



**FTI Consulting Canada**  
Bankers Hall, West Tower  
1000, 888-3<sup>rd</sup> Street SW  
Calgary, AB T2P 5C5  
Main 403.444.5373  
Fax 403.444.6758

June 5, 2013

District of:	Alberta
Division No.	02-Calgary
Court No.	25-1723693
Estate No.	25-1723693

**IN THE MATTER OF THE BANKRUPTCY OF  
RADIUS RESOURCES CORP.  
OF THE CITY OF CALGARY  
IN THE PROVINCE OF ALBERTA**

To the Creditors of **RADIUS RESOURCES CORP.**

Enclosed are the following documents:

- Form 67, Notice to Creditors;
- Form 78, Statement of Affairs;
- List of Creditors; and
- Proof of Claim/Proxy Form and related instructions.

Please complete your proof of claim form and submit it with required back up documentation to Brett Wilson by email at [Brett.Wilson@FTIConsulting.com](mailto:Brett.Wilson@FTIConsulting.com) or by fax at 403.444.6458.

Yours truly,

FTI Consulting Canada Inc.,

A handwritten signature in blue ink, appearing to read 'Deryck Helkaa', written over a light blue circular stamp.

Deryck Helkaa, CA, CIRP  
Senior Managing Director



**FTI Consulting Canada**  
Bankers Hall, West Tower  
1000, 888-3<sup>rd</sup> Street SW  
Calgary, AB T2P 5C5  
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District of: Alberta  
Division No. 02-Calgary  
Court No. 25-1723691  
Estate No. 25-1721277

**FORM 67**  
**Notice of Bankruptcy and First Meeting of Creditors**  
**(Subsection 102(1) of the Act)**  
**IN THE MATTER OF THE BANKRUPTCY OF**  
**RADIUS RESOURCES CORP.**

Take notice that:

1. The Court of the Queen's Bench of Alberta made a bankruptcy order against Radius Resources Corp. on the 30<sup>th</sup> day of May and the undersigned, FTI Consulting Canada Inc., was appointed as trustee of the estate by the Court, subject to the affirmation by the creditors of the trustee's appointment or substitution of another trustee by the creditors.
2. The first meeting of creditors of the bankrupt will be held on June 24, 2013 at 10:00 am at the office of FTI Consulting Canada Inc. at 1000, 888-3<sup>rd</sup> Street SW, Calgary, AB (Bankers Hall West, Tower).
3. To be entitled to vote at the meeting, a creditor must lodge with the trustee, before the meeting, a proof of claim and, where necessary, a proxy.
4. Enclosed with this notice is a proof of claim, a form of proxy and a list of creditors.
5. Creditors must prove their claims against the estate of the bankrupt in order to share in any distribution of the proceeds realized from the estate.

Dated at the city of Calgary in the Province of Alberta, this 5<sup>th</sup> day of June, 2013.

FTI Consulting Canada Inc.,  
In its capacity as Trustee of Radius Resources Corp.

A handwritten signature in blue ink, appearing to read 'Deryck Helkaa', written over a circular stamp or mark.

Deryck Helkaa, CA, CIRP  
Senior Managing Director

District of: Alberta  
 Division No. 02 - Calgary  
 Court No. 25-1723693  
 Estate No. 25-1723693

Original

Amended

-- Form 78 --

Statement of Affairs (Business Bankruptcy) made by an entity  
 (Subsection 49(2) and Paragraph 158(d) of the Act / Subsections 50(2) and 62(1) of the Act)

To the bankrupt:

You are required to carefully and accurately complete this form and the applicable attachments showing the state of your affairs on the date of the bankruptcy, on the 30th day of May 2013. When completed, this form and the applicable attachments will constitute the Statement of Affairs and must be verified by oath or solemn declaration.

LIABILITIES (as stated and estimated by the officer)	ASSETS (as stated and estimated by the officer)
1. Unsecured creditors as per list "A" . . . . .	1. Inventory . . . . .
86,175.67	0.00
Balance of secured claims as per list "B" . . . . .	2. Trade fixtures, etc. . . . .
11,900,000.00	0.00
Total unsecured creditors . . . . .	3. Accounts receivable and other receivables, as per list "E"
11,986,175.67	Good . . . . .
2. Secured creditors as per list "B" . . . . .	0.00
10,000,000.00	Doubtful . . . . .
3. Preferred creditors as per list "C" . . . . .	0.00
0.00	Bad . . . . .
4. Contingent, trust claims or other liabilities as per list "D"	0.00
estimated to be reclaimable for . . . . .	Estimated to produce . . . . .
0.00	0.00
Total liabilities . . . . .	4. Bills of exchange, promissory note, etc., as per list "F" . . . . .
21,986,175.67	0.00
Surplus . . . . .	5. Deposits in financial institutions . . . . .
NIL	0.00
	6. Cash . . . . .
	0.00
	7. Livestock . . . . .
	0.00
	8. Machinery, equipment and plant . . . . .
	0.00
	9. Real property or immovable as per list "G" . . . . .
	0.00
	10. Furniture . . . . .
	0.00
	11. RRSPs, RRIFs, life insurance, etc. . . . .
	0.00
	12. Securities (shares, bonds, debentures, etc.) . . . . .
	0.00
	13. Interests under wills . . . . .
	0.00
	14. Vehicles . . . . .
	0.00
	15. Other property, as per list "H" . . . . .
	10,000,000.00
	If bankrupt is a corporation, add:
	Amount of subscribed capital . . . . .
	0.00
	Amount paid on capital . . . . .
	0.00
	Balance subscribed and unpaid . . . . .
	0.00
	Estimated to produce . . . . .
	0.00
	Total assets . . . . .
	10,000,000.00
	Deficiency . . . . .
	11,986,175.67

I, \_\_\_\_\_ of the \_\_\_\_\_ of \_\_\_\_\_ in \_\_\_\_\_, do swear (or solemnly declare) that this statement and the attached lists are to the best of my knowledge, a full, true and complete statement of my affairs on the 30th day of May 2013 and fully disclose all property of every description that is in my possession or that may devolve on me in accordance with the Act.

SWORN (or SOLEMNLY DECLARED)  
 before me at the city of Calgary in the Province of Alberta, on this 5th day of June 2013.

District of: Alberta  
 Division No. 02 - Calgary  
 Court No. 25-1723693  
 Estate No. 25-1723693

FORM 78 -- Continued

List "A"  
 Unsecured Creditors

Radius Resources Corp.

No.	Name of creditor	Address	Unsecured claim	Balance of claim	Total claim
1	AIR LIQUIDE CANADA INC.	3004 - 54th Avenue SE Calgary AB T2C 0A7	84.00	0.00	84.00
2	ALBERTA ENERGY	PETROLEUM PLAZA - SOUTH TOWER EDMONTON AB T5K2G8	896.00	0.00	896.00
3	ARC RESOURCES LTD	Suite 1200, 308 4th Ave SW Calgary AB T2P 0H7	37,440.37	0.00	37,440.37
4	ARDENT OILFIELD MAINTENANCE & REPAIR INC.	PO Box 2267 Valleyview AB T0H 3N0	726.33	0.00	726.33
5	CARSCALLEN LEITH LLP	1500, 407-2ND STREET S.W. CALGARY AB T2P 2Y3	28,975.83	0.00	28,975.83
6	DIRECT PRESSURE	BOX 1326 VALLEYVIEW AB T0H 3N0	2,409.75	0.00	2,409.75
7	MAR-RIK TRUCKING LTD.	PO Box 2252 Valleyview AB T0H 3N0	6,861.75	0.00	6,861.75
8	MINISTER OF FINANCE PROVINCE OF ALBERTA	9915 - 108 STREET EDMONTON AB T5K 2G8	2,983.25	0.00	2,983.25
9	NATIONAL BANK OF CANADA	Suite 600, 311-6th Avenue SW Calgary AB T2P 2H2	0.00	11,900,000.00	11,900,000.00
10	PETRONET SYSTEMS LP	750, 521 3rd Avenue SW Calgary AB T2P 3T3	525.00	0.00	525.00
11	TERVITA CORPORATION	500, 140 10TH AVENUE SE CALGARY AB T2G 0R1	3,098.25	0.00	3,098.25
12	ULTIMATE OILFIELD SERVICES LTD	Box 922 Valleyview AB T0H 3N0	1,538.46	0.00	1,538.46
13	VERMILION RESOURCES LTD	3500 , 520 3rd Avenue SW Calgary AB T2P 0R3	636.68	0.00	636.68
<b>Total:</b>			<b>86,175.67</b>	<b>11,900,000.00</b>	<b>11,986,175.67</b>

05-Jun-2013

Date

District of: Alberta  
Division No. 02 - Calgary  
Court No. 25-1723693  
Estate No. 25-1723693

FORM 78 -- Continued

List "B"  
Secured Creditors

Radius Resources Corp.

No.	Name of creditor	Address	Amount of claim	Particulars of security	When given	Estimated value of security	Estimated surplus from security	Balance of claim unsecured
1	NATIONAL BANK OF CANADA	Suite 600, 311-6th Avenue SW Calgary AB T2P 2H2	21,900,000.00	Other - Oil and Gas Assets	01-Mar-2013	10,000,000.00		11,900,000.00
<b>Total:</b>			<b>21,900,000.00</b>			<b>10,000,000.00</b>	<b>0.00</b>	<b>11,900,000.00</b>

05-Jun-2013

Date

District of: Alberta  
Division No. 02 - Calgary  
Court No. 25-1723693  
Estate No. 25-1723693

FORM 78 -- Continued

List "C"  
Preferred Creditors for Wages, Rent, etc.

Radius Resources Corp.

No.	Name of creditor	Address and occupation	Nature of claim	Period during which claim accrued	Amount of claim	Amount payable in full	Difference ranking for dividend
Total:					0.00	0.00	0.00

05-Jun-2013

Date

District of: Alberta  
Division No. 02 - Calgary  
Court No. 25-1723693  
Estate No. 25-1723693

FORM 78 -- Continued

List "D"  
Contingent or Other Liabilities

Radius Resources Corp.

No.	Name of creditor or claimant	Address and occupation	Amount of liability or claim	Amount expected to rank for dividend	Date when liability incurred	Nature of liability
Total:			0.00	0.00		

05-Jun-2013

Date

District of: Alberta  
 Division No. 02 - Calgary  
 Court No. 25-1723693  
 Estate No. 25-1723693

FORM 78 -- Continued

List "E"  
 Debts Due to the Bankrupt  
 Radius Resources Corp.

No.	Name of debtor	Address and occupation	Nature of debt	Amount of debt (good, doubtful, bad)	Folio of ledgers or other book where particulars to be found	When contracted	Estimated to produce	Particulars of any securities held for debt
			Total:	0.00 0.00 0.00			0.00	

05-Jun-2013

Date



District of: Alberta  
Division No. 02 - Calgary  
Court No. 25-1723693  
Estate No. 25-1723693

FORM 78 -- Continued

List "F"

Bills of Exchange, Promissory Notes, Lien Notes, Chattel  
Mortgages, etc., Available as Assets

Radius Resources Corp.

No.	Name of all promissory, acceptors, endorsers, mortgagors, and guarantors	Address	Occupation	Amount of bill or note, etc.	Date when due	Estimated to produce	Particulars of any property held as security for payment of bill or note, etc.
Total:				0.00		0.00	

05-Jun-2013

Date

District of: Alberta  
Division No. 02 - Calgary  
Court No. 25-1723693  
Estate No. 25-1723693

FORM 78 -- Continued

List "G"  
Real Property or Immovables Owned by Bankrupt

Radius Resources Corp.

Description of property	Nature of bankrupt interest	In whose name does title stand	Total value	Particulars of mortgages, hypothecs, or other encumbrances (name, address, amount)	Equity or surplus
Total:			0.00		0.00

05-Jun-2013

Date

District of: Alberta  
 Division No. 02 - Calgary  
 Court No. 25-1723693  
 Estate No. 25-1723693

FORM 78 -- Concluded

List "H"  
 Property

Radius Resources Corp.  
 FULL STATEMENT OF PROPERTY

Nature of property	Location	Details of property	Original cost	Estimated to produce
(a) Stock-in-trade			0.00	0.00
(b) Trade fixtures, etc.			0.00	0.00
(c) Cash in financial institutions			0.00	0.00
(d) Cash on hand			0.00	0.00
(e) Livestock			0.00	0.00
(f) Machinery, equipment and plant			0.00	0.00
(g) Furniture			0.00	0.00
(h) Life insurance policies, RRSPs, etc.			0.00	0.00
(i) Securities			0.00	0.00
(j) Interests under wills, etc.			0.00	0.00
(k) Vehicles			0.00	0.00
(l) Taxes			0.00	0.00
(m) Other		Oil and Gas Assets	25,540,000.00	10,000,000.00
			<b>Total:</b>	<b>10,000,000.00</b>

05-Jun-2013

Date

Court No. 25-1723693

File No. 25-1723693

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Form 78 (Bill C-12)  
Statement of affairs (Business bankruptcy)

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FTI Consulting Canada Inc. - Trustee

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—  
1000, 888-3rd Street SW, Bankers Hall  
Calgary AB T2P 5C5

District of: Alberta  
Division No. 02 - Calgary  
Court No. 25-1723693  
Estate No. 25-1723693

- FORM 31 -  
Proof of Claim  
(Sections 50.1, 81.5, 81.6, Subsections 65.2(4), 81.2(1), 81.3(8), 81.4(8), 102(2), 124(2), 128(1),  
and Paragraphs 51(1)(e) and 66.14(b) of the Act)

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

\_\_\_\_\_  
\_\_\_\_\_

In the matter of the bankruptcy of Radius Resources Corp. of the \_\_\_\_\_ of \_\_\_\_\_ in and the claim of \_\_\_\_\_, creditor.  
I, \_\_\_\_\_ (name of creditor or representative of the creditor), of the city of \_\_\_\_\_ in the  
province of \_\_\_\_\_, do hereby certify:

1. That I am a creditor of the above named debtor (or I am \_\_\_\_\_ (position/title) of \_\_\_\_\_, creditor).

2. That I have knowledge of all the circumstances connected with the claim referred to below.

3. That the debtor was, at the date of bankruptcy, namely the 30th day of May 2013, and still is, indebted to the creditor in the sum of \$ \_\_\_\_\_, as specified in the statement of account (or affidavit) attached and marked Schedule "A", after deducting any counterclaims to which the debtor is entitled. (The attached statement of account or affidavit must specify the vouchers or other evidence in support of the claim.)

4. (Check and complete appropriate category.)

A. UNSECURED CLAIM OF \$ \_\_\_\_\_  
(other than as a customer contemplated by Section 262 of the Act)

That in respect of this debt, I do not hold any assets of the debtor as security and  
(Check appropriate description.)

Regarding the amount of \$ \_\_\_\_\_, I claim a right to a priority under section 136 of the Act.

Regarding the amount of \$ \_\_\_\_\_, I do not claim a right to a priority.  
(Set out on an attached sheet details to support priority claim.)

B. CLAIM OF LESSOR FOR DISCLAIMER OF A LEASE \$ \_\_\_\_\_

That I hereby make a claim under subsection 65.2(4) of the Act, particulars of which are as follows:  
(Give full particulars of the claim, including the calculations upon which the claim is based.)

C. SECURED CLAIM OF \$ \_\_\_\_\_

That in respect of this debt, I hold assets of the debtor valued at \$ \_\_\_\_\_ as security, particulars of which are as follows:  
(Give full particulars of the security, including the date on which the security was given and the value at which you assess the security, and attach a copy of the security documents.)

D. CLAIM BY FARMER, FISHERMAN OR AQUACULTURIST OF \$ \_\_\_\_\_

That I hereby make a claim under subsection 81.2(1) of the Act for the unpaid amount of \$ \_\_\_\_\_  
(Attach a copy of sales agreement and delivery receipts.)

E. CLAIM BY WAGE EARNER OF \$ \_\_\_\_\_

That I hereby make a claim under subsection 81.3(8) of the Act in the amount of \$ \_\_\_\_\_,

That I hereby make a claim under subsection 81.4(8) of the Act in the amount of \$ \_\_\_\_\_,

F. CLAIM BY EMPLOYEE FOR UNPAID AMOUNT REGARDING PENSION PLAN OF \$ \_\_\_\_\_

That I hereby make a claim under subsection 81.5 of the Act in the amount of \$ \_\_\_\_\_,

That I hereby make a claim under subsection 81.6 of the Act in the amount of \$ \_\_\_\_\_,

G. CLAIM AGAINST DIRECTOR \$ \_\_\_\_\_

*(To be completed when a proposal provides for the compromise of claims against directors.)*

That I hereby make a claim under subsection 50(13) of the Act, particulars of which are as follows:

*(Give full particulars of the claim, including the calculations upon which the claim is based.)*

H. CLAIM OF A CUSTOMER OF A BANKRUPT SECURITIES FIRM \$ \_\_\_\_\_

That I hereby make a claim as a customer for net equity as contemplated by section 262 of the Act, particulars of which are as follows:

*(Give full particulars of the claim, including the calculations upon which the claim is based.)*

5. That, to the best of my knowledge, I \_\_\_\_\_ (am/am not) (or the above-named creditor \_\_\_\_\_ (is/is not)) related to the debtor within the meaning of section 4 of the Act, and \_\_\_\_\_ (have/has/have not/has not) dealt with the debtor in a non-arm's-length manner.

6. That the following are the payments that I have received from, and the credits that I have allowed to, and the transfers at undervalue within the meaning of subsection 2(1) of the Act that I have been privy to or a party to with the debtor within the three months (or, if the creditor and the debtor are related within the meaning of section 4 of the Act or were not dealing with each other at arm's length, within the 12 months) immediately before the date of the initial bankruptcy event within the meaning of Section 2 of the Act: (Provide details of payments, credits and transfers at undervalue.)

7. (Applicable only in the case of the bankruptcy of an individual.)

Whenever the trustee reviews the financial situation of a bankrupt to redetermine whether or not the bankrupt is required to make payments under section 68 of the Act, I request to be informed, pursuant to paragraph 68(4) of the Act, of the new fixed amount or of the fact that there is no longer surplus income.

I request that a copy of the report filed by the trustee regarding the bankrupt's application for discharge pursuant to subsection 170(1) of the Act be sent to the above address.

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

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Creditor

Phone Number: \_\_\_\_\_  
Fax Number : \_\_\_\_\_  
E-mail Address : \_\_\_\_\_

NOTE: If an affidavit is attached, it must have been made before a person qualified to take affidavits.

WARNINGS: A trustee may, pursuant to subsection 128(3) of the Act, redeem a security on payment to the secured creditor of the debt or the value of the security as assessed, in a proof of security, by the secured creditor.

Subsection 20(1) of the Act provides severe penalties for making any false claim, proof, declaration or statement of account.

District of: Alberta  
Division No. 02 - Calgary  
Court No. 25-1723693  
Estate No. 25-1723693

- FORM 36 -

Proxy

(Subsection 102(2) and paragraphs 51(1)(e) and 66.15(3)(b) of the Act)

I, \_\_\_\_\_, of \_\_\_\_\_, a creditor in the above matter, hereby  
appoint the trustee identified below  or \_\_\_\_\_, of  
\_\_\_\_\_, to be my proxyholder in the above matter, except as to the  
receipt of dividends, \_\_\_\_\_ (with or without) power to appoint another proxyholder in his or her place.

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

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Individual Creditor

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Name of Corporate Creditor

Per \_\_\_\_\_  
Name and Title of Signing Officer

Return To:

FTI Consulting Canada Inc. - Trustee

\_\_\_\_\_  
1000, 888-3rd Street SW, Bankers Hall  
Calgary AB T2P 5C5  
Fax: (403) 444-6758

## Instructions to Creditors Respecting Proof of Claim Form

*Claims not completed correctly in every respect will be returned.*

- Any creditor who does not prove his claim is not entitled to share in any distribution.
- This checklist is provided to assist you in preparing the accompanying proof of claim form and, where required, proxy forms in a complete and accurate manner. Please specifically check each requirement.

### General

- **Give the complete address** where any notice or correspondence is to be forwarded.
- Complete the account number for both our use for future reference. Any future distribution will have this number on it.

### Point 3

- A **detailed statement of account** must be attached to the proof of claim and must show the date, number and amount of all invoices or charges, together with the date, number and amount of all credits or payments. A statement of account is not complete if it begins with an amount brought forward.
- The amount on the **statement of account** (Schedule A) must correspond to the amount indicated on the proof of claim.

### Point 4

- A secured creditor must **attach a copy of the security agreement as registered**, and must give full particulars of the security, including the date the security was given and the value assessed to the security by the creditor.
- Claim by Farmer, Fisherman or Aquaculturist must **attach a copy of sales agreement and delivery documents**.

### Point 5

- If you are related by blood or marriage to the debtor, then you should consider yourself to be a related person pursuant to Section 4. If the debtor is a corporation, you would be considered to be related to it if you were a shareholder or if your company was controlled by the same shareholders as the bankrupt corporation. You must also indicate if you have dealt with the debtor in a non-arm's-length transaction.

### Point 6

- All claimants must attach a detailed list of all payments or credits received or granted, as follows:
- Within **the three (3) months preceding** the bankruptcy or the proposal, in the case where the claimant and the debtor are not related.
- Within **the twelve (12) months preceding** the bankruptcy or the proposal, in the case where the claimant and the debtor are related.



## General

- The *Bankruptcy and Insolvency Act* permits a proof of claim to be made by a duly authorized agent of the creditor but, in order for such a person to vote at the first meeting of creditors they must hold a properly completed proxy.
- A creditor may vote either in person or by proxy.
- A debtor may not be appointed a proxy to vote at any meeting of his creditors.
- The Trustee may be appointed as a proxy for any creditor.
- A corporation may vote by an authorized agent at a meeting of creditors.
- In order for a duly authorized person to have a right to vote, he must himself be a creditor or be the holder of a properly executed proxy. The name of the creditor must appear in the proxy.
  
- This document **must be signed** personally by the individual completing this declaration.
- The signature of a witness is required.
- Completing the phone and fax number and email address is essential, especially if the claim is sent by fax or email.