

COURT FILE NUMBER 2201-12828  
 COURT COURT OF KING'S BENCH OF ALBERTA  
 JUDICIAL CENTRE CALGARY  
 APPLICANT EXPORT-IMPORT BANK OF CHINA  
 RESPONDENT **CHANGHUA ENERGY CANADA LTD.**  
 DOCUMENT **SECOND REPORT OF FTI CONSULTING  
 CANADA INC., IN ITS CAPACITY AS  
 RECEIVER OF CHANGHUA ENERGY  
 CANADA LTD.**



C102432

Nov 7, 2023  
COM**October 30, 2023**

ADDRESS FOR SERVICE AND  
 CONTACT INFORMATION OF  
 PARTY FILING THIS  
 DOCUMENT

**RECEIVER**

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 Calgary, AB T2P 3R7  
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**COUNSEL**

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 Calgary, AB T2P 4H2  
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## INTRODUCTION

1. On November 23, 2022, FTI Consulting Canada Inc. (“**FTI Consulting**”) was appointed interim receiver (the “**Interim Receiver**”), without security, of all the assets, undertakings and properties (the “**Property**”) of Changhua Energy Canada Ltd. (“**Changhua**” or the “**Company**”) pursuant to an Order of the Honourable Justice G.S. Dunlop (the “**Interim Order**”) of the Alberta Court of King’s Bench (the “**Court**”).
2. The Interim Receivership Order authorized the Interim Receiver to, among other things:
  - (a) report to, meet with and discuss with such affected Persons as the Interim Receiver deemed appropriate all matters relating to the Interim Receiver’s powers and duties under the Interim Receivership Order, and to share information, subject to such terms as to confidentiality as the Interim Receiver deemed advisable; and
  - (b) take any steps reasonably incidental to exercise of the powers and duties set out in the Interim Receivership Order.
3. On December 7, 2022 (the “**Date of Appointment**”), FTI Consulting was appointed receiver and manager (the “**Receiver**”) of all of the Property of Changhua pursuant to an Order of the Honourable Justice G.S. Dunlop (the “**Receivership Order**”).
4. The Receivership Order authorized the Receiver, among other things, to manage, operate and carry on the business of the Company, to market any or all of the Property including advertising and soliciting offers to purchase the Property, and to make such arrangements or agreements as deemed necessary by the Receiver.

5. On August 8, 2023, the Court granted an Order (the "**Approval and Vesting Order**") which, among other things authorized and approved the sale transaction (the "**Transaction**") contemplated by an agreement for purchase and sale dated July 10, 2023, between the Receiver and Bitstone Resources Inc. ("**BRI**") with respect all of Changhua's petroleum and natural gas assets (the "**PNG Assets**").
6. On October 13, 2023, the Alberta Energy Regulator (the "**AER**") approved the licence transfer application (the "**LTA**") made in respect of the PNG Assets between Changhua and BRI. A copy of the notice of approval is attached hereto as Appendix "A".
7. Electronic copies of all materials filed in respect of these proceedings (the "**Receivership Proceedings**") and other statutory materials are available on the Receiver's website at: <http://cfcanada.fticonsulting.com/changhua> (the "**Receiver's Website**").
8. The purpose of this report (the "**Second Report**") is to inform the Court of the following:
  - (a) the activities of the Receiver since the first report of the Receiver dated July 31, 2023 (the "**First Report**");
  - (b) the Receiver's statement of receipts and disbursements from the Date of Appointment to October 30, 2023;
  - (c) a summary of the Receiver's fees and expenses (the "**Receiver's Fees**") and the Receiver's Counsel's (as defined below) fees and disbursements (the "**Receiver's Counsel's Fees**");
  - (d) a summary of the secured and potential priority claims against Changhua; and

- (e) a summary of the estimated net proceeds available for distribution and remaining tasks to complete the administration of the Receivership Proceedings.
9. The Receiver is requesting the following relief from this Honourable Court:
- (a) ratification and approval of the Receiver's activities as set out in this Second Report, including its statement of receipts and disbursements;
  - (b) approval of the Receiver's Fees and the Receiver's Counsel's Fees without the necessity of a formal passing of accounts or a formal assessment of accounts;
  - (c) authorization to hold back certain funds to complete the administration of these Receivership Proceedings, as set out in paragraph 46 below;
  - (d) authorization for the Receiver to destroy the Company's corporate books and records if unclaimed by any of the current or former directors of the Company within 30 days of the Receiver providing such notice; and
  - (e) discharging the Receiver as Receiver of Changhua upon the Receiver filing with the Court a sworn Affidavit of a Licensed Insolvency Trustee employed by the Receiver.

## **TERMS OF REFERENCE**

10. In preparing this Second Report, the Receiver has relied upon unaudited financial information, other information available to the Receiver and, where appropriate, the Company's books and records, and discussions with various parties (collectively, the "**Information**").

11. Except as described in this Second Report:
  - (a) the Receiver has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would comply with Generally Accepted Assurance Standards pursuant to the *Chartered Professional Accountants of Canada Handbook*; and
  - (b) the Receiver has not examined or reviewed financial forecasts and projections referred to in this First Report in a manner that would comply with the procedures described in the *Chartered Professional Accountants of Canada Handbook*.
12. Future-oriented financial information reported or relied on in preparing this Second Report is based on assumptions regarding future events. Actual results may vary from forecasts and such variations may be material.
13. Information and advice described in this Second Report that has been provided to the Receiver by its legal counsel, Norton Rose Fulbright Canada LLP (the “**Receiver’s Counsel**”) and was provided to assist the Receiver in considering its course of action, is not intended as legal or other advice to, and may not be relied upon by, any other person.
14. Unless otherwise stated, all monetary amounts contained herein are expressed in Canadian Dollars.

## **RECEIVER’S ACTIVITIES**

15. Since the date of the First Report the Receiver has:
  - (a) communicated with various stakeholder groups and/or their advisors, including suppliers, trade creditors, employees and regulatory agencies;

- (b) continued care and maintenance of the PNG Assets with no material adverse issues until the completion of the Transaction;
- (c) provided regular updates to counsel to Export-Import Bank of China (“EIBC”) in its capacity as secured creditor on the status of the Company’s operations and sales process; and
- (d) closed the Transaction with BRI on October 30, 2023, and collected the net sales proceeds, and completed the accounting necessary to facilitate the interim statement of adjustments.

**STATEMENT OF RECEIPTS AND DISBURSEMENTS**

16. The figure below presents the Receiver’s Statement of Receipts and Disbursements from the Date of Appointment to October 30, 2023:

<b>Interim Statement of Receipts and Disbursements for the period of December 7, 2022 to October 30, 2023 CAD \$</b>	
<b>Receipts</b>	
Transaction proceeds	\$ 972,464
Transfer from pre-receivership account	758,526
Accounts receivable collections	359,894
Transfer between estate accounts	3,587
GST collected	17,995
Other receipts	15,584
<b>Total - Receipts</b>	<b>2,128,050</b>
<b>Disbursements</b>	
Receiver's Fees and disbursements	324,477
Operating expense	311,552
Consultants	100,717
Legal fees and disbursements	91,718
Sales Commission	75,000
Payroll and benefits	59,216
Insurance	27,581
GST/HST paid	38,299
Transfer between estate accounts	3,683
Rent and utilities	7,516
Bank fees and other	455
<b>Total - Disbursements</b>	<b>1,040,215</b>
<b>Net Cash on Hand</b>	<b>\$ 1,087,836</b>

17. A description of the accounts including:
- (a) Transaction proceeds includes collection of the net proceeds from the Transaction (including required adjustments);
  - (b) Transfer from pre-receivership accounts includes amounts transferred from the Company's existing bank accounts to the Receiver's trust accounts;
  - (c) Accounts receivable collections relates to petroleum revenue received in connection with the operation of the PNG Assets;
  - (d) Receiver's fees and disbursements paid to date in connection with the administration of the Receivership Proceedings;
  - (e) Operating Expenses includes amounts disbursed in connection with the operation of the PNG Assets;
  - (f) Consultants including engineering and accounting services provided to assist the Receiver with the administration of the Receivership Proceedings and work fee paid to Sayer in connection with the Marketing Process;
  - (g) Legal fees and disbursements paid to the Receiver's Counsel;
  - (h) Payroll and benefits disbursed by the Receiver relating to payroll and remittances and employee benefits; and
  - (i) Insurance costs including operator's insurance and general liability.
18. As at October 30, 2023, the Receiver held approximately \$1.1 million in cash.



## PROFESSIONAL FEES

19. Invoices for professional services rendered and costs for the Receiver from the Date of Appointment to September 30, 2023, total \$324,477.49, exclusive of GST.
20. Invoices for professional services rendered and disbursements for the Receiver's Counsel from the Date of Appointment to September 30, 2023, total \$91,718.46, exclusive of GST.
21. Invoices for the Receiver's Fees and the Receiver's Counsel's Fees can be made available upon request of this Honourable Court.
22. The Receiver is recommending a hold back for the Receiver's Fees and the Receiver's Counsel's Fees of approximately \$45,000 for accrued and unpaid professional fees for the Receiver and the Receiver's Counsel for the month of October relating to completing the Transaction, additional time attending to any final administrative matters of the Receivership Proceedings, including the costs of this Application.
23. The Receiver is of the opinion that the Receiver's Fees and the Receiver's Counsel's Fees are reasonable and appropriate in the circumstances, and in particular, given the length of the Receivership Proceedings, the work required to maintain and operate the PNG Assets for approximately 11 months prior to the completion of the Transaction, and the time required to complete a fulsome sales process.

## DETAILS OF SECURED AND POTENTIAL PRIORITY CLAIMS

### Secured Claims

24. As more fully described in the Affidavit of Chen Lei sworn October 31, 2022 in these proceedings (the “**Lei Affidavit**”), Changhua entered into: (i) a loan agreement, dated November 28, 2011, between Shandong Changhua Industrial Development Co., Ltd. (“**Changhua China**”), as borrower, and EIBC (the “**Lender**”), as lender, and (ii) a loan agreement, dated February 26, 2013 (collectively, the “**Loan Agreements**”), between Changhua China, as borrower, and the Lender, as lender. As at September 26, 2022, each of Changhua China (as borrower) and Changhua Canada (as guarantor) were indebted to the Lender in the amount of USD \$71,149,445.95 and RMB ¥164,446.00, plus all accruing interest, fees and costs (the “**EIBC Debt**”).
25. On October 25, 2022, the Lender delivered a demand letter and enclosed demands for payment and a notice of intention to enforce security in accordance with section 244(2) of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3 as described in the Lei Affidavit.

### Security Review

26. The Receiver’s Counsel has reviewed the security documents underlying the EIBC Debt and determined that, subject to customary qualifications and assumptions, Changhua has legal, valid and binding obligations to EIBC and that EIBC have valid security interests in the assets of Changhua under the laws of Alberta.
27. The Receiver is aware that prior to the Interim Order an objection was raised by counsel to the Company relating to the valid execution of the guarantee underlying the EIBC Debt. No further documentation regarding that objection has been received since then and counsel to the Company subsequently advised that it ceased to act for the Company.

### Canada Revenue Agency

28. On July 4, 2023, the CRA delivered a notice (the “**CRA Notice**”) to the Receiver asserting an unsecured claim, under subsection 222(3) of the *Excise Tax Act* in the amount of \$10,142.45 in respect of unremitted GST/HST for pre-receivership periods (the “**Unsecured CRA Claim**”). A copy of the CRA Notice is attached hereto as Appendix “**B**”.
29. Pursuant to the CRA Notice no security or deemed trust is asserted in respect of the Unsecured CRA Claim, which the Receiver believes to be unsecured.

### Wage Earner Protection Program

30. Subsequent to the Date of Appointment, a former employee was terminated and was owed outstanding wages and was not paid termination and/or severance pay. Additionally, employees that were terminated during the Receivership Proceedings on behalf of the Debtors were not paid termination and/or severance pay.
31. In accordance with the *Wage Earner Protection Program Act*, the Receiver made the former employees aware of the existence of such program and advised that the Receiver would review the Company’s books and records and identify employees who were owed eligible wages under the Wage Earner Protection Program (the “**WEPP**”).
32. After reviewing the Company’s books and records, and with the assistance of the Company, the Receiver determined that a total of approximately \$14,000 was owed to a former employees for unpaid wages vacation and a total of \$6,000 for termination and severance pay, which are considered eligible wages under the WEPP (the “**WEPP Claims**”). The Receiver has provided these employees with the information necessary to allow them to file a claim under WEPP.

33. Pursuant to section 81.4(4) of the *Bankruptcy and Insolvency Act*, the WEPP Claims are secured against the Company's current assets to the extent of \$2,000 per employee for wages and compensation (including vacation pay, but excluding severance and termination pay).
34. As of the date of this Second Report the Receiver has not received a statement from Service Canada asserting a subrogated priority claim, however the Receiver estimates the maximum amount of this claim to be \$2,000 (the "**WEPP Priority Claim**") related to the unpaid wages portion of the WEPP Claims. The Receiver has maintained sufficient hold back to satisfy the WEPP Priority Claim.

### **Municipal Taxes**

35. On August 29, 2019, the Supreme Court of Canada denied the application brought by three municipalities seeking leave to appeal the decision of the Alberta Court of Appeal in *Northern Sunrise County v Virginia Hills Oil Corp*, which confirmed that *Municipal Government Act* does not grant a municipality a special lien for unpaid linear property taxes.
36. Attached as Appendix "C" to this Second Report is Changhua's 2023 Combined Assessment & Tax Notice (the "**Tax Notice**") received from Yellowhead County. The Tax Notice indicated that the total amount owing was \$76,593.17, including the 2023 levy of \$13,712.86 (the "**2023 Levy**") and arrears of \$62,880.31 (the "**Arrears**") and together with the 2023 Levy, the "**Outstanding Taxes**").
37. The Receiver reviewed both the linear and non-linear portion of the Outstanding Taxes and determined that approximately \$26,924.10 of the Arrears related to unpaid linear property taxes from 2020 to 2022 (the "**Linear Taxes**").

38. Effective May 1, 2023, and in accordance with Ministerial Order 043/2023, the AER requires evidence that licensees have resolved unpaid property taxes exceeding a threshold amount before a new well or well LTA be approved. The initial threshold for the municipal tax arrears has been set at \$20,000.00 (the “**Threshold Amount**”).
39. On August 23, 2023, the Receiver paid \$14,535.63 to Yellowhead County in full satisfaction of the 2023 Levy plus a 6% penalty. Also on August 23, 2023, the Receiver paid \$45,883.01 to Yellowhead County which was intended to fully satisfy the non-linear portion of the Arrears leaving only a partial amount of the linear Arrears outstanding.
40. After payment of the \$60,418.64 outlined above, the Outstanding Taxes were reduced below the Threshold Amount and the AER subsequently approved the LTA on October 13, 2023.
41. On September 11, 2023, Yellowhead County provided tax certificates to the Receiver which indicated the remaining Outstanding Taxes totalled \$16,997.31. Copies of the tax certificates are attached hereto as Appendix “**D**”.
42. The Receiver submits that any remaining balance for the Outstanding Taxes relates to the Linear Taxes and that the Linear Taxes constitute an unsecured claim against the estate. As there will be no distribution to any unsecured creditors in the Receivership Proceedings, no amount will be paid on account of the remaining Linear Taxes.
43. Yellowhead County is the only county to which Changhua has been assessed municipal taxes and has been served with notice of this Application.

44. Other than those parties referenced above, no other party has contacted the Receiver nor the Receiver’s Canadian Counsel asserting a claim in priority to the EIBC Debt and the Receiver is not aware of any party asserting priority to EIBC, or any party that would be entitled to do so.

**PROPOSED DISTRIBUTION**

45. The Receiver currently holds \$1,087,836 and all assets have been sold and therefore the Receiver does not expect any further recoveries. The Receiver is proposing to hold back certain funds necessary to complete the administration of the estate and distribute the balance to EIBC in respect of the EIBC Debt.

46. The figure below presents a summary of the hold back (the “**Holdback**”).

<b>Estimated Holdback</b>	
<b>CAD \$</b>	
<b>Holdback</b>	
Professional fees (estimated to completion)	45,000
Operating costs	62,500
GST Remittance	10,000
WEPPA Priority Claim	2,000
Contingency	5,500
<b>Total - Holdback</b>	<b>125,000</b>

47. The Holdback was calculated based on:

- (a) accrued unpaid professional fees for the Receiver and the Receiver’s Counsel for the month of October relating to completing the Transaction, the costs of this Application and to complete the administration of the Receivership Proceedings; and
- (b) accrued and ongoing administrative and operating costs including estimates for the final statement of adjustments for the Transaction, costs required to maintain access to the accounting system, storage and destruction of records and the WEPP Priority Claim.

48. The Receiver is seeking approval from this Honourable Court to distribute the balance of funds held to EIBC in respect of the EIBC Debt in the amount of \$962,836 as set out below, maintain the Holdback and distribute any residual funds from the Holdback to EIBC upon completion of all remaining administrative matters.

<b>Estimated Interim Distribution</b>	
<b>CAD \$</b>	
Cash on Hand	1,087,836
Holdback	(125,000)
<b>Total - Interim Distribution</b>	<b>962,836</b>

49. In the Receiver's view the proposed distribution is appropriate:
- (a) as set out above, the Receiver's Counsel has opined on the security documents of EIBC and concluded, subject to customary assumptions and qualifications that EIBC had valid security interests in the assets of Changhua;
  - (b) the Holdback includes amounts to pay remaining professional fees and estimates of amounts to be incurred to complete the administration of the Receivership Proceedings; and
  - (c) the distribution to EIBC in partial satisfaction of the EIBC Debt will be significantly less than the total EIBC Debt which is in excess of US\$71 million and therefore there will be no further distribution available to subordinate or unsecured creditors in these Receivership Proceedings.
50. There are no other secured creditors with secured claims against Changhua that rank ahead of, or potentially rank ahead of, the secured claim of EIBC.

## **CORPORATE BOOKS AND RECORDS**

51. The Company's corporate books and records are currently located at an offsite storage facility. The Receiver is seeking the approval of this Honourable Court to destroy the remaining corporate books and records, except those required by statute, unless they are claimed by any of the current or former directors of the Company within 30 days of the Receiver providing written notification of the same. The Receiver has no further need to retain these books and records.
52. The Receiver will use the addresses listed on an Alberta Corporate Registry search as the addresses at which to notify the current or former directors.

## **TERMINATION OF THE RECEIVERSHIP PROCEEDINGS**

53. As described in this Second Report, the administration of these Receivership Proceedings is substantially complete, with exception of certain matters which are administrative in nature. To avoid the additional costs associated with subsequent Court appearances, and with the support of EIBC, the Receiver is seeking an Order terminating the Receivership Proceedings and discharging the Receiver of its duties and obligations under the Receivership Order upon filing a sworn Affidavit of a licensed Trustee employed by the Receiver (the "**Receiver's Completion Affidavit**") with this Honourable Court certifying that all remaining administrative matters have been concluded.

## **RECEIVER'S RECOMMENDATIONS**

54. The Receiver respectfully requests that this Honourable Court grant the following relief:
  - (a) ratification and approval of the Receiver's activities as set out in this Second Report, and the Statement of Receipts and Disbursements;



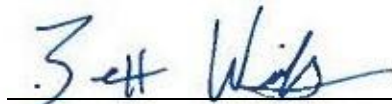
- (b) approval of the Receiver's Fees and the Receiver's Counsel's Fees without the necessity of a formal passing of accounts or a formal assessment of accounts;
- (c) authorization for the Receiver to make the proposed distribution of up to \$962,836 to EIBC, maintain the Holdback and distribute any residual funds from the Holdback to EIBC upon completion of all remaining administrative matters;
- (d) authorization for the Receiver to destroy the Company's corporate books and records if unclaimed by any of the current or former directors of the Company within 30 days of the Receiver providing such notice; and
- (e) the discharge of the Receiver and termination the Receivership Proceedings of Changhua upon the Receiver filing with the Court the Receiver's Completion Affidavit.

All of which is respectfully submitted this 30th day of October 2023.

FTI Consulting Canada Inc. in its capacity as  
Receiver of the assets, property and undertaking  
of Changhua Energy Canada Ltd., and not in its  
personal or corporate capacity,



Name: Dustin Olver, CPA, CA, CIRP, LIT  
Title: Senior Managing Director,  
FTI Consulting Canada Inc.



Name: Brett Wilson, CFA  
Title: Managing Director,  
FTI Consulting Canada Inc.

Second Report  
FTI Consulting Canada Inc., in its capacity as Receiver of Changhua Energy Canada Ltd.  
October 30, 2023

## **Appendix “A” – Licence Transfer Application Approval**



Calgary Head Office  
Suite 1000, 250 – 5 Street SW  
Calgary, Alberta T2P 0R4  
Canada

October 13, 2023

**Changhua Energy Canada Ltd.**

Suite 425, 808 - 4th Avenue SW  
Calgary, AB T2P 3E8

Attention: Hailey Liu

**Licence Transfer Application (Number: 1943623) Approval**

Pursuant to Section 24 of the Oil and Gas Conservation Act and/or Section 18 of the Pipeline Act, the AER hereby approves Application Number 1943623 submitted on July 18, 2023 between Changhua Energy Canada Ltd. and Bitstone Resources Inc.

A copy of the licence transfer approval is on file and is available through AER's Information Services.

A handwritten signature in black ink, appearing to read "LaiLoni Boswell", with a long horizontal line extending to the right.

LaiLoni Boswell

Asset & Liability Transition Management  
Closure & Liability

cc: Bitstone Resources Inc.

Attachment

**Transfer Application Details**

**Application Number: 1943623**

**Transferor**

BA ID Code: A63L  
Name: Changhua Energy Canada Ltd.

Contact Name: Hailey Liu

Licensee Eligibility: Facility, Well or Pipeline

Company Type: Exploration & Production

File Number:

DDS ID: HAILEYLIU

Agent BA ID: A63L

Agent Name: Changhua Energy Canada Ltd.

**Transferee**

BA ID Code: A8XG  
Name: Bitstone Resources Inc.

Contact Name: Sharon Foy

Licensee Eligibility: Facility, Well or Pipeline

Company Type: Exploration & Production

File Number:

DDS ID: CONSULTADMIN

Agent BA ID: A8XG

Agent Name: Bitstone Resources Inc.

**Well Licences (Total: 8)**

Licence Number	Surface Location	Working Interest Participants	
0357607	04-16-048-15W5	Bitstone Resources Inc. (A8XG)	100%
0357975	16-36-048-15W5	Bitstone Resources Inc. (A8XG)	100%
0363808	02-21-048-15W5	Bitstone Resources Inc. (A8XG)	100%
0364958	07-09-048-15W5	Bitstone Resources Inc. (A8XG)	100%
0393675	11-24-048-15W5	Bitstone Resources Inc. (A8XG)	100%
0442860	11-22-048-15W5	Bitstone Resources Inc. (A8XG)	100%
0442883	16-25-048-15W5	Bitstone Resources Inc. (A8XG)	100%
0452660	02-35-048-15W5	Bitstone Resources Inc. (A8XG)	100%

**Facility Licences (Total: )**

Licence Number	Surface Location	Working Interest Participants	
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**Pipeline Licences (Total: 3)**

Old Licence Number	Old Line Segment	New Licence Number	New Line Segment
25044		25044	
25048		25048	
48396		48396	

**Well Name Changes (Total: 7)**

Licence Number	New Name
0357607	BITSTONE PECO 4-16-48-15
0357975	BITSTONE PECO 16-36-48-15
0363808	BITSTONE PECO 2-21-48-15
0364958	BITSTONE PECO 7-9-48-15
0393675	BITSTONE PECO 12-24-48-15
0442860	BITSTONE PECO 14-22-48-15
0452660	BITSTONE PECO 2-35-48-15

Second Report  
FTI Consulting Canada Inc., in its capacity as Receiver of Changhua Energy Canada Ltd.  
October 30, 2023

## **Appendix “B” – CRA Notice dated July 4, 2023**



Tax Services Office  
Edmonton AB T5J 4C8

July 04, 2023

FTI CONSULTING INC.  
1610 - 520 5 AVE SW  
CALGARY AB T2P 3R7

Account Number  
84464 1886 RT0001

Dear Sir or Madam:

Subject: Changhua Energy Canada Ltd.

We understand that you have been appointed receiver or receiver-manager (receiver) for the above GST/HST registrant. Currently, the registrant owes goods and services tax / harmonized sales tax (GST/HST) of \$10,142.45.

Period outstanding	GST/HST payable	Penalty & interest	Total
2022-12-07	\$9,919.27	\$223.18	\$10,142.45

Under the Excise Tax Act, \$0.00 of the above totals represents property of the Crown held in trust and does not form part of Changhua Energy Canada Ltd.'s property, business, or estate. This is the case whether or not those funds are kept separate and apart from the registrant's own money or from the estate's assets.

You must pay the Receiver General for Canada \$0.00 out of the realization of any property subject to the trust created by subsection 222(3) of the Act before paying any other creditor. Please send us your payment right away. If this is not possible, please tell us when you will make the payment. Also, please tell us when you will pay the remaining balance of \$10,142.45.

As a receiver, you must collect and remit the registrant's GST/HST for the period you are acting as a receiver. You also must file the registrant's returns for any periods ending while you were acting as receiver. This includes any returns the registrant did not file for a period ending in or immediately

.../2



before the fiscal year you became receiver.

For more information or clarification, please call us at  
587-338-4217.

Yours truly,



Mrs. S. Ross (1225)  
Resource/Complex Case Officer



Second Report  
FTI Consulting Canada Inc., in its capacity as Receiver of Changhua Energy Canada Ltd.  
October 30, 2023

## **Appendix “C” – 2023 Combined Assessment & Tax Notice**

Roll Number	Legal Description	Acres/Sq Ft	Assmt Code	Assessment Values				
				Land	Improvements	Other		
<b>505085</b>	CHANGHUA 4 -16 -48 -15 -5	0.00	DPII		\$11,860		Current Levy	\$121.51
							Previous Balance	\$378.37
							Total Owing	<b>\$499.88</b>
							<b>\$0.00 Total Local Improvement Incl in Levy</b>	
<b>505086</b>	CHANGHUA 16 -36 -48 -15 -5	0.00	DPIE DPII		\$114,300 \$6,180		Current Levy	\$835.00
							Previous Balance	\$2,115.93
							Total Owing	<b>\$2,950.93</b>
							<b>\$0.00 Total Local Improvement Incl in Levy</b>	
<b>505225</b>	CHANGHUA 2 -21 -48 -15 -5	0.00	DPII		\$4,580		Current Levy	\$46.92
							Previous Balance	\$1,608.02
							Total Owing	<b>\$1,654.94</b>
							<b>\$0.00 Total Local Improvement Incl in Levy</b>	
<b>506942</b>	CHANGHUA 16 -25 -48 -15 -5	0.00	DPIE DPII		\$162,140 \$12,390		Current Levy	\$1,221.60
							Previous Balance	\$3,056.89
							Total Owing	<b>\$4,278.49</b>
							<b>\$0.00 Total Local Improvement Incl in Levy</b>	
<b>507234</b>	CHANGHUA 11 -22 -48 -15 -5	0.00	DPII		\$4,960		Current Levy	\$50.82
							Previous Balance	\$514.38
							Total Owing	<b>\$565.20</b>
							<b>\$0.00 Total Local Improvement Incl in Levy</b>	
<b>507513</b>	CHANGHUA 2 -35 -48 -15 -5	0.00	DPIE DPII		\$128,530 \$8,290		Current Levy	\$952.69
							Previous Balance	\$2,360.24
							Total Owing	<b>\$3,312.93</b>
							<b>\$0.00 Total Local Improvement Incl in Levy</b>	
<b>603702</b>	CHANGHUA 5502	0.00	PL		\$1,023,340		Current Levy	\$10,484.32
							Previous Balance	\$52,846.48
							Total Owing	<b>\$63,330.80</b>
							<b>\$0.00 Total Local Improvement Incl in Levy</b>	

PLEASE RETURN THIS PORTION WITH YOUR PAYMENT

**2023 COMBINED ASSESSMENT & TAX NOTICE**

2367

Customer #: **CHANGHUA**

ASSESSMENT COMPLAINT DEADLINE IS 8/15/23

(EXCLUDING LINEAR &amp; DIP)

If Receipt required check box: 

CHANGHUA ENERGY CANADA LTD  
425 808 4 AVENUE SW

Current Tax Levy Sub-Total This Page Only \$13,712.86

Arrears (Pre-payment) \$62,880.31

Sub-Total This Page Only \$76,593.17

CALGARY  
CANADA

AB T2P 3E8

Total Amount Paid:   
PAYMENT DUE DATE: 7/31/23

After the due date any outstanding 2023 levy is subject to 6% Penalty

Please list all Roll numbers on the back of this notice that are included in your payment.  
Yellowhead County is no longer required to mail a receipt for taxes



Roll Number	Legal Description	Acres/Sq Ft	Assmt Code	Assessment Values		
				Land	Improvements	Other

		MILL RATES			TAXES OWING
<b>Taxation Year</b>	<b>2023</b>	Minimum Levy to \$25.00	0.0000	\$0.00	
<b>Notice Date</b>	<b>6/08/23</b>	Designated Industrial Property	0.0746	\$110.15	
<b>Payment Due Date</b>	<b>7/31/23</b>	Municipal Non Residential	6.1510	\$296.84	
<b>Notice of Assessment date:</b>	<b>June 16, 2023</b>	Municipal Linear	6.1510	\$6,294.56	
		Municipal Machinery & Equipmen	6.1510	\$2,490.97	
		Public School Non Residential	3.4938	\$3,743.96	
		Seniors Foundation	0.5258	\$776.38	

<b>ASSESSMENT COMPLAINT DEADLINE 8/15/23</b>
--

## 2023 COMBINED ASSESSMENT & TAX NOTICE

Current Tax Levy **\$13,712.86**

Total Arrears (Total Pre-payment) **\$62,880.31**

**Total Amount Owning \$76,593.17**

**PAYMENT DUE DATE: 7/31/23**

After the due date any outstanding 2023 levy is subject to 6% penalty

PLEASE RETURN THIS PORTION WITH YOUR PAYMENT

## 2023 COMBINED ASSESSMENT & TAX NOTICE

2368

Customer #: **CHANGHUA**

ASSESSMENT COMPLAINT DEADLINE IS 8/15/23 (EXCLUDING LINEAR & DIP)

If Receipt required check box:

Current Tax Levy Sub-Total This Page Only **\$0.00**

Arrears (Pre-payment) **\$0.00**

Sub-Total This Page Only **\$0.00**

**CHANGHUA ENERGY CANADA LTD**  
425 808 4 AVENUE SW

**Total Amount Paid:**

**CALGARY  
CANADA**

**AB T2P 3E8**

**PAYMENT DUE DATE: 7/31/23**

After the due date any outstanding 2023 levy is subject to 6% Penalty

Please list all Roll numbers on the back of this notice that are included in your payment.  
Yellowhead County is no longer required to mail a receipt for taxes



Second Report  
FTI Consulting Canada Inc., in its capacity as Receiver of Changhua Energy Canada Ltd.  
October 30, 2023

## **Appendix “D” – Yellowhead County Tax Certificates**



## TAX CERTIFICATE

Date: 9/11/23

Your File:

FTI CONSULTING  
1610, 520 5TH AVENUE SW

CALGARY AB T2P 3R7

**TAX CERTIFICATE NUMBER 15143 ROLL NUMBER 505085**

PROPERTY OWNER: CHANGHUA ENERGY CANADA LTD  
LEGAL DESCRIPTION: (Long Legal) 4 -16 -48 -15 -5 AREA: 0.00  
(Short Legal)  
DATE OF TITLE: 0/00/00 DCT NUMBER:

LAST LEVY DATE: 6/08/23 LAST TAX LEVY: \$121.51  
LAST LOCAL IMPROVEMENT CHARGE: \$0.00

ARREARS:	\$184.50
	\$22.23
CURRENT CHARGES:	\$150.22
TAXES OUTSTANDING:	\$356.95
UTILITIES OUTSTANDING:	\$0.00
<b>BALANCE OUTSTANDING:</b>	<b>\$356.95</b>

TAX CERTIFICATE FEE: \$20.00 PLEASE QUOTE INVOICE NUMBER ON YOUR CHEQUE FOR OUR REFERENCE  
CHEQUES SHOULD BE MADE PAYABLE TO YELLOWHEAD COUNTY

Plan ID	Monthly Payment
TAX INSTALLMENT PLAN DETAILS: _____	
(Not on Monthly Installment Plan if field is empty)	

FOR AN ABSTRACT OF ENCUMBRANCES  
OTHER THAN TAXES, APPLY TO:

THE REGISTRAR  
LAND TITLES OFFICE,  
EDMONTON, ALBERTA

DATED AT EDSON ALBERTA ON 9/11/23

  
JEFFREY MORRISON  
GENERAL MANAGER, CORPORATE SERVICES



# Yellowhead County

www.yellowheadcounty.ab.ca

## TAX CERTIFICATE

Date: 9/11/23

Your File:

FTI CONSULTING  
1610, 520 5TH AVENUE SW

CALGARY AB T2P 3R7

**TAX CERTIFICATE NUMBER 15144 ROLL NUMBER 505086**

PROPERTY OWNER: CHANGHUA ENERGY CANADA LTD  
LEGAL DESCRIPTION: (Long Legal) 16 -36 -48 -15 -5 AREA: 0.00  
(Short Legal)  
DATE OF TITLE: 0/00/00 DCT NUMBER:

LAST LEVY DATE: 6/08/23 LAST TAX LEVY: \$835.00  
LAST LOCAL IMPROVEMENT CHARGE: \$0.00

ARREARS: \$991.29  
CURRENT CHARGES: \$1,004.87  
TAXES OUTSTANDING: \$1,996.16  
UTILITIES OUTSTANDING: \$0.00  
**BALANCE OUTSTANDING: \$1,996.16**

TAX CERTIFICATE FEE: \$20.00 PLEASE QUOTE INVOICE NUMBER ON YOUR CHEQUE FOR OUR REFERENCE  
CHEQUES SHOULD BE MADE PAYABLE TO YELLOWHEAD COUNTY

Plan ID Monthly Payment  
TAX INSTALLMENT PLAN DETAILS: \_\_\_\_\_  
(Not on Monthly Installment Plan if field is empty)

FOR AN ABSTRACT OF ENCUMBRANCES  
OTHER THAN TAXES, APPLY TO:

THE REGISTRAR  
LAND TITLES OFFICE,  
EDMONTON, ALBERTA

DATED AT EDSON, ALBERTA ON 9/11/23

  
JEFFREY MO...  
GENERAL MAN... CORPORATE SERVICES



# Yellowhead County

www.yellowheadcounty.ab.ca

## TAX CERTIFICATE

Date: 9/11/23

Your File:

FTI CONSULTING  
1610, 520 5TH AVENUE SW

CALGARY AB T2P 3R7

**TAX CERTIFICATE NUMBER 15145 ROLL NUMBER 505225**

PROPERTY OWNER: CHANGHUA ENERGY CANADA LTD  
LEGAL DESCRIPTION: (Long Legal) 2 -21 -48 -15 -5 AREA: 0.00  
(Short Legal)  
DATE OF TITLE: 0/00/00 DCT NUMBER:

LAST LEVY DATE: 6/08/23 LAST TAX LEVY: \$46.92  
LAST LOCAL IMPROVEMENT CHARGE: \$0.00

ARREARS:	\$336.59
	\$1,039.65
CURRENT CHARGES:	\$140.76
TAXES OUTSTANDING:	\$1,517.00
UTILITIES OUTSTANDING:	\$0.00
<b>BALANCE OUTSTANDING:</b>	<b>\$1,517.00</b>

TAX CERTIFICATE FEE: \$20.00 PLEASE QUOTE INVOICE NUMBER ON YOUR CHEQUE FOR OUR REFERENCE  
CHEQUES SHOULD BE MADE PAYABLE TO YELLOWHEAD COUNTY

Plan ID	Monthly Payment
TAX INSTALLMENT PLAN DETAILS: _____	
(Not on Monthly Installment Plan if field is empty)	

FOR AN ABSTRACT OF ENCUMBRANCES  
OTHER THAN TAXES, APPLY TO:

THE REGISTRAR  
LAND TITLES OFFICE,  
EDMONTON, ALBERTA

DATED AT EDSON, ALBERTA ON 9/11/23



JEFFREY M. [Signature]  
GENERAL MANAGER CORPORATE SERVICES



# Yellowhead County

www.yellowheadcounty.ab.ca

## TAX CERTIFICATE

Date: 9/11/23

Your File:

FTI CONSULTING  
1610, 520 5TH AVENUE SW

CALGARY AB T2P 3R7

**TAX CERTIFICATE NUMBER 15146 ROLL NUMBER 506942**

PROPERTY OWNER: CHANGHUA ENERGY CANADA LTD  
LEGAL DESCRIPTION: (Long Legal) 16 -25 -48 -15 -5 AREA: 0.00  
(Short Legal)  
DATE OF TITLE: 0/00/00 DCT NUMBER:

LAST LEVY DATE: 6/08/23 LAST TAX LEVY: \$1,221.60  
LAST LOCAL IMPROVEMENT CHARGE: \$0.00

ARREARS: \$1,415.93  
CURRENT CHARGES: \$1,467.93  
TAXES OUTSTANDING: \$2,883.86  
UTILITIES OUTSTANDING: \$0.00  
**BALANCE OUTSTANDING: \$2,883.86**

TAX CERTIFICATE FEE: \$20.00 PLEASE QUOTE INVOICE NUMBER ON YOUR CHEQUE FOR OUR REFERENCE  
CHEQUES SHOULD BE MADE PAYABLE TO YELLOWHEAD COUNTY

Plan ID Monthly Payment  
TAX INSTALLMENT PLAN DETAILS: \_\_\_\_\_  
(Not on Monthly Installment Plan if field is empty)

FOR AN ABSTRACT OF ENCUMBRANCES  
OTHER THAN TAXES, APPLY TO:

THE REGISTRAR  
LAND TITLES OFFICE,  
EDMONTON, ALBERTA

DATED AT EDSON ALBERTA ON 9/11/23

  
JEFFREY M. EDSON  
GENERAL MANAGER CORPORATE SERVICES





# Yellowhead County

www.yellowheadcounty.ab.ca

## TAX CERTIFICATE

Date: 9/11/23

Your File:

FTI CONSULTING  
1610, 520 5TH AVENUE SW

CALGARY AB T2P 3R7

**TAX CERTIFICATE NUMBER 15147 ROLL NUMBER 507234**

PROPERTY OWNER: CHANGHUA ENERGY CANADA LTD  
 LEGAL DESCRIPTION: (Long Legal) 11 -22 -48 -15 -5 AREA: 0.00  
 (Short Legal)  
 DATE OF TITLE: 0/00/00 DCT NUMBER:

LAST LEVY DATE: 6/08/23	LAST TAX LEVY: \$50.82
LAST LOCAL IMPROVEMENT CHARGE:	\$0.00
ARREARS:	\$249.63
	\$152.64
CURRENT CHARGES:	\$82.99
TAXES OUTSTANDING:	\$485.26
UTILITIES OUTSTANDING:	\$0.00
<b>BALANCE OUTSTANDING:</b>	<b>\$485.26</b>

TAX CERTIFICATE FEE: \$20.00 PLEASE QUOTE INVOICE NUMBER ON YOUR CHEQUE FOR OUR REFERENCE  
CHEQUES SHOULD BE MADE PAYABLE TO YELLOWHEAD COUNTY

	Plan ID	Monthly Payment
TAX INSTALLMENT PLAN DETAILS:	_____	
	(Not on Monthly Installment Plan if field is empty)	

FOR AN ABSTRACT OF ENCUMBRANCES  
OTHER THAN TAXES, APPLY TO:

THE REGISTRAR  
LAND TITLES OFFICE,  
EDMONTON, ALBERTA

DATED AT EDSON ALBERTA 9/11/23

  
 JEFFREY MORRISON  
 GENERAL MANAGER CORPORATE SERVICES





# Yellowhead County

www.yellowheadcounty.ab.ca

## TAX CERTIFICATE

Date: 9/11/23

Your File:

FTI CONSULTING  
1610, 520 5TH AVENUE SW

CALGARY AB T2P 3R7

**TAX CERTIFICATE NUMBER 15148 ROLL NUMBER 603702**

PROPERTY OWNER: CHANGHUA ENERGY CANADA LTD  
 LEGAL DESCRIPTION: (Long Legal) AREA: 0.00  
 (Short Legal)  
 DATE OF TITLE: 0/00/00 DCT NUMBER:

LAST LEVY DATE: 6/08/23 LAST TAX LEVY: \$10,484.32  
 LAST LOCAL IMPROVEMENT CHARGE: \$0.00

ARREARS:	\$0.00
CURRENT CHARGES:	\$7,531.44
TAXES OUTSTANDING:	\$7,531.44
UTILITIES OUTSTANDING:	\$0.00
<b>BALANCE OUTSTANDING:</b>	<b>\$7,531.44</b>

TAX CERTIFICATE FEE: \$20.00 PLEASE QUOTE INVOICE NUMBER ON YOUR CHEQUE FOR OUR REFERENCE  
CHEQUES SHOULD BE MADE PAYABLE TO YELLOWHEAD COUNTY

Plan ID	Monthly Payment
TAX INSTALLMENT PLAN DETAILS: _____	
(Not on Monthly Installment Plan if field is empty)	

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LAND TITLES OFFICE,  
EDMONTON, ALBERTA

DATED AT EDSON ALBERTA ON 9/11/23



JEFFREY MORRISON  
GENERAL MANAGER CORPORATE SERVICES



## TAX CERTIFICATE

Date: 9/11/23

Your File:

FTI CONSULTING  
1610, 520 5TH AVENUE SW

CALGARY AB T2P 3R7

**TAX CERTIFICATE NUMBER 15149 ROLL NUMBER 507513**

PROPERTY OWNER: CHANGHUA ENERGY CANADA LTD  
LEGAL DESCRIPTION: (Long Legal) 2 -35 -48 -15 -5 AREA: 0.00  
(Short Legal)  
DATE OF TITLE: 0/00/00 DCT NUMBER:

LAST LEVY DATE: 6/08/23	LAST TAX LEVY: \$952.69
LAST LOCAL IMPROVEMENT CHARGE:	\$0.00
ARREARS:	\$1,083.19
CURRENT CHARGES:	\$1,143.45
TAXES OUTSTANDING:	\$2,226.64
UTILITIES OUTSTANDING:	\$0.00
<b>BALANCE OUTSTANDING:</b>	<b>\$2,226.64</b>

TAX CERTIFICATE FEE: \$20.00 PLEASE QUOTE INVOICE NUMBER ON YOUR CHEQUE FOR OUR REFERENCE  
CHEQUES SHOULD BE MADE PAYABLE TO YELLOWHEAD COUNTY

TAX INSTALLMENT PLAN DETAILS:	Plan ID	Monthly Payment
	_____	_____
	(Not on Monthly Installment Plan if field is empty)	

FOR AN ABSTRACT OF ENCUMBRANCES  
OTHER THAN TAXES, APPLY TO:

THE REGISTRAR  
LAND TITLES OFFICE,  
EDMONTON, ALBERTA

DATED AT EDSON, ALBERTA ON 9/11/23

  
 JEFFREY MORTON  
 GENERAL MANAGER CORPORATE SERVICES