

September 9, 2016

To: All Known Creditors of Twin Butte Energy Ltd.

Twin Butte Energy Ltd. – In Receivership (“TBE” or the “Debtor”)

On September 1, 2016, FTI Consulting Canada Inc. was appointed as receiver and manager (the “**Receiver**”) of all the assets, undertakings and properties of the Debtor pursuant to an Order of the Court of Queen’s Bench of Alberta (the “**Receivership Order**”). A copy of the Receivership Order and other public materials in respect of the receivership proceedings are available at the Receiver’s website:

<http://cfcanada.fticonsulting.com/twinbutte/>

Periodic updates on the progress of the receivership will be posted on the Receiver’s website. The Receiver may be contacted by email at twin.butte@fticonsulting.com or by phone at 1 855 754 5840.

Enclosed is a copy of the Receiver’s Notice and Statement provided in accordance with Subsection 245(1) and 246(1) of the *Bankruptcy and Insolvency Act*.

Yours very truly,



Deryck Helkaa, CIRP
Senior Managing Director

FTI Consulting Canada Inc.,
in its capacity as receiver of
Twin Butte Energy Ltd.
and not in its personal capacity

FORM 87

NOTICE AND STATEMENT OF THE RECEIVER

(Subsection 245(1) and 246(1) of the *Bankruptcy and Insolvency Act*)

IN THE MATTER OF THE RECEIVERSHIP OF

Twin Butte Energy Ltd.

The Receiver gives notice and declares that:

1. On the 1st day of September, 2016, we, FTI Consulting Canada Inc. became the receiver in respect of the property of Twin Butte Energy Ltd. which is described below (amounts in thousands of Canadian dollars).

Accounts receivable	\$19,221
Deposits and prepaid expenses	\$2,024
Derivative Assets	\$4,419
Property, plant and equipment	\$308,993
Exploration and evaluation assets	<u>\$22,608</u>
Total Assets	\$357,265

Note: the foregoing are the assets and book value as stated in the unaudited financial statements of the Debtor as at July 31, 2016. The Receiver has not audited, reviewed, or otherwise attempted to verify the accuracy of the foregoing. The Receiver provides no comment on the realizable value of the assets.

2. We became a receiver by having taken possession and control of the property described above pursuant to the Order of the Court of Queen's Bench of Alberta granted September 1, 2016.
3. The undersigned took possession or control of the property described above on the 1st day of September, 2016.
4. The following information relates to the receivership.

- a) Address of the insolvent person: Suite 410, 396 – 11th Avenue SW
Calgary, Alberta
T2R 0C5
- b) Principal line of business: Western Canadian Oil and gas
Exploration and Production

c) Location of business: Calgary based oil and natural gas exploration and production company with properties in west central Saskatchewan and east central Alberta

d) As at September 1, 2016, the total amount owed to creditors who hold security on the property described above was approximately (amounts in thousands of Canadian dollars):

Secured Lender	\$205,375
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e) The list of other creditors and the amount due is listed in Schedule "A" attached hereto.

f) The intended plan of action of the Receiver during the receivership is to evaluate and execute on the appropriate steps to realize on the assets with a view to maximizing recoveries for all creditors.

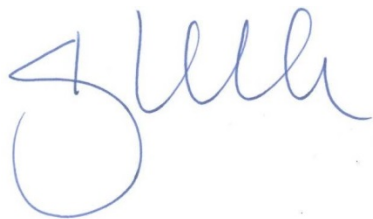
g) Contact person for the Receiver:

FTI Consulting Canada Inc.
Suite 720, 440 – 2nd Avenue SW
Calgary, AB
T2P 5E9

Telephone: 1 855 754 5840
Email: twin.butte@fticonsulting.com

Dated at the city of Calgary in the province of Alberta, this 9th day of September, 2016.

FTI Consulting Canada Inc. - Receiver



Deryck Helkaa, CIRP
Senior Managing Director