

COURT FILE NUMBER B301-052460 / 25-3052460  
COURT COURT OF KING'S BENCH OF ALBERTA  
JUDICIAL CENTRE CALGARY  
PROCEEDING IN THE MATTER OF THE NOTICE OF THE  
BANKRUPTCY AND INSOLVENCY ACT, RSC  
1985, C B-3, as amended  
AND IN THE MATTER OF THE NOTICE OF  
INTENTION TO MAKE A PROPOSAL OF  
KADEN ENERGY LTD.



APPLICANT KADEN ENERGY LTD.  
DOCUMENT **ORDER APPROVING PROPOSAL**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT **Fasken Martineau DuMoulin LLP**  
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File No. 240198.00053

**DATE ON WHICH ORDER WAS PRONOUNCED:** October 3, 2024  
**NAME OF JUSTICE WHO MADE THE ORDER:** Honourable Justice M.J. Lema  
**LOCATION OF HEARING:** Edmonton, Alberta

**UPON THE APPLICATION** of BDO Canada Limited in its capacity as proposal trustee (“**Proposal Trustee**”) in the proposal proceedings of Kaden Energy Ltd. (“**Kaden**” or the “**Company**”) for an order approving the Proposal, and sealing the confidential appendices to the Fourth Report of the Proposal Trustee dated September 23, 2024 (the “**Fourth Report**”); **AND UPON** having read the Application, the Fourth Report, the Proposal Trustee’s Report to Creditors on the Proposal prescribed by the *Bankruptcy and Insolvency Act*, RSC 1985 c B-3 (the “**BIA**”), the proposal filed with the Office of the Superintendent of Bankruptcy on August 16, 2024 (the

“**Proposal**”) and all of the prior Reports filed by the Proposal Trustee in these proceedings (the “**Prior Reports**”); **AND UPON** hearing counsel for the Proposal Trustee, counsel for the Company and any other counsel in attendance at the hearing; **AND UPON** noting the results of the votes of Affected Creditors on the Proposal, tabulated by the Proposal Trustee following the Creditors’ Meeting; **AND UPON** being satisfied that it is reasonable and appropriate to do so,

**IT IS ORDERED THAT:**

Capitalized Terms

1. Capitalized terms not defined herein shall have the meaning given to them in the Proposal.

Service

2. Service of notice of this Application and supporting materials, including the notice of hearing contemplated in section 58(b) of the *BIA*, is hereby declared to be good and sufficient, and time for service of this application is abridged to that actually given.
3. This Order shall be served on the Service List and any other interested parties attending or represented at the within application and service may be effected by facsimile, electronic mail, personal delivery or courier. Service is deemed to be effected the next business day following the transmission or delivery of such documents.

Approval of Proposal

4. The Proposal is hereby approved.
5. On the Implementation Date, the Proposal shall be implemented by the Company and the Proposal and all of its provisions shall be fully effective and binding on the Company and on all Persons affected by the Proposal. Further, without limiting anything in the Proposal, all Claims (other than Unaffected Claims) are forever barred and extinguished, the Company is discharged and released from any and all Claims of any nature or kind in accordance with the Proposal, the ability of any Person to proceed against the Company in respect of or relating to any Claims (other than Unaffected Claims) is forever discharged and restrained and all proceedings with respect to, in connection with, or relating to such

Claims are permanently stayed, subject only to the rights of the Affected Creditors and Unaffected Creditors as provided for in the Proposal, provided that nothing shall release or discharge: (a) the Company from any obligation owed to any Person pursuant to the Proposal, including payments to Affected Creditors, or (b) a released party from any criminal or fraudulent conduct.

6. The Company and the Proposal Trustee are hereby authorized to take all actions and steps necessary or appropriate to implement and complete the Proposal, including through the distribution of the Settlement Funds to the Affected Creditors with Proven Claims in accordance with the terms of the Proposal.
7. As soon as practicable after all payments contemplated pursuant to the Proposal have been distributed to Affected Creditors in accordance with the terms of the Proposal, the Proposal Trustee shall provide the Certificate of Full Performance of Proposal, substantially in the form attached hereto as **Schedule “A”**, to the debtor and the official receiver and shall post a copy of same on the Proposal Trustee’s website.

#### Administration Charge

8. The Administration Charge granted pursuant to the order of this Court dated April 2, 2024 (the “**April 2 Order**”) shall continue to secure the professional fees of the Proposal Trustee and its legal counsel after the Implementation Date, on all present and after acquired property of Kaden, in the same manner as directed by this Court in the April 2 Order, until such time as the Proposal Trustee is discharged by this Court and any outstanding fees and disbursements of the Proposal Trustee and its legal counsel are satisfied, at which time the Administration Charge shall also be discharged.

#### No Liability to Proposal Trustee

9. The distributions, payments and disbursements delivered pursuant to the Proposal are not delivered by the Proposal Trustee in its personal or corporate capacity or as legal representative of the Company and shall be without personal or corporate liability of the Proposal Trustee, and without limiting the foregoing, the Proposal Trustee shall have no, and is hereby released from, any obligation or liability in connection with any taxes which

may be owing by the Company, or any withholdings or deductions that any person may assert should or should not have been paid or made in connection with such distributions, disbursements or payments.

10. The Proposal Trustee shall incur no liability or obligation for any act or omission as a result of carrying out the provisions of this Order and the Proposal, save and except for any gross negligence or wilful misconduct on its part.

#### Releases

11. On the Proposal Implementation Date, and subject to the terms and conditions set forth in the Proposal, the releases referred to in each of Sections 8.2(d) and 8.4 of the Proposal shall be binding and effective as set out in the Proposal. Further, nothing herein shall release any of the released parties from any claim arising from fraudulent conduct or any claim arising pursuant to section 50(14) of the *BIA*.

#### Proofs of Claim

12. As a result of the Claims Process approved pursuant to the April 2 Order, and the execution of that Claims Process in accordance with its terms, the requirement to deliver a proof of claim to Unsecured Creditors with the Proposal prescribed pursuant to section 51(1)(e) of the *BIA* is hereby dispensed with.
13. For greater certainty, all Affected Creditors with Proven Claims as set out in the statutory Form 40 Report of Trustee on Proposal filed by the Proposal Trustee in this matter are entitled to distributions in accordance with the Proposal.

#### Proposal Trustee's Fees, Actions, Activities and Conduct

14. The fees and disbursements of the Proposal Trustee and that of its legal counsel, as summarized in the Fourth Report, are hereby approved.
15. The Proposal Trustee's actions, activities and conduct as set out in the Fourth Report and the Prior Reports are hereby approved.

Restricted Court Access

16. The confidential appendices attached to the Fourth Report (the “**Confidential Appendices**”) shall, as soon as practicable following the granting of this order, be sealed by the Clerk of the Court, kept confidential and shall not form part of the public record, and not be available for public inspection until such time as the Certificate of Full Performance of Proposal is issued or unless otherwise ordered by this Court.
17. The Confidential Appendices shall be sealed and filed in an envelope containing the following statement thereon:

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THIS ENVELOPE CONTAINS THE CONFIDENTIAL APPENDICES TO THE FOURTH REPORT OF THE PROPOSAL TRUSTEE DATED SEPTEMBER 23, 2024, WHICH SHALL BE SEALED ON THE COURT RECORD AND IS NOT TO BE PLACED ON THE PUBLIC RECORD OR MADE PUBLICLY ACCESSIBLE UNTIL SUCH TIME AS THE PROPOSAL TRUSTEE DELIVERS THE CERTIFICATE OF FULL PERFORMANCE OF PROPOSAL, OR UNTIL FURTHER ORDER OF THIS COURT.

18. In the event an interested party wishes to unseal the contents of the Confidential Report, such interested party may bring an application to Court in the within proceedings on no less than 7 days’ notice to the Proposal Trustee and the Company.



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Justice of the Court of King’s Bench of Alberta

**SCHEDULE "A"**

**Form of Certificate of Full Performance of Proposal**

FORM 46

CERTIFICATE OF FULL PERFORMANCE OF PROPOSAL

(Section 65.3 of *BIA*)

In the matter of the Proposal of

Kaden Energy Ltd.

Of the City of Calgary, in the Province of Alberta

I, Breanne Scott, Senior Manager/Vice President of Business Restructuring & Turnaround Services at BDO Canada Limited, the trustee acting in the proposal of Kaden Energy Ltd., certify that the proposal, as filed with the official receiver on the 16<sup>th</sup> day of August, 2024 (*and, if applicable*, as amended on the \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_) has been fully performed as of the \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

Dated at Calgary, Alberta this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

**BDO CANADA LIMITED** in its capacity as the Proposal Trustee of Kaden Energy Ltd. and not in its personal or corporate capacity.

Per: \_\_\_\_\_

Licensed Insolvency Trustee