor**")

- and -

[BUYER], a corporation existing under the laws of **Alberta** (herein referred to as the "**Purchaser**")

RECITALS:

- A. In accordance with the terms of that certain Asset Purchase and Sale Agreement dated as of [•], by and between the Vendor and the Purchaser (the "**Purchase Agreement**"), the Vendor has agreed to sell, assign, and transfer the Assets to the Purchaser and the Purchaser has agreed to purchase the Assets from the Vendor;
- B. the Purchaser has agreed to assume the Assumed Liabilities; and
- C. this Agreement is delivered pursuant to the Purchase Agreement.

NOW THEREFORE, for good and valuable consideration now paid by the Purchaser to the Vendor pursuant to the Purchase Agreement (the receipt and sufficiency of which is hereby acknowledged by the Vendor) the parties hereto agree as follows:

1. Definitions

All capitalized terms used but not otherwise defined in this Agreement shall have the meaning ascribed to such terms in the Purchase Agreement.

2. Certain Rules of Interpretation

- (i) In this Agreement, unless the context requires otherwise, words in one gender include all genders and words in the singular include the plural and vice versa.

² Guidance note to Buyer: this Schedule C is a form only; it is required to be delivered at Closing (i.e. does not need to be signed and delivered at time of signing this PSA).

- (ii) The division of this Agreement into Sections and the inclusion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement.
- (iii) The terms "hereof," "hereunder," and similar expressions refer to this Agreement and not to any particular Section or other portion of this Agreement.
- (iv) Unless something in the subject matter or context is inconsistent therewith, references herein to "Sections" are to sections of this Agreement.
- (v) The language used in this Agreement is the language chosen by the parties to express their mutual intent, and no rule of strict construction shall be applied against any party.

3. Conveyance

The Vendor hereby sells, transfers, assigns, conveys and delivers to the Purchaser, and the Purchaser hereby purchases, accepts and receives from the Vendor, upon the terms and subject to the conditions of the Purchase Agreement, the Vendor's Interest in and to the Assets, free and clear of any and all Claims other than Permitted Encumbrances, as applicable, with effect as of the Closing on the date hereof, to have and to hold the Assets and all such right, title, interest, property, claim, and demand unto and to the use of the Purchaser.

4. Assumption of Assumed Liabilities

Effective as of the Closing on the date hereof, the Purchaser hereby assumes and agrees to pay, perform, and discharge, when due, the Assumed Liabilities.

5. Further Assurances

Each of the Parties hereto from and after the date hereof shall, from time to time, and at the request and expense of the Party requesting the same, do all such further acts and things and execute and deliver such further instruments, documents, matters, papers and assurances as may be reasonably requested to complete the Transaction and for more effectually carrying out the true intent and meaning of this Agreement.

6. Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the Province of Alberta, and the federal laws of Canada applicable therein (excluding any conflict of law rule or principle of such laws that might refer such interpretation or enforcement to the laws of another jurisdiction). The Parties consent to the jurisdiction and venue of the courts of Alberta for the resolution of any such dispute arising under this Agreement.

7. Entire Agreement

This Agreement, the Purchase Agreement, and the documents referred to therein and contemplated thereby constitute the entire agreement between the Parties with respect to the subject matter hereof and cancel and supersede all prior agreements, understandings, negotiations and discussions, whether oral or written, between the Parties with respect to the subject matter hereof. There are no conditions, covenants, agreements, representations, warranties or other provisions, whether oral or

written, express or implied, collateral, statutory or otherwise, relating to the subject matter hereof other than those contained in this Agreement, the Purchase Agreement, the Confidentiality Agreement and the documents referred to therein and contemplated thereby.

8. Successors and Assigns

This Agreement shall be binding upon, and enure to the benefit of, the Parties and their respective successors and permitted assigns.

9. Counterparts

This Agreement may be executed in two or more counterparts, each of which will be deemed an original and all of which together will constitute one instrument. Delivery by facsimile or by electronic transmission in portable document format (PDF) of an executed counterpart of this Agreement is as effective as delivery of an originally executed counterpart of this Agreement.

10. Amendments

This Agreement shall not be varied in its terms or amended by oral agreement or by representations or otherwise other than by an instrument in writing dated subsequent to the date hereof, executed by a duly authorized representative of each Party. Any amendment effected in accordance with this Section 10 will be binding upon the Parties and their respective successors and permitted assigns.

11. Paramountcy

This Agreement is delivered pursuant to, and is subject to, all of the terms and conditions contained in the Purchase Agreement. In the event of any inconsistency between the provisions of this Agreement and the provisions of the Purchase Agreement, the provisions of the Purchase Agreement shall prevail.

12. Severability

If any provision of this Agreement or any document delivered in connection with this Agreement is partially or completely invalid or unenforceable, the invalidity or unenforceability of that provision shall not affect the validity or enforceability of any other provision of this Agreement, all of which shall be construed and enforced as if that invalid or unenforceable provision were omitted. The invalidity or unenforceability of any provision in one jurisdiction shall not affect such provision validity or enforceability in any other jurisdiction.

[Signature Page Follows.]

IN WITNESS WHEREOF this Agreement has been properly executed by the Parties as of the date first above written.

PRICEWATERHOUSECOOPERS INC. LIT, A CORPORATION EXISTING UNDER THE FEDERAL LAWS OF CANADA, SOLELY IN ITS CAPACITY AS THE RECEIVER AND MANAGER OF THE ASSETS, PROPERTY AND UNDERTAKING OF LONG RUN EXPLORATION LTD., AND NOT IN ITS PERSONAL OR CORPORATE CAPACITY

Per: _____
Name:
Title:

[BUYER]

Per: _____
Name:
Title:

Appendix C – March Amending Agreements

AMENDING AGREEMENT – ASSET PURCHASE AND SALE AGREEMENT

THIS AMENDING AGREEMENT – ASSET PURCHASE AND SALE AGREEMENT (this "Amending Agreement") dated as of March 12, 2026,

BETWEEN:

PRICEWATERHOUSECOOPERS INC. LIT, a corporation existing under the federal laws of Canada, solely in its capacity as the receiver and manager of the assets, property and undertaking of Long Run Exploration Ltd. (the "**Debtor**"), and not in its personal or corporate capacity (herein referred to as the "**Vendor**")

- and -

CARDINAL ENERGY LTD., a corporation existing under the laws of the Province of Alberta (herein referred to as the "**Purchaser**")

WHEREAS:

- A. pursuant to the Receivership Order, the Vendor was appointed as receiver and manager of all of the current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, of the Debtor, including all proceeds thereof;
- B. the Vendor and the Purchaser entered into an Asset Purchase and Sale Agreement dated October 29, 2025 (the "**Purchase and Sale Agreement**"), pursuant to which the Purchaser agreed to purchase and acquire and the Vendor agreed to sell, transfer and assign to the Purchaser, all of the Vendor's Interest in and to the Assets; and
- C. the Vendor and the Purchaser now desire to amend the Purchase and Sale Agreement as set out herein.

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained in the Purchase and Sale Agreement, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

**ARTICLE 1
INTERPRETATION**

- 1.1 Defined Terms.** Capitalized terms used and not otherwise defined in this Amending Agreement shall have the meanings ascribed to them in the Purchase and Sale Agreement.
- 1.2 Interpretation.** The provisions of Section 1.2 of the Purchase and Sale Agreement shall apply as if set out in this Amending Agreement, save that references to "this Agreement" shall be construed as references to this Amending Agreement.

**ARTICLE 2
ASSETS LISTING**

- 2.1 **Amendment to Schedule "A" – Assets Listing.** Schedule A, attached to and incorporated in the Purchase and Sale Agreement, shall be amended as specified in Appendix "A" to this Amending Agreement.

**ARTICLE 3
MISCELLANEOUS**

- 3.1 **Continuity:** The provisions of the Purchase and Sale Agreement shall, save as amended by this Amending Agreement, continue in full force and effect, and shall be read and construed as one document with this Amending Agreement.
- 3.2 **Governing Law:** Section 14.4 of the Purchase and Sale Agreement shall apply to this Amending Agreement *mutatis mutandis*.
- 3.3 **Counterparts:** This Amending Agreement may be executed in one or more counterparts, each of which shall be deemed an original, and all of which shall constitute one and the same agreement. A signed copy of this Amending Agreement delivered by e-mail or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Amending Agreement.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF this Amending Agreement has been properly executed by the Parties as of the date first above written.

PRICEWATERHOUSECOOPERS INC. LIT, A CORPORATION EXISTING UNDER THE FEDERAL LAWS OF CANADA, SOLELY IN ITS CAPACITY AS THE RECEIVER AND MANAGER OF THE ASSETS, PROPERTY AND UNDERTAKING OF LONG RUN EXPLORATION LTD., AND NOT IN ITS PERSONAL OR CORPORATE CAPACITY

DocuSigned by:

33A9470E94354E8...

Per: _____

Name: Rick Osuna
Title: Senior Vice President

CARDINAL ENERGY LTD.

Per: _____


Name: Dale Orton
Title: COO

IN WITNESS WHEREOF this Amending Agreement has been properly executed by the Parties as of the date first above written.

PRICEWATERHOUSECOOPERS INC. LIT, A CORPORATION EXISTING UNDER THE FEDERAL LAWS OF CANADA, SOLELY IN ITS CAPACITY AS THE RECEIVER AND MANAGER OF THE ASSETS, PROPERTY AND UNDERTAKING OF LONG RUN EXPLORATION LTD., AND NOT IN ITS PERSONAL OR CORPORATE CAPACITY

Per: _____
Name: Rick Osuna
Title: Senior Vice President

CARDINAL ENERGY LTD.

Per:  _____
Name: Dale Orton
Title: COO

APPENDIX "A"

Lands Schedule/Mineral Property Report:

The Mineral Property Report attached to Schedule A of the Purchase and Sale Agreement under the heading "Lands Schedule/Mineral Property Report" shall be replaced with the attached Mineral Property Report.

LONG RUN EXPLORATION LTD.

Mineral Property Report

Generated by CHARLOTTE JANSSEN on March 06, 2026 at 12:45:07 pm.

Selection

Admin Company:

Category:

Country:

Province:

Division:

Area(s):

Active / Inactive:

Status Types:

Lease Types:

Acreage Status:

Expiry Period:

Acreage Category:



LONG RUN EXPLORATION LTD.

Mineral Property Report

Print Options

Acres / Hectares:	Hectares		
Working Interest DOI:	Yes		
Other DOI:	Reference		
Related Contracts:	Yes	Related Units:	Yes
Royalty Information:	Yes	Expand:	Yes
Well Information:	No		
Remarks:	No		
Acreage:	Developed / Undeveloped		

Sort Options

Division:	No
Category:	No
Province:	No
Area:	No
Location:	Yes

Report Date: Mar 06, 2026

Page Number: 1

LONG RUN EXPLORATION LTD. Mineral Property Report

REPORTED IN HECTARES

File Number	Lse Type	Lessor Type	Exposure	Oper.Cont.	ROFR	DOI Code	
File Status	Int Type / Lse No/Name		Gross				
Mineral Int	Operator / Payor		Net	Doi Partner(s)	*	*	Lease Description / Rights Held
M06347	PNG LEASICR	Eff: Mar 08, 2007	0.000			WI	Area : ELMWORTH
Sub: A	WI	Exp: Mar 07, 2012	0.000	LONG RUN EXPL		100.00000000	TWP 69 RGE 8 W6M S 11
ACTIVE	0507030341	Ext: AB 15	0.000				PNG FROM TOP SURFACE TO BASE
	LONG RUN EXPL			Total Rental:	0.00		SPIRIT_RIVER
100.00000000	LONG RUN EXPL	Count Acreage = No					EXCL PNG IN DOE_CREEK
							EXCL PNG IN FALHER_B()
	Status		Hectares	Net		Hectares	Net
	UNDEVELOPED	Dev:	0.000	0.000	Undev:	0.000	0.000
	----- Related Contracts -----						
	PS0404 A	PUR/SAL-A					Apr 09, 2014 (I)

Royalty / Encumbrances

Royalty Type	Product Type	Sliding Scale	Convertible	% of Prod/Sales
CROWN	ALL	Y	N	100.00000000 % of PROD
Roy Percent:				
Deduction: STANDARD				
Gas: Royalty:		Min Pay:		Prod/Sales:
S/S OIL: Min:	Max:	Div:		Prod/Sales:
Other Percent:		Min:		Prod/Sales:
Paid to: DEPOSITO(M)		Paid by: WI	(M)	
GOV OF ALBERTA	100.00000000	LONG RUN EXPL	100.00000000	

Report Date: Mar 06, 2026

Page Number: 2

REPORTED IN HECTARES

LONG RUN EXPLORATION LTD. Mineral Property Report

File Number	Lse Type	Lessor Type	Exposure	Oper.Cont.	ROFR	DOI Code			
File Status	Int Type / Lse No/Name		Gross						
Mineral Int	Operator / Payor		Net	Doi Partner(s)	*	*		Lease Description / Rights Held	

Report Total:	Total Gross:	0.000	Total Net:	0.000					
	Dev Gross:	0.000	Dev Net:	0.000	Undev Gross :	0.000	Undev Net :	0.000	

**** End of Report ****

AMENDING AGREEMENT – ASSET PURCHASE AND SALE AGREEMENT

THIS AMENDING AGREEMENT – ASSET PURCHASE AND SALE AGREEMENT (this "**Amending Agreement**") dated as of March 12, 2026,

BETWEEN:

PRICEWATERHOUSECOOPERS INC. LIT, a corporation existing under the federal laws of Canada, solely in its capacity as the receiver and manager of the assets, property and undertaking of Long Run Exploration Ltd. (the "**Debtor**"), and not in its personal or corporate capacity (herein referred to as the "**Vendor**")

- and -

HIGHVALE ENERGY LIMITED, a corporation existing under the laws of the Province of Alberta (herein referred to as the "**Purchaser**")

WHEREAS:

- A. pursuant to the Receivership Order, the Vendor was appointed as receiver and manager of all of the current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, of the Debtor, including all proceeds thereof;
- B. the Vendor and the Purchaser entered into an Amended and Restated Asset Purchase and Sale Agreement dated November 20, 2025 (the "**Purchase and Sale Agreement**"), pursuant to which the Purchaser agreed to purchase and acquire and the Vendor agreed to sell, transfer and assign to the Purchaser, all of the Vendor's Interest in and to the Assets; and
- C. the Vendor and the Purchaser now desire to amend the Purchase and Sale Agreement as set out herein.

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained in the Purchase and Sale Agreement, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

**ARTICLE 1
INTERPRETATION**

- 1.1 Defined Terms.** Capitalized terms used and not otherwise defined in this Amending Agreement shall have the meanings ascribed to them in the Purchase and Sale Agreement.
- 1.2 Interpretation.** The provisions of Section 1.2 of the Purchase and Sale Agreement shall apply as if set out in this Amending Agreement, save that references to "this Agreement" shall be construed as references to this Amending Agreement.

**ARTICLE 2
ASSETS LISTING**

- 2.1** **Amendment to Schedule "A" – Assets Listing.** Schedule A, attached to and incorporated in the Purchase and Sale Agreement, shall be amended as specified in Appendix "A" to this Amending Agreement.


**ARTICLE 3
MISCELLANEOUS**

- 3.1** **Continuity:** The provisions of the Purchase and Sale Agreement shall, save as amended by this Amending Agreement, continue in full force and effect, and shall be read and construed as one document with this Amending Agreement.
- 3.2** **Governing Law:** Section 14.4 of the Purchase and Sale Agreement shall apply to this Amending Agreement *mutatis mutandis*.
- 3.3** **Counterparts:** This Amending Agreement may be executed in one or more counterparts, each of which shall be deemed an original, and all of which shall constitute one and the same agreement. A signed copy of this Amending Agreement delivered by e-mail or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Amending Agreement.

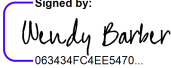
[Remainder of page intentionally left blank]

IN WITNESS WHEREOF this Amending Agreement has been properly executed by the Parties as of the date first above written.

PRICEWATERHOUSECOOPERS INC. LIT, A CORPORATION EXISTING UNDER THE FEDERAL LAWS OF CANADA, SOLELY IN ITS CAPACITY AS THE RECEIVER AND MANAGER OF THE ASSETS, PROPERTY AND UNDERTAKING OF LONG RUN EXPLORATION LTD., AND NOT IN ITS PERSONAL OR CORPORATE CAPACITY

Per:  33A9470E94354E8...
Name: Rick Osuna
Title: Senior Vice President

HIGHVALE ENERGY LIMITED

Per:  063434FC4EE5470...
Name: Wendy Barber
Title: Chief Executive Officer

APPENDIX "A"

Pipelines:

The following shall be added to the Pipelines listed under the heading "Pipelines" of Schedule A of the Purchase and Sale Agreement.

License Number	Line Number	Line	From Location	To Location
14987	22	14987-22	08-26-056-06W5	06-26-056-06W5
25838	2	25838-2	08-34-056-06W5	06-26-056-06W5

Appendix D – Correspondence from IOGC



Government
of Canada

Gouvernement
du Canada

Indian Oil and Gas Canada
100, 9911 Chiila Boulevard
Tsuut'ina, Alberta T3T 0E1
Tel.: 403-292-5625
Fax: 403-292-5618
Web site: www.iogc.gc.ca

Pétrole et gaz des Indiens du Canada
100, 9911 boulevard Chiila
Tsuut'ina, Alberta T3T 0E1
Tél. : 403-292-5625
Télécopieur : 403-292-5618
Site Web : www.pgic.gc.ca

December 23, 2025

2025-01 C&E Letter to Receiver - Alexis; PRB

PricewaterhouseCoopers Inc.
Attn: Paul J. Darby/Rick F. Osuna
3100, 111 5th Avenue SW
Calgary, AB T2P 5L3

VIA COURIER

Dear Paul J. Darby and Rick F. Osuna,

RE: Long Run Exploration Ltd. – Oil & Gas Operations on Alexis Nakota Sioux First Nation Lands

Indian Oil and Gas Canada (“IOGC”) is the federal regulator of oil and gas operations occurring on First Nation lands. We write with respect to Long Run’s ongoing receivership proceedings in the Alberta Courts.

Long Run is party to contracts (the “Contracts”) with IOGC affecting Alexis Nakota Sioux First Nation (“Alexis Sioux Nation”) as identified in Schedule A. All oil and gas operations conducted pursuant to the Contracts are subject to the *Indian Oil and Gas Act*, RSC 1985, c.1-7 (the “Act”), and the *Indian Oil and Gas Regulations*, SOR/2019-196 (the “Regulations”).

As our legal counsel confirmed in the most recent December 15, 2025 court proceedings in Long Run Exploration Ltd.’s (“Long Run”) receivership, Long Run and PricewaterhouseCoopers Inc. (“PwC”), as Receiver, continue to be responsible for the care and custody of Long Run’s assets. These outstanding obligations may include but are not limited to, maintenance of the location, resolving any environmental non-compliances, emergency and incident response. The Receiver is also responsible for ensuring that all applicable end-of-life environmental obligations are addressed prior to releasing any funds to secured creditors. This may include a requirement to suspend, abandon and reclaim said properties, removal of any physical structures on the land. Any remediation due to contamination would also be the Receiver’s responsibility.

We invite Long Run and PwC to contact the undersigned to discuss the plan to address any outstanding environmental obligations on the Contracts. In particular, any plan for these outstanding obligations to be addressed by the Orphan Wells Association will need to be discussed with IOGC before being approved by a Court.

Further, we note that Long Run owes outstanding post-filing amounts for the Contracts to IOGC in the form of rental payments, set out in the attached Land Statement for the benefit of Alexis Sioux Nation. We invite PwC to contact the undersigned to discuss any plan for the same.



Government
of Canada

Gouvernement
du Canada

We look forward to working together to address issues as they may arise. Please direct any enquiries via email to IOGCCCompliance@sac-isc.gc.ca or to the undersigned via telephone at 587-545-4539.

INDIAN OIL AND GAS CANADA

David Chun
Acting Manager of Compliance and Enforcement
Indian Oil and Gas Canada
Phone: 587-545-4539 | Email: david.chun@sac-isc.gc.ca

Cc: Chief and Council, Alexis Nakota Sioux First Nation
Darwin Alexis, Oil and Gas representative, Alexis Nakota Sioux First Nation
IOGC Enforcement (via email to IOGCCCompliance@sac-isc.gc.ca)

Encl. Schedule A – IOGC Agreement Schedule
Schedule B – Land Statement – Alexis Nakota Sioux First Nation

SCHEDULE A



Indian Oil and Gas Canada/Petrole et gaz des Indiens du Canada

Agreement Schedule Including All Grantees

Band Name	Agreement	Legislation	Reserve Name	Status	Effective Date	Company	Op	Gte %	Expiry Date	End Of Intermediate	Cont Indef	Review Date	Hectares	Rental	Pending Admin Activity
Alexis Nakota Sioux Nation	OL-6172		Alexis #133	TERMINATED	03-JUL-2004	Long Run Exploration Ltd.	Y	100	02-JUL-2008			02-JUL-2013	179.720		
	OS-4939		Alexis #133	ACTIVE	20-MAR-2001	Long Run Exploration Ltd.	Y	100	19-MAR-2006		YES		1.276	\$2,700.00	DIR_COMPLY
	OS-5705		Alexis #133	ACTIVE	30-MAR-2005	Long Run Exploration Ltd.	Y	100	29-MAR-2010		YES		2.420	\$3,630.00	2CEOtoCEO
	OS-5707		Alexis #133	ACTIVE	30-MAR-2005	Long Run Exploration Ltd.	Y	100	29-MAR-2010		YES		1.306	\$2,400.00	2CEOtoCEO DIR_COMPLY
	OS-5708		Alexis #133	ACTIVE	30-MAR-2005	Long Run Exploration Ltd.	Y	100	29-MAR-2010		YES		1.456	\$2,400.00	2CEOtoCEO DIR_COMPLY
	OS-5884		Alexis #133	ACTIVE	31-JAN-2006	Long Run Exploration Ltd.	Y	100	30-JAN-2011		YES		2.900	\$4,350.00	1CEOtoCEO DIR_COMPLY SURRENDER
	OS-5885		Alexis #133	ACTIVE	31-JAN-2006	Long Run Exploration Ltd.	Y	100	30-JAN-2011		YES		1.969	\$3,288.00	2CEOtoCEO DIR_COMPLY
Total (Band):											191.047				
Agr Count(Band):											7				
Total(Report):											191.047				
Agr Count(Report):											7				

SCHEDULE B



Indian Oil and Gas Canada / Pétrole et gaz des Indiens du Canada

Land Statement

Operator/Grantee: LONG RUN EXPLORATION LTD.
300-707 7 AVE SW
CALGARY, AB T2P 3H6

Statement Period: 01-Nov-2025 to 30-Nov-2025

Statement #: 2025-2566
Statement Created: 04-DEC-2025 05:15:56 PM

Page 1 of 6

Band: ALEXIS NAKOTA SIOUX NATION

Contract	Land Description/Event	Due Date	Processed Date	Event Amount	Payment Amount	Sub-Total	Total Owing (Overpaid)
OS-4939	55-4-W5-(LSD 9) 24;						
OS-4939	RENTAL (255 days overdue) (Event Date 20-MAR-25)	20-MAR-2025		\$2,700.00			
	Total Owing	20-MAR-2025		\$2,700.00		\$2,700.00	
	INTEREST ON RENTAL						
	Interest Charge on \$2,700.00 from 21-MAR-2025 to 31-MAR-2025 at 6.25%		10-APR-2025	\$5.09			
	Interest Charge on \$2,705.09 from 01-APR-2025 to 30-APR-2025 at 6.1%		10-APR-2025	\$13.56			
	Interest Charge on \$2,718.65 from 01-MAY-2025 to 31-MAY-2025 at 6%		15-MAY-2025	\$13.85			
	Interest Charge on \$2,732.50 from 01-JUN-2025 to 30-JUN-2025 at 6%		10-JUN-2025	\$13.48			
	Interest Charge on \$2,745.98 from 01-JUL-2025 to 31-JUL-2025 at 6%		15-JUL-2025	\$13.99			
	Interest Charge on \$2,759.97 from 01-AUG-2025 to 31-AUG-2025 at 6%		19-AUG-2025	\$14.06			
	Interest Charge on \$2,774.03 from 01-SEP-2025 to 30-SEP-2025 at 6%		10-SEP-2025	\$13.68			
	Interest Charge on \$2,787.71 from 01-OCT-2025 to 31-OCT-2025 at 5.89%		15-OCT-2025	\$13.95			
	Interest Charge on \$2,801.66 from 01-NOV-2025 to 30-NOV-2025 at 5.73%		12-NOV-2025	\$13.19			
	Interest Charge on \$2,814.85 from 01-DEC-2025 to 31-DEC-2025 at 5.5%		04-DEC-2025	\$13.15			
	Total Interest Owing	31-DEC-2025		\$128.00		\$128.00	
	RENTAL TOTAL						\$2,828.00
OS-5705	55-4-W5-(LSD 3) 9;						
OS-5705	RENTAL (245 days overdue) (Event Date 30-MAR-25)	30-MAR-2025		\$3,630.00			
	Total Owing	30-MAR-2025		\$3,630.00		\$3,630.00	
	INTEREST ON RENTAL						
	Interest Charge on \$3,630.00 from 31-MAR-2025 to 31-MAR-2025 at 6.25%		10-APR-2025	\$0.62			
	Interest Charge on \$3,630.62 from 01-APR-2025 to 30-APR-2025 at 6.1%		10-APR-2025	\$18.20			
	Interest Charge on \$3,648.82 from 01-MAY-2025 to 31-MAY-2025 at 6%		15-MAY-2025	\$18.59			
	Interest Charge on \$3,667.41 from 01-JUN-2025 to 30-JUN-2025 at 6%		10-JUN-2025	\$18.09			



Indian Oil and Gas Canada / Pétrole et gaz des Indiens du Canada

Land Statement

Operator/Grantee: LONG RUN EXPLORATION LTD.
300-707 7 AVE SW
CALGARY, AB T2P 3H6

Statement Period: 01-Nov-2025 to 30-Nov-2025

Statement #: 2025-2566
Statement Created: 04-DEC-2025 05:15:56 PM

Page 2 of 6

Band: ALEXIS NAKOTA SIOUX NATION

Contract	Land Description/Event	Due Date	Processed Date	Event Amount	Payment Amount	Sub-Total	Total Owing (Overpaid)
OS-5705	55-4-W5-(LSD 3) 9;						
	Interest Charge on \$3,685.50 from 01-JUL-2025 to 31-JUL-2025 at 6%		15-JUL-2025	\$18.78			
	Interest Charge on \$3,704.28 from 01-AUG-2025 to 31-AUG-2025 at 6%		19-AUG-2025	\$18.88			
	Interest Charge on \$3,723.16 from 01-SEP-2025 to 30-SEP-2025 at 6%		10-SEP-2025	\$18.36			
	Interest Charge on \$3,741.52 from 01-OCT-2025 to 31-OCT-2025 at 5.89%		15-OCT-2025	\$18.72			
	Interest Charge on \$3,760.24 from 01-NOV-2025 to 30-NOV-2025 at 5.73%		12-NOV-2025	\$17.71			
	Interest Charge on \$3,777.95 from 01-DEC-2025 to 31-DEC-2025 at 5.5%		04-DEC-2025	\$17.65			
	Total Interest Owing	31-DEC-2025		\$165.60		\$165.60	
	RENTAL TOTAL						\$3,795.60
OS-5707	55-4-W5-(LSD 9) 22;						
OS-5707	RENTAL (245 days overdue) (Event Date 30-MAR-25)	30-MAR-2025		\$2,400.00			
	Total Owing	30-MAR-2025		\$2,400.00		\$2,400.00	
	INTEREST ON RENTAL						
	Interest Charge on \$2,400.00 from 31-MAR-2025 to 31-MAR-2025 at 6.25%		10-APR-2025	\$0.41			
	Interest Charge on \$2,400.41 from 01-APR-2025 to 30-APR-2025 at 6.1%		10-APR-2025	\$12.03			
	Interest Charge on \$2,412.44 from 01-MAY-2025 to 31-MAY-2025 at 6%		15-MAY-2025	\$12.29			
	Interest Charge on \$2,424.73 from 01-JUN-2025 to 30-JUN-2025 at 6%		10-JUN-2025	\$11.96			
	Interest Charge on \$2,436.69 from 01-JUL-2025 to 31-JUL-2025 at 6%		15-JUL-2025	\$12.42			
	Interest Charge on \$2,449.11 from 01-AUG-2025 to 31-AUG-2025 at 6%		19-AUG-2025	\$12.48			
	Interest Charge on \$2,461.59 from 01-SEP-2025 to 30-SEP-2025 at 6%		10-SEP-2025	\$12.14			
	Interest Charge on \$2,473.73 from 01-OCT-2025 to 31-OCT-2025 at 5.89%		15-OCT-2025	\$12.37			
	Interest Charge on \$2,486.10 from 01-NOV-2025 to 30-NOV-2025 at 5.73%		12-NOV-2025	\$11.71			
	Interest Charge on \$2,497.81 from 01-DEC-2025 to 31-DEC-2025 at 5.5%		04-DEC-2025	\$11.67			
	Total Interest Owing	31-DEC-2025		\$109.48		\$109.48	
	RENTAL TOTAL						\$2,509.48



Indian Oil and Gas Canada / Pétrole et gaz des Indiens du Canada

Land Statement

Operator/Grantee: LONG RUN EXPLORATION LTD.
300-707 7 AVE SW
CALGARY, AB T2P 3H6

Statement Period: 01-Nov-2025 to 30-Nov-2025

Statement #: 2025-2566
Statement Created: 04-DEC-2025 05:15:56 PM

Page 3 of 6

Band: ALEXIS NAKOTA SIOUX NATION

Contract	Land Description/Event	Due Date	Processed Date	Event Amount	Payment Amount	Sub-Total	Total Owing (Overpaid)
OS-5708	55-4-W5-(LSD 14) 14;						
OS-5708	RENTAL (245 days overdue) (Event Date 30-MAR-25)	30-MAR-2025		\$2,400.00			
	Total Owing	30-MAR-2025		\$2,400.00		\$2,400.00	
	INTEREST ON RENTAL						
	Interest Charge on \$2,400.00 from 31-MAR-2025 to 31-MAR-2025 at 6.25%		10-APR-2025	\$0.41			
	Interest Charge on \$2,400.41 from 01-APR-2025 to 30-APR-2025 at 6.1%		10-APR-2025	\$12.03			
	Interest Charge on \$2,412.44 from 01-MAY-2025 to 31-MAY-2025 at 6%		15-MAY-2025	\$12.29			
	Interest Charge on \$2,424.73 from 01-JUN-2025 to 30-JUN-2025 at 6%		10-JUN-2025	\$11.96			
	Interest Charge on \$2,436.69 from 01-JUL-2025 to 31-JUL-2025 at 6%		15-JUL-2025	\$12.42			
	Interest Charge on \$2,449.11 from 01-AUG-2025 to 31-AUG-2025 at 6%		19-AUG-2025	\$12.48			
	Interest Charge on \$2,461.59 from 01-SEP-2025 to 30-SEP-2025 at 6%		10-SEP-2025	\$12.14			
	Interest Charge on \$2,473.73 from 01-OCT-2025 to 31-OCT-2025 at 5.89%		15-OCT-2025	\$12.37			
	Interest Charge on \$2,486.10 from 01-NOV-2025 to 30-NOV-2025 at 5.73%		12-NOV-2025	\$11.71			
	Interest Charge on \$2,497.81 from 01-DEC-2025 to 31-DEC-2025 at 5.5%		04-DEC-2025	\$11.67			
	Total Interest Owing	31-DEC-2025		\$109.48		\$109.48	
	RENTAL TOTAL						\$2,509.48
OS-5884	55-4-W5-(LSD 15) N 8;						
OS-5884	RENTAL (303 days overdue) (Event Date 31-JAN-25)	31-JAN-2025		\$4,350.00			
	Total Owing	31-JAN-2025		\$4,350.00		\$4,350.00	
	INTEREST ON RENTAL						
	Interest Charge on \$4,350.00 from 01-FEB-2025 to 28-FEB-2025 at 6.48%		20-FEB-2025	\$21.62			
	Interest Charge on \$4,371.62 from 01-MAR-2025 to 31-MAR-2025 at 6.25%		12-MAR-2025	\$23.21			
	Interest Charge on \$4,394.83 from 01-APR-2025 to 30-APR-2025 at 6.1%		10-APR-2025	\$22.03			
	Interest Charge on \$4,416.86 from 01-MAY-2025 to 31-MAY-2025 at 6%		15-MAY-2025	\$22.51			



Indian Oil and Gas Canada / Pétrole et gaz des Indiens du Canada

Land Statement

Operator/Grantee: LONG RUN EXPLORATION LTD.
300-707 7 AVE SW
CALGARY, AB T2P 3H6

Statement Period: 01-Nov-2025 to 30-Nov-2025

Statement #: 2025-2566
Statement Created: 04-DEC-2025 05:15:56 PM

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Band: ALEXIS NAKOTA SIOUX NATION

Contract	Land Description/Event	Due Date	Processed Date	Event Amount	Payment Amount	Sub-Total	Total Owing (Overpaid)
OS-5884	55-4-W5-(LSD 15) N 8;						
	Interest Charge on \$4,439.37 from 01-JUN-2025 to 30-JUN-2025 at 6%		10-JUN-2025	\$21.89			
	Interest Charge on \$4,461.26 from 01-JUL-2025 to 31-JUL-2025 at 6%		15-JUL-2025	\$22.73			
	Interest Charge on \$4,483.99 from 01-AUG-2025 to 31-AUG-2025 at 6%		19-AUG-2025	\$22.85			
	Interest Charge on \$4,506.84 from 01-SEP-2025 to 30-SEP-2025 at 6%		10-SEP-2025	\$22.23			
	Interest Charge on \$4,529.07 from 01-OCT-2025 to 31-OCT-2025 at 5.89%		15-OCT-2025	\$22.66			
	Interest Charge on \$4,551.73 from 01-NOV-2025 to 30-NOV-2025 at 5.73%		12-NOV-2025	\$21.44			
	Interest Charge on \$4,573.17 from 01-DEC-2025 to 31-DEC-2025 at 5.5%		04-DEC-2025	\$21.36			
	Total Interest Owing	31-DEC-2025		\$244.53		\$244.53	
	RENTAL TOTAL						\$4,594.53
OS-5885	55-4-W5-(LSD 7) S 17;						
OS-5885	RENTAL (2130 days overdue) (Event Date 31-JAN-20)	15-MAY-2020		\$32.53			
	JV# 30630 (Date Received: 01-APR-2018)		23-MAR-2020		(\$17.00)		
	JV# 30630 (Date Received: 30-NOV-2018)		23-MAR-2020		(\$15.26)		
	Date adjustment from 15-MAY-2020 to 30-NOV-2018		23-MAR-2020				
	Date adjustment from 30-NOV-2018 to 01-APR-2018		23-MAR-2020				
	Total Owing	15-MAY-2020		\$32.53	(\$32.26)	\$0.27	
	RENTAL TOTAL						\$0.27
OS-5885	RENTAL (303 days overdue) (Event Date 31-JAN-25)	31-JAN-2025		\$3,288.00			
	Total Owing	31-JAN-2025		\$3,288.00		\$3,288.00	
	INTEREST ON RENTAL						
	Interest Charge on \$3,288.00 from 01-FEB-2025 to 28-FEB-2025 at 6.48%		20-FEB-2025	\$16.34			
	Interest Charge on \$3,304.34 from 01-MAR-2025 to 31-MAR-2025 at 6.25%		12-MAR-2025	\$17.54			



Indian Oil and Gas Canada / Pétrole et gaz des Indiens du Canada

Land Statement

Operator/Grantee: LONG RUN EXPLORATION LTD.
300-707 7 AVE SW
CALGARY, AB T2P 3H6

Statement Period: 01-Nov-2025 to 30-Nov-2025

Statement #: 2025-2566
Statement Created: 04-DEC-2025 05:15:56 PM

Page 5 of 6

Band: ALEXIS NAKOTA SIOUX NATION

Contract	Land Description/Event	Due Date	Processed Date	Event Amount	Payment Amount	Sub-Total	Total Owning (Overpaid)
OS-5885	55-4-W5-(LSD 7) S 17;						
	Interest Charge on \$3,321.88 from 01-APR-2025 to 30-APR-2025 at 6.1%		10-APR-2025	\$16.65			
	Interest Charge on \$3,338.53 from 01-MAY-2025 to 31-MAY-2025 at 6%		15-MAY-2025	\$17.01			
	Interest Charge on \$3,355.54 from 01-JUN-2025 to 30-JUN-2025 at 6%		10-JUN-2025	\$16.55			
	Interest Charge on \$3,372.09 from 01-JUL-2025 to 31-JUL-2025 at 6%		15-JUL-2025	\$17.18			
	Interest Charge on \$3,389.27 from 01-AUG-2025 to 31-AUG-2025 at 6%		19-AUG-2025	\$17.27			
	Interest Charge on \$3,406.54 from 01-SEP-2025 to 30-SEP-2025 at 6%		10-SEP-2025	\$16.80			
	Interest Charge on \$3,423.34 from 01-OCT-2025 to 31-OCT-2025 at 5.89%		15-OCT-2025	\$17.13			
	Interest Charge on \$3,440.47 from 01-NOV-2025 to 30-NOV-2025 at 5.73%		12-NOV-2025	\$16.20			
	Interest Charge on \$3,456.67 from 01-DEC-2025 to 31-DEC-2025 at 5.5%		04-DEC-2025	\$16.15			
	Total Interest Owning	31-DEC-2025		\$184.82		\$184.82	
	RENTAL TOTAL						\$3,472.82



Indian Oil and Gas Canada / Pétrole et gaz des Indiens du Canada

Land Statement

Operator/Grantee: LONG RUN EXPLORATION LTD.
300-707 7 AVE SW
CALGARY, AB T2P 3H6

Statement Period: 01-Nov-2025 to 30-Nov-2025

Statement #: 2025-2566
Statement Created: 04-DEC-2025 05:15:56 PM

Band: ALEXIS NAKOTA SIOUX NATION

Additional Interest will be charged if payment is received after December 31, 2025

Make cheque or money order payable to: Receiver General for Canada
c/o Indian Oil and Gas Canada
Suite 100 9911 Chiila Boulevard
Tsuu T'ina, AB T3T 0E1

Except where otherwise noted, compound interest at PODD rate will be charged on overdue amounts
See <http://www.iogc.gc.ca/recgen/text/podd-e.html> for current and historical PODD rates
Further information can be found on IOGC's website: www.iogc.gc.ca
Direct inquiries to (403) 835-8659 or contactiogc@sac-isc.gc.ca

Statement Summary			
Overdue Totals for Period		Total Overdue: \$19,710.18	
0-30 Days	31-60 Days	Over 60 Days	Interest Due
\$0.00	\$0.00	\$18,768.27	\$941.91
Overpayment Totals for Period		Total Overpayment: \$0.00	
Overpayment Principle		\$0.00	



Government
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Gouvernement
du Canada

Indian Oil and Gas Canada
100, 9911 Chiila Boulevard
Tsuut'ina, Alberta T3T 0E1
Tel.: 403-292-5625
Fax: 403-292-5618
Web site: www.iogc.gc.ca

Pétrole et gaz des Indiens du Canada
100, 9911 boulevard Chiila
Tsuut'ina, Alberta T3T 0E1
Tél. : 403-292-5625
Télécopieur : 403-292-5618
Site Web : www.pgic.gc.ca

December 23, 2025

2025-02 C&E Letter to Receiver - SLCN; PRB

PricewaterhouseCoopers Inc.
Attn: Paul J. Darby/Rick F. Osuna
3100, 111 5th Avenue SW
Calgary, AB T2P 5L3

VIA COURIER

Dear Paul J. Darby and Rick F. Osuna,

RE: Long Run Exploration Ltd. – Oil & Gas Operations on Saddle Lake Cree Nation Lands

Indian Oil and Gas Canada (“IOGC”) is the federal regulator of oil and gas operations occurring on First Nation lands. We write with respect to Long Run’s ongoing receivership proceedings in the Alberta Courts.

Long Run is party to contracts (the “Contracts”) with IOGC affecting Saddle Lake Cree Nation (“SLCN”) as identified in Schedule A. All oil and gas operations conducted pursuant to the Contracts are subject to the *Indian Oil and Gas Act*, RSC 1985, c.I-7 (the “Act”), and the *Indian Oil and Gas Regulations*, SOR/2019-196 (the “Regulations”).

As our legal counsel confirmed in the most recent December 15, 2025 court proceedings in Long Run Exploration Ltd.’s (“Long Run”) receivership, Long Run and PricewaterhouseCoopers Inc. (“PwC”), as Receiver, continue to be responsible for the care and custody of Long Run’s assets. These outstanding obligations may include but are not limited to, maintenance of the location, resolving any environmental non-compliances, emergency and incident response. The Receiver is also responsible for ensuring that all applicable end-of-life environmental obligations are addressed prior to releasing any funds to secured creditors. This may include a requirement to suspend, abandon and reclaim said properties, removal of any physical structures on the land. Any remediation due to contamination would also be the Receiver’s responsibility.

We invite Long Run and PwC to contact the undersigned to discuss the plan to address any outstanding environmental obligations on the Contracts. In particular, any plan for these outstanding obligations to be addressed by the Orphan Wells Association will need to be discussed with IOGC before being approved by a Court.

Further, we note that Long Run owes outstanding post-filing amounts for the Contracts to IOGC in the form of rental payments, set out in the attached Land Statement for the benefit of SLCN. We invite PwC to contact the undersigned to discuss any plan for the same.



Government
of Canada

Gouvernement
du Canada

We look forward to working together to address issues as they may arise. Please direct any enquiries via email to IOGCCCompliance@sac-isc.gc.ca or to the undersigned via telephone at 587-545-4539.

INDIAN OIL AND GAS CANADA

David Chun
Acting Manager of Compliance and Enforcement
Indian Oil and Gas Canada
Phone: 587-545-4539 | Email: david.chun@sac-isc.gc.ca

Cc: Chief and Council, Saddle Lake Cree Nation
Brian Cardinal, Oil and Gas representative, Saddle Lake Cree Nation
IOGC Enforcement (via email to IOGCCCompliance@sac-isc.gc.ca)

Encl. Schedule A – IOGC Agreement Schedule
Schedule B – Land Statement – Saddle Lake Cree Nation

SCHEDULE A



Indian Oil and Gas Canada/Petrole et gaz des Indiens du Canada Agreement Schedule Including All Grantees

Band Name	Agreement	Legislation	Reserve Name	Status	Effective Date	Company	Op	Gte %	Expiry Date	End Of Intermediate	Cont Indef	Review Date	Hectares	Rental	Pending Admin Activity
Saddle Lake	OL-5202		Saddle Lake #125	TERMINATED	19-JUN-1981	Long Run Exploration Ltd.	Y	100	18-JUN-1986			18-JUN-2021	256.000		
	OS-3229		Saddle Lake #125	ACTIVE	28-JUL-1975	Long Run Exploration Ltd.	Y	100	27-JUL-1980		YES		1.340	\$2,250.00	
	OS-3330		Saddle Lake #125	ACTIVE	06-MAR-1979	Long Run Exploration Ltd.	Y	100	05-MAR-1984		YES		1.630	\$2,250.00	
	OS-3429		Saddle Lake #125	ACTIVE	28-JUL-1975	Long Run Exploration Ltd.	Y	100	27-JUL-1980		YES		0.370	\$2,400.00	
	RW-3053		Saddle Lake #125	ACTIVE	29-JUL-1975	Long Run Exploration Ltd.	Y	100			YES		11.780		
Total (Band):											271.120				
Agr Count(Band):											5				
Total(Report):											271.120				
Agr Count(Report):											5				

SCHEDULE B



Indian Oil and Gas Canada / Pétrole et gaz des Indiens du Canada

Land Statement

Operator/Grantee: LONG RUN EXPLORATION LTD.
300-707 7 AVE SW
CALGARY, AB T2P 3H6

Statement Period: 01-Nov-2025 to 30-Nov-2025

Statement #: 2025-2651
Statement Created: 04-DEC-2025 05:17:01 PM

Page 1 of 5

Band: SADDLE LAKE

Contract	Land Description/Event	Due Date	Processed Date	Event Amount	Payment Amount	Sub-Total	Total Owing (Overpaid)
OS-3229	57-13-W4-(LSD 10, 15) 34;						
OS-3229	RENTAL (490 days overdue) (Event Date 28-JUL-24)	28-JUL-2024		\$2,250.00			
	Total Owing	28-JUL-2024		\$2,250.00		\$2,250.00	
	INTEREST ON RENTAL						
	Interest Charge on \$2,250.00 from 29-JUL-2024 to 31-JUL-2024 at 8.04%		09-AUG-2024	\$1.49			
	Interest Charge on \$2,251.49 from 01-AUG-2024 to 31-AUG-2024 at 7.94%		09-AUG-2024	\$15.18			
	Interest Charge on \$2,266.67 from 01-SEP-2024 to 30-SEP-2024 at 7.75%		11-SEP-2024	\$14.44			
	Interest Charge on \$2,281.11 from 01-OCT-2024 to 31-OCT-2024 at 7.53%		03-OCT-2024	\$14.59			
	Interest Charge on \$2,295.70 from 01-NOV-2024 to 30-NOV-2024 at 7.37%		12-NOV-2024	\$13.91			
	Interest Charge on \$2,309.61 from 01-DEC-2024 to 31-DEC-2024 at 7%		16-DEC-2024	\$13.73			
	Interest Charge on \$2,323.34 from 01-JAN-2025 to 31-JAN-2025 at 6.68%		22-JAN-2025	\$13.18			
	Interest Charge on \$2,336.52 from 01-FEB-2025 to 28-FEB-2025 at 6.48%		20-FEB-2025	\$11.61			
	Interest Charge on \$2,348.13 from 01-MAR-2025 to 31-MAR-2025 at 6.25%		12-MAR-2025	\$12.46			
	Interest Charge on \$2,360.59 from 01-APR-2025 to 30-APR-2025 at 6.1%		10-APR-2025	\$11.84			
	Interest Charge on \$2,372.43 from 01-MAY-2025 to 31-MAY-2025 at 6%		15-MAY-2025	\$12.09			
	Interest Charge on \$2,384.52 from 01-JUN-2025 to 30-JUN-2025 at 6%		10-JUN-2025	\$11.76			
	Interest Charge on \$2,396.28 from 01-JUL-2025 to 31-JUL-2025 at 6%		15-JUL-2025	\$12.21			
	Interest Charge on \$2,408.49 from 01-AUG-2025 to 31-AUG-2025 at 6%		19-AUG-2025	\$12.27			
	Interest Charge on \$2,420.76 from 01-SEP-2025 to 30-SEP-2025 at 6%		10-SEP-2025	\$11.94			
	Interest Charge on \$2,432.70 from 01-OCT-2025 to 31-OCT-2025 at 5.89%		15-OCT-2025	\$12.17			
	Interest Charge on \$2,444.87 from 01-NOV-2025 to 30-NOV-2025 at 5.73%		12-NOV-2025	\$11.51			
	Interest Charge on \$2,456.38 from 01-DEC-2025 to 31-DEC-2025 at 5.5%		04-DEC-2025	\$11.47			
	Total Interest Owing	31-DEC-2025		\$217.85		\$217.85	
	RENTAL TOTAL						\$2,467.85
OS-3229	RENTAL (125 days overdue) (Event Date 28-JUL-25)	28-JUL-2025		\$2,250.00			
	Total Owing	28-JUL-2025		\$2,250.00		\$2,250.00	



Indian Oil and Gas Canada / Pétrole et gaz des Indiens du Canada

Land Statement

Operator/Grantee: LONG RUN EXPLORATION LTD.
300-707 7 AVE SW
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Statement #: 2025-2651
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Band: SADDLE LAKE

Contract	Land Description/Event	Due Date	Processed Date	Event Amount	Payment Amount	Sub-Total	Total Owing (Overpaid)
OS-3229	57-13-W4-(LSD 10, 15) 34;						
	INTEREST ON RENTAL						
	Interest Charge on \$2,250.00 from 29-JUL-2025 to 31-JUL-2025 at 6%		19-AUG-2025	\$1.11			
	Interest Charge on \$2,251.11 from 01-AUG-2025 to 31-AUG-2025 at 6%		19-AUG-2025	\$11.47			
	Interest Charge on \$2,262.58 from 01-SEP-2025 to 30-SEP-2025 at 6%		10-SEP-2025	\$11.16			
	Interest Charge on \$2,273.74 from 01-OCT-2025 to 31-OCT-2025 at 5.89%		15-OCT-2025	\$11.37			
	Interest Charge on \$2,285.11 from 01-NOV-2025 to 30-NOV-2025 at 5.73%		12-NOV-2025	\$10.76			
	Interest Charge on \$2,295.87 from 01-DEC-2025 to 31-DEC-2025 at 5.5%		04-DEC-2025	\$10.72			
	Total Interest Owing	31-DEC-2025		\$56.59		\$56.59	
	RENTAL TOTAL						\$2,306.59
OS-3330	57-13-W4-SE 35;						
OS-3330	RENTAL (Event Date 06-MAR-24)	06-MAR-2024		\$2,250.00			
	Payment		07-MAR-2024		(\$2,250.00)		
	Total Owing	06-MAR-2024		\$2,250.00	(\$2,250.00)	\$0.00	
	INTEREST ON RENTAL						
	Interest Charge on \$2,250.00 from 07-MAR-2024 to 07-MAR-2024 at 8.25%		08-APR-2024	\$0.51			
	Total Interest Owing	31-DEC-2025		\$0.51		\$0.51	
	RENTAL TOTAL						\$0.51
OS-3330	RENTAL (269 days overdue) (Event Date 06-MAR-25)	06-MAR-2025		\$2,250.00			
	Total Owing	06-MAR-2025		\$2,250.00		\$2,250.00	
	INTEREST ON RENTAL						
	Interest Charge on \$2,250.00 from 07-MAR-2025 to 31-MAR-2025 at 6.25%		10-APR-2025	\$9.63			
	Interest Charge on \$2,259.63 from 01-APR-2025 to 30-APR-2025 at 6.1%		10-APR-2025	\$11.33			



Indian Oil and Gas Canada / Pétrole et gaz des Indiens du Canada

Land Statement

Operator/Grantee: LONG RUN EXPLORATION LTD.
300-707 7 AVE SW
CALGARY, AB T2P 3H6

Statement Period: 01-Nov-2025 to 30-Nov-2025

Statement #: 2025-2651
Statement Created: 04-DEC-2025 05:17:01 PM

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Band: SADDLE LAKE

Contract	Land Description/Event	Due Date	Processed Date	Event Amount	Payment Amount	Sub-Total	Total Owing (Overpaid)
OS-3330	57-13-W4-SE 35;						
	Interest Charge on \$2,270.96 from 01-MAY-2025 to 31-MAY-2025 at 6%		15-MAY-2025	\$11.57			
	Interest Charge on \$2,282.53 from 01-JUN-2025 to 30-JUN-2025 at 6%		10-JUN-2025	\$11.26			
	Interest Charge on \$2,293.79 from 01-JUL-2025 to 31-JUL-2025 at 6%		15-JUL-2025	\$11.69			
	Interest Charge on \$2,305.48 from 01-AUG-2025 to 31-AUG-2025 at 6%		19-AUG-2025	\$11.75			
	Interest Charge on \$2,317.23 from 01-SEP-2025 to 30-SEP-2025 at 6%		10-SEP-2025	\$11.43			
	Interest Charge on \$2,328.66 from 01-OCT-2025 to 31-OCT-2025 at 5.89%		15-OCT-2025	\$11.65			
	Interest Charge on \$2,340.31 from 01-NOV-2025 to 30-NOV-2025 at 5.73%		12-NOV-2025	\$11.02			
	Interest Charge on \$2,351.33 from 01-DEC-2025 to 31-DEC-2025 at 5.5%		04-DEC-2025	\$10.98			
	Total Interest Owing	31-DEC-2025		\$112.31		\$112.31	
	RENTAL TOTAL						\$2,362.31
OS-3429	57-13-W4-(LSD 13) 25; (LSD 16) 26;						
OS-3429	RENTAL (490 days overdue) (Event Date 28-JUL-24)	28-JUL-2024		\$2,400.00			
	Total Owing	28-JUL-2024		\$2,400.00		\$2,400.00	
	INTEREST ON RENTAL						
	Interest Charge on \$2,400.00 from 29-JUL-2024 to 31-JUL-2024 at 8.04%		09-AUG-2024	\$1.59			
	Interest Charge on \$2,401.59 from 01-AUG-2024 to 31-AUG-2024 at 7.94%		09-AUG-2024	\$16.20			
	Interest Charge on \$2,417.79 from 01-SEP-2024 to 30-SEP-2024 at 7.75%		11-SEP-2024	\$15.40			
	Interest Charge on \$2,433.19 from 01-OCT-2024 to 31-OCT-2024 at 7.53%		03-OCT-2024	\$15.56			
	Interest Charge on \$2,448.75 from 01-NOV-2024 to 30-NOV-2024 at 7.37%		12-NOV-2024	\$14.83			
	Interest Charge on \$2,463.58 from 01-DEC-2024 to 31-DEC-2024 at 7%		16-DEC-2024	\$14.65			
	Interest Charge on \$2,478.23 from 01-JAN-2025 to 31-JAN-2025 at 6.68%		22-JAN-2025	\$14.06			
	Interest Charge on \$2,492.29 from 01-FEB-2025 to 28-FEB-2025 at 6.48%		20-FEB-2025	\$12.39			
	Interest Charge on \$2,504.68 from 01-MAR-2025 to 31-MAR-2025 at 6.25%		12-MAR-2025	\$13.30			
	Interest Charge on \$2,517.98 from 01-APR-2025 to 30-APR-2025 at 6.1%		10-APR-2025	\$12.62			
	Interest Charge on \$2,530.60 from 01-MAY-2025 to 31-MAY-2025 at 6%		15-MAY-2025	\$12.90			



Indian Oil and Gas Canada / Pétrole et gaz des Indiens du Canada

Land Statement

Operator/Grantee: LONG RUN EXPLORATION LTD.
300-707 7 AVE SW
CALGARY, AB T2P 3H6

Statement Period: 01-Nov-2025 to 30-Nov-2025

Statement #: 2025-2651
Statement Created: 04-DEC-2025 05:17:01 PM

Page 4 of 5

Band: SADDLE LAKE

Contract	Land Description/Event	Due Date	Processed Date	Event Amount	Payment Amount	Sub-Total	Total Owing (Overpaid)
OS-3429	57-13-W4-(LSD 13) 25; (LSD 16) 26;						
	Interest Charge on \$2,543.50 from 01-JUN-2025 to 30-JUN-2025 at 6%		10-JUN-2025	\$12.54			
	Interest Charge on \$2,556.04 from 01-JUL-2025 to 31-JUL-2025 at 6%		15-JUL-2025	\$13.03			
	Interest Charge on \$2,569.07 from 01-AUG-2025 to 31-AUG-2025 at 6%		19-AUG-2025	\$13.09			
	Interest Charge on \$2,582.16 from 01-SEP-2025 to 30-SEP-2025 at 6%		10-SEP-2025	\$12.73			
	Interest Charge on \$2,594.89 from 01-OCT-2025 to 31-OCT-2025 at 5.89%		15-OCT-2025	\$12.98			
	Interest Charge on \$2,607.87 from 01-NOV-2025 to 30-NOV-2025 at 5.73%		12-NOV-2025	\$12.28			
	Interest Charge on \$2,620.15 from 01-DEC-2025 to 31-DEC-2025 at 5.5%		04-DEC-2025	\$12.24			
	Total Interest Owing	31-DEC-2025		\$232.39		\$232.39	
	RENTAL TOTAL						\$2,632.39
OS-3429	RENTAL (125 days overdue) (Event Date 28-JUL-25)	28-JUL-2025		\$2,400.00			
	Total Owing	28-JUL-2025		\$2,400.00		\$2,400.00	
	INTEREST ON RENTAL						
	Interest Charge on \$2,400.00 from 29-JUL-2025 to 31-JUL-2025 at 6%		19-AUG-2025	\$1.18			
	Interest Charge on \$2,401.18 from 01-AUG-2025 to 31-AUG-2025 at 6%		19-AUG-2025	\$12.24			
	Interest Charge on \$2,413.42 from 01-SEP-2025 to 30-SEP-2025 at 6%		10-SEP-2025	\$11.90			
	Interest Charge on \$2,425.32 from 01-OCT-2025 to 31-OCT-2025 at 5.89%		15-OCT-2025	\$12.13			
	Interest Charge on \$2,437.45 from 01-NOV-2025 to 30-NOV-2025 at 5.73%		12-NOV-2025	\$11.48			
	Interest Charge on \$2,448.93 from 01-DEC-2025 to 31-DEC-2025 at 5.5%		04-DEC-2025	\$11.44			
	Total Interest Owing	31-DEC-2025		\$60.37		\$60.37	
	RENTAL TOTAL						\$2,460.37



Indian Oil and Gas Canada / Pétrole et gaz des Indiens du Canada

Land Statement

Operator/Grantee: LONG RUN EXPLORATION LTD.
300-707 7 AVE SW
CALGARY, AB T2P 3H6

Statement Period: 01-Nov-2025 to 30-Nov-2025

Statement #: 2025-2651
Statement Created: 04-DEC-2025 05:17:01 PM

Band: SADDLE LAKE

Additional Interest will be charged if payment is received after December 31, 2025

Make cheque or money order payable to: Receiver General for Canada
c/o Indian Oil and Gas Canada
Suite 100 9911 Chiila Boulevard
Tsuu T'ina, AB T3T 0E1

Except where otherwise noted, compound interest at PODD rate will be charged on overdue amounts
See <http://www.pwgsc.gc.ca/recgen/text/podd-e.html> for current and historical PODD rates
Further information can be found on IOGC's website: www.iogc.gc.ca
Direct inquiries to (403) 835-8659 or contactiogc@sac-isc.gc.ca

Statement Summary			
Overdue Totals for Period		Total Overdue: \$12,230.02	
0-30 Days	31-60 Days	Over 60 Days	Interest Due
\$0.00	\$0.00	\$11,550.00	\$680.02
Overpayment Totals for Period		Total Overpayment: \$0.00	
Overpayment Principle		\$0.00	

Appendix E – Correspondence from Receiver’s Counsel to IOGC



Bennett Jones

Bennett Jones LLP

4500 Bankers Hall East, 855 2nd Street SW

Calgary, Alberta, T2P 4K7 Canada

T: 403.298.3100

F: 403.265.7219

Kelsey Meyer

Partner

Direct Line: 403.298.3323

e-mail: meyerk@bennettjones.com

Our File No.: 11866.79

February 25, 2026

Via Email: (david.chun@sac-isc.gc.ca; IOGCCCompliance@sac-isc.gc.ca)

Indian Oil and Gas Canada
100, 9911 Chiila Boulevard
Tsuu T'ina AB, T3T 0E1

Dear Sir:

Re: Long Run Exploration Ltd. – Oil and Gas Operations on Saddle Lake Cree Nation Lands

We are legal counsel for PricewaterhouseCoopers Inc., LIT, the court-appointed receiver (the “**Receiver**”) of Long Run Exploration Ltd. (“**Long Run**”). Please find enclosed a copy of the Amended Receivership Order filed with the Court of King's Bench of Alberta (the “**Court**”) on April 10, 2025.

The Receiver is nearing completion of a sale process in the receivership proceedings, and has been granted a Court Order discharging the Receiver from and over well licenses, associated facilities and pipelines, and Long run's working interests therein that have not been sold in the sale process undertaken during the receivership and that are listed in Receiver's Certificates delivered by the Receiver to the Alberta Energy Regulator (“**AER**”) in accordance with that Order. The Receiver will be issuing Receiver's Certificates in accordance with that Order in the near future. A copy of that Limited Discharge Order filed December 16, 2025 is enclosed.

We are in receipt of your letter addressed to the Receiver dated December 23, 2025 with respect to the above-noted matter. Your letter states that the Receiver:

"continue[s] to be responsible for the care and custody of Long Run's assets. These outstanding obligations may include but are not limited to, maintenance of the location, resolving any environmental non-compliances, emergency and incident response. The Receiver is also responsible for ensuring that all applicable end-of-life environmental obligations are addressed prior to releasing any funds to secured creditors. This may include the requirement to suspend, abandon and reclaim said properties, removal of any physical structures on the land. Any remediation due to contamination would also be the Receiver's responsibility."

With respect, your understanding in this regard is contrary to the provisions of the Amended Receivership Order and the law in Canada with respect to the obligations of the Receiver. In particular, with respect to the Amended Receivership Order:

- Paragraph 3(a) thereof authorizes and empowers the Receiver to take possession of and exercise control over the Property (as defined therein), but does not require or direct the Receiver to do so. The Receiver has not taken possession of Long Run's Property located on the Saddle Lake Cree Nation lands;
- Pursuant to paragraph 9, all rights and remedies of any Person, whether judicial or extra-judicial, statutory or non-statutory (including, without limitation, set-off rights) against or in respect of the Debtor [Long Run] or the Receiver or affecting the Property are stayed and suspended and shall not be

commenced, proceeded with, or continued except with the written consent of the Receiver or leave of the Court;

- Pursuant to paragraph 16(a), notwithstanding anything in any federal or provincial law, the Receiver is not personally liable in that position for any environmental condition that arose or environmental damage that occurred before the Receiver's appointment or after the Receiver's appointment unless it is established that the condition arose when the damage occurred as a result of the Receiver's gross negligence or willful misconduct.
- In accordance with paragraph 17, except for gross negligence or wilful misconduct, as a result of its appointment or carrying out the provisions of the Amended Receivership Order, the Receiver shall incur no liability or obligation that exceeds the amount for which it may obtain full indemnity from the Property. Nothing in the Amended Receivership Order shall derogate from any limitation on liability or other protection afforded to the Receiver under any applicable law, including, without limitation, Section 14.06, 81.4(5) or 81.6(3) of the *Bankruptcy and Insolvency Act* (the "**BIA**").

These limitations on liability of the Receiver are also confirmed by the Supreme Court of Canada in its decision in *Orphan Well Association v Grant Thornton Ltd.*, [2019 SCC 5 \[Redwater\]](#). As stated in that case at paragraph 74, section 14.06(4) of the *BIA* is clear and unambiguous: where it is invoked by a trustee, the result is that "the trustee is not personally liable" for failure to comply with certain environmental orders or for the costs incurred by any person in carrying out the terms of such orders." As set out at paragraph 75, in relation to disclaimer and section 14.06(4) of the *BIA*, regardless of whether "disclaimer" is understood as a common law power or as a power deriving from some other statutory source, the result of a trustee's "disclaimer" of real property where an environmental order has been made in relation to that property is that the trustee is protected from personal liability, while the ongoing liability of the bankrupt estate is unaffected. As set out at paragraphs 92 and 113, section 14.06(2) of the *BIA* protects trustees from personal liability for any "environmental condition that arose or environmental damage that occurred" unless it is established that the condition arose or the damage occurred after the Trustee's appointment and as a result of their gross negligence or willful misconduct." The decision also confirms at paragraph 104 that trustees are specifically protected from personal liability for reclamation or remediation by the *Environmental Protection and Enhancement Act*, absent willful misconduct or gross negligence.

Section 14.06(1.1) of the *BIA* confirms that "trustee" within the meaning of s. 14.06(4) includes a receiver.

As such, the Receiver is not personally liable for the care and custody of Long Run's assets, or for addressing end-of-life environmental obligations or remediation. We acknowledge that the estate of Long Run continues to have those responsibilities and obligations. The Receiver expects that all distributions from Long Run's estate will be to the AER and, to the extent there are any proceeds of sale of assets of Long Run on the Saddle Lake Cree Nation lands, to the IOGC to address the same. To date, none of those assets have been sold, and so there are no proceeds for distribution to the IOGC.

Your letter also asserts that Long Run owes outstanding post-filing amounts for contracts with the IOGC in the form of rental payments. Long Run was not producing from these areas during the receivership, and as such, the Receiver will not be paying the invoices for the same.

February 25, 2026
Page 3

Yours truly,

BENNETT JONES LLP



Kelsey Meyer

KM/jw

Enclosures: Amended Receivership Order, Limited Discharge Order

cc: Paul Darby, Rick Osuna, Llewellyn Sterling, Nicole Carreau - PricewaterhouseCoopers Inc., LIT
Wendy Barber - Long Run Exploration Ltd.
Ryan Zahara - MLT Aikins LLP, legal counsel for the Orphan Well Association



Bennett Jones

Bennett Jones LLP

4500 Bankers Hall East, 855 2nd Street SW

Calgary, Alberta, T2P 4K7 Canada

T: 403.298.3100

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Kelsey Meyer

Partner

Direct Line: 403.298.3323

e-mail: meyerk@bennettjones.com

Our File No.: 11866.79

February 25, 2026

Via Email: (david.chun@sac-isc.gc.ca; IOGCCCompliance@sac-isc.gc.ca)

Indian Oil and Gas Canada
100, 9911 Chiila Boulevard
Tsuu T'ina AB, T3T 0E1

Dear Sir:

Re: Long Run Exploration Ltd. – Oil and Gas Operations on Alexis Nakota Sioux First Nation Lands

We are legal counsel for PricewaterhouseCoopers Inc., LIT, the court-appointed receiver (the “**Receiver**”) of Long Run Exploration Ltd. (“**Long Run**”). Please find enclosed a copy of the Amended Receivership Order filed with the Court of King's Bench of Alberta (the “**Court**”) on April 10, 2025.

The Receiver is nearing completion of a sale process in the receivership proceedings, and has been granted a Court Order discharging the Receiver from and over well licenses, associated facilities and pipelines, and Long run's working interests therein that have not been sold in the sale process undertaken during the receivership and that are listed in Receiver's Certificates delivered by the Receiver to the Alberta Energy Regulator (“**AER**”) in accordance with that Order. The Receiver will be issuing Receiver's Certificates in accordance with that Order in the near future. A copy of that Limited Discharge Order filed December 16, 2025 is enclosed.

We are in receipt of your letter addressed to the Receiver dated December 23, 2025 with respect to the above-noted matter. Your letter states that the Receiver:

"continue[s] to be responsible for the care and custody of Long Run's assets. These outstanding obligations may include but are not limited to, maintenance of the location, resolving any environmental non-compliances, emergency and incident response. The Receiver is also responsible for ensuring that all applicable end-of-life environmental obligations are addressed prior to releasing any funds to secured creditors. This may include the requirement to suspend, abandon and reclaim said properties, removal of any physical structures on the land. Any remediation due to contamination would also be the Receiver's responsibility."

With respect, your understanding in this regard is contrary to the provisions of the Amended Receivership Order and the law in Canada with respect to the obligations of the Receiver. In particular, with respect to the Amended Receivership Order:

- Paragraph 3(a) thereof authorizes and empowers the Receiver to take possession of and exercise control over the Property (as defined therein), but does not require or direct the Receiver to do so. The Receiver has not taken possession of Long Run's Property located on the Alexis Nakota Sioux First Nation lands;
- Pursuant to paragraph 9, all rights and remedies of any Person, whether judicial or extra-judicial, statutory or non-statutory (including, without limitation, set-off rights) against or in respect of the Debtor [Long Run] or the Receiver or affecting the Property are stayed and suspended and shall not be

commenced, proceeded with, or continued except with the written consent of the Receiver or leave of the Court;

- Pursuant to paragraph 16(a), notwithstanding anything in any federal or provincial law, the Receiver is not personally liable in that position for any environmental condition that arose or environmental damage that occurred before the Receiver's appointment or after the Receiver's appointment unless it is established that the condition arose when the damage occurred as a result of the Receiver's gross negligence or willful misconduct.
- In accordance with paragraph 17, except for gross negligence or wilful misconduct, as a result of its appointment or carrying out the provisions of the Amended Receivership Order, the Receiver shall incur no liability or obligation that exceeds the amount for which it may obtain full indemnity from the Property. Nothing in the Amended Receivership Order shall derogate from any limitation on liability or other protection afforded to the Receiver under any applicable law, including, without limitation, Section 14.06, 81.4(5) or 81.6(3) of the *Bankruptcy and Insolvency Act* (the "**BIA**").

These limitations on liability of the Receiver are also confirmed by the Supreme Court of Canada in its decision in *Orphan Well Association v Grant Thornton Ltd.*, [2019 SCC 5 \[Redwater\]](#). As stated in that case at paragraph 74, section 14.06(4) of the *BIA* is clear and unambiguous: where it is invoked by a trustee, the result is that "the trustee is not personally liable" for failure to comply with certain environmental orders or for the costs incurred by any person in carrying out the terms of such orders." As set out at paragraph 75, in relation to disclaimer and section 14.06(4) of the *BIA*, regardless of whether "disclaimer" is understood as a common law power or as a power deriving from some other statutory source, the result of a trustee's "disclaimer" of real property where an environmental order has been made in relation to that property is that the trustee is protected from personal liability, while the ongoing liability of the bankrupt estate is unaffected. As set out at paragraphs 92 and 113, section 14.06(2) of the *BIA* protects trustees from personal liability for any "environmental condition that arose or environmental damage that occurred" unless it is established that the condition arose or the damage occurred after the Trustee's appointment and as a result of their gross negligence or willful misconduct." The decision also confirms at paragraph 104 that trustees are specifically protected from personal liability for reclamation or remediation by the *Environmental Protection and Enhancement Act*, absent willful misconduct or gross negligence.

Section 14.06(1.1) of the *BIA* confirms that "trustee" within the meaning of s. 14.06(4) includes a receiver.

As such, the Receiver is not personally liable for the care and custody of Long Run's assets, or for addressing end-of-life environmental obligations or remediation. We acknowledge that the estate of Long Run continues to have those responsibilities and obligations. The Receiver expects that all distributions from Long Run's estate will be to the AER and, to the extent there are any proceeds of sale of assets of Long Run on the Alexis Nakota Sioux First Nation lands, to the IOGC to address the same. To date, none of those assets have been sold, and so there are no proceeds for distribution to the IOGC.

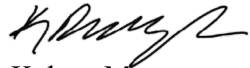
Your letter also asserts that Long Run owes outstanding post-filing amounts for contracts with the IOGC in the form of rental payments. Long Run was not producing from these areas during the receivership, and as such, the Receiver will not be paying the invoices for the same.



February 25, 2026
Page 3

Yours truly,

BENNETT JONES LLP



Kelsey Meyer

KM/jw

Enclosures: Amended Receivership Order, Limited Discharge Order

cc: Paul Darby, Rick Osuna, Llewellyn Sterling, Nicole Carreau - PricewaterhouseCoopers Inc., LIT
Wendy Barber - Long Run Exploration Ltd.
Ryan Zahara - MLT Aikins LLP, legal counsel for the Orphan Well Association

Appendix F – Statement of Receipts and Disbursements

Long Run Exploration Ltd.
Statement of Receipts and Disbursements for the period of
March 5, 2025 to February 28, 2026

	(CAD)
Receipts	
Production and processing fee revenue	33,565,957
Proceeds from sale of assets	26,717,688
Miscellaneous revenue	3,676,471
Cash in banks at date of receivership	3,178,874
GST collected	2,302,014
JV revenue	1,446,206
Receiver's borrowings	1,000,000
Royalty revenue	254,519
Total receipts	72,141,728
Disbursements	
Field operations	12,307,297
Payroll	11,573,701
Well workover and maintenance	3,244,614
Utilities	3,195,109
GST paid	2,406,243
Surface and mineral lease payments	2,269,936
Receiver's fees	2,167,378
Corporate G&A	2,000,138
Insurance	1,512,197
Deposits	1,312,100
Royalty payments	881,548
Transportation costs	812,322
Legal fees	694,455
JV payables	533,263
Sale advisor fees	427,840
Equipment lease buyout	333,803
Rent	331,814
Total disbursements	46,003,757
Total net cash available as of February 28, 2026	26,137,971