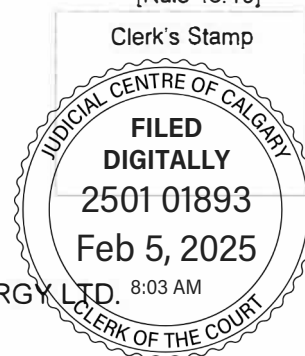


Form 49
[Rule 13.19]

COURT FILE NUMBER	2501-
COURT	COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE	CALGARY
APPLICANT	APEX OPPORTUNITIES FUND LTD.
RESPONDENT	BETA ENERGY CORP. AND KADEN ENERGY LTD.
DOCUMENT	AFFIDAVIT OF SEAN CHARLAND
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	MILLER THOMSON LLP 43 rd Floor, 525 - 8th Avenue S.W. Calgary, AB, Canada T2P 3V4



Attention: James W. Reid / Kira Lagadin
 Telephone: 403.298.2401 / 403.206.6355
 Fax: 403.262.0007
 E-mail: jwreid@millerthomson.com
klagadin@millerthomson.com

File No.: 0290077.0001

AFFIDAVIT OF SEAN CHARLAND
Sworn on February 4, 2025

I, Sean Charland, of Vancouver, British Columbia, SWEAR AND SAY THAT:

1. I am the sole director and Chief Executive Officer of Apex Opportunities Fund Ltd. ("**Apex**") and as such, have personal knowledge of the facts and matters herein deposed except where stated to be based upon information and belief, and where so stated I verily believe the same to be true.
2. I have reviewed the business records maintained by Apex in respect of the matters at issue, which I verily believe were made in the ordinary and usual course of business, and where I do not have direct personal knowledge of matters deposed herein, my knowledge is derived from my review of the business records of Apex, relevant copies of which are attached to this my Affidavit.
3. I am authorized to make this Affidavit on behalf of Apex.
4. I make this affidavit in support of an Originating Application by Apex seeking the following relief:

– 2 –

- (a) abridging the time for service of notice of the Originating Application, deeming service of notice of the Originating Application to be good and sufficient, and declaring that there is no other person who ought to have been served with notice of this Application; and
 - (b) appointing FTI Consulting Canada Inc. (the “FTI” or the “Receiver”) as receiver over all of the undertakings, personal property, real property and assets of Beta Energy Corp. (“Beta”) and Kaden Energy Ltd. (“Kaden”, together with Beta, the “Debtors”).
5. Capitalized terms used herein that are not otherwise defined shall take their meaning from the Convertible Note Funding Agreement between Beta and Apex dated August 23, 2024 (the “Convertible Note Agreement”).

THE PARTIES

6. The Applicant Apex, is incorporated in British Columbia. Apex is a services company that offers a variety of services, including fund services, capital raising, and advisory services. Attached hereto as **Exhibit “A”** is a true copy of a British Columbia Corporate Registry search of Apex.
7. The Respondent Beta, is a publicly-traded company incorporated in British Columbia. Beta is a holding company and its only material assets are its shares in Kaden. Attached hereto as **Exhibit “B”** is a true copy of a British Columbia Corporate Registry search of Beta.
8. The Respondent Kaden, is a junior oil and gas company which acquires and develops oil and gas in northwest Alberta. Kaden is incorporated in Alberta, and all of its assets are located in Alberta. Attached hereto as **Exhibit “C”** is a true copy of an Alberta Corporate Registry search of Kaden.
9. Kaden is a wholly-owned subsidiary of Beta.

BACKGROUND

10. On March 12, 2024, Kaden filed a Notice of Intention to Make a Proposal (“**NOI**”) pursuant to the *Bankruptcy and Insolvency Act* (Canada) (“**BIA**”) in Estate No. 25-3052460. BDO Canada Limited (“**BDO**”) was appointed as proposal trustee in those proceedings.
11. On October 3, 2024, the Court of King’s Bench of Alberta (the “**Court**”) sanctioned and approved a proposal made to Kaden’s creditors (the “**Proposal**”) as part of the NOI proceedings.
12. In order to make the Proposal and to fund the proposed distributions to Kaden’s creditors detailed therein, Beta and Kaden negotiated and entered into a series of agreements with Apex.

AGREEMENT

13. On August 23, 2024, Apex entered into the Convertible Note Agreement with Beta, wherein Beta has the right to issue and sell to Apex, and Apex has the obligation to purchase, a number of convertible notes having an aggregate principal amount of up to \$12,000,000. A copy of the Convertible Note Agreement is attached as **Exhibit “D”**.
14. On November 15, 2024, Beta issued an Advance Notice to Apex in which Beta sold, and Apex purchased, a \$4,025,200 Convertible Note pursuant to the Convertible Note Agreement. A copy of the Advance Notice is attached as **Exhibit “E”**.

GUARANTEE

15. To secure all indebtedness owed to Apex under the Convertible Note Agreement, Kaden executed a Guarantee dated November 15, 2024, whereby Kaden guaranteed unconditionally and promised to pay the indebtedness of Beta to Apex (the “**Guarantee**”). A copy of the Guarantee is attached as **Exhibit “F”**.

SECURITY

16. To secure due payment and discharge of all present and future indebtedness and liabilities of the Debtors to Apex, the Debtors granted or caused to be granted the following security:
 - (a) a General Security Agreement from the Debtors in favour of Apex dated November 15, 2024, granting a security interest in all of their present and after-acquired

personal property, present and after-acquired goods (including equipment and inventory), intangibles (including accounts, contract rights and intellectual property), investment property (including securities), instruments, documents of title, chattel paper and money, a true copy of which is attached hereto and marked as **Exhibit “G”**; and

- (b) a Debenture granted by Kaden in favour of Apex dated November 15, 2024 (the **“Debenture”**), pursuant to which Kaden promised to pay to Apex the principal amount of \$12,000,000 and granted a security interest in all of its Kaden’s after-acquired personal and real property and undertakings, including Kaden’s right, title, estate and interest in certain petroleum exploration and production lands, leases, proceeds, rights, royalties, permits, wells, injection sites, operations, petroleum substances, and assets as more particularly described in the Debenture, a true copy of which is attached hereto and marked as **Exhibit “H”**

(collectively, the **“Security”**).

17. On November 19, 2024, Apex registered the GSA against Beta, as debtor, as a first-priority charge at both the Alberta and British Columbia Personal Property Registries. Search results dated January 28, 2025 and February 3, 2025 are attached as **Exhibits “I”** and **“J”**, respectively.
18. On November 19, 2024, Apex registered the GSA and Debenture against Kaden, as debtor, at the Alberta and British Columbia Personal Property Registries. Search results dated January 28, 2025 and February 3, 2025 are attached as **Exhibits “K”** and **“L”**, respectively. The Kaden registrations set out at Exhibits “K” and “L” are the first-in-time registered security interests that secure all of Kaden’s present and after-acquired property.
19. The Convertible Note Agreement, Guarantee and Security are each expressly governed by the laws of British Columbia and the federal laws of Canada applicable therein.

DEFAULT AND DEMANDS

20. The Convertible Note Agreement provided that the following events would constitute events of default, among other things:
- (a) Beta or any Subsidiary of Beta suffers or incurs an Insolvency Event that has not otherwise already occurred on or before the Execution Date and specifically excluding the Kaden Proceedings;
 - (b) Beta or any of its Material Subsidiaries ceases, suspends, or threatens to cease or suspend, the conduct of any part of its business where such cessation or suspension would reasonably be expected to result in a Material Adverse Effect, or disposes, in a single transaction, or in a series of transactions, of all or substantially all of its assets; and
 - (c) Any event, condition or development occurs or arises which in the opinion of Apex (acting reasonably) has or could have a Material Adverse Effect.
21. On January 28, 2025, Beta issued a press release attached as **Exhibit “M”** (the “**Press Release**”), in which it announced that:
- (a) it would terminate the Drawdown Loan Agreement between Beta and Kaden which funds the Proposal;
 - (b) as a result of the termination of the Drawdown Loan Agreement, Kaden will be unable to make its January 31, 2025 payment to creditors, as required by the Proposal; and
 - (c) Beta’s decision to cease advancing funds to Kaden may constitute an event of default under the terms of the Convertible Note Agreement.
22. On January 29, 2025, Apex issued a default notice in response to the Press Release and issued demands for payment (the “**Demands**”) and notices of intention to enforce security pursuant to section 244 of the BIA (the “**Notices**”). A copy of the default notice is attached as **Exhibit “N”**, and copies of the Demands and Notices are attached collectively as **Exhibit “O”**.
23. Kaden waived its right to a 10-day notice period prior to enforcement on the Security. A copy of Kaden’s waiver is attached as **Exhibit “P”**.

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24. As of January 29, 2025, Beta was indebted to Apex in the amount of \$4,103,997.26 pursuant to the Convertible Note Agreement, which amount continues to incur interest and legal fees, professional fees, costs, charges, disbursements and expenses incurred by Apex to collect the same (the “Indebtedness”).
25. As of January 29, 2025, Kaden was indebted to Apex in the amount of the Indebtedness by operation of the Guarantee and the Debenture.
26. Both Beta and Kaden have indicated that they will not repay the Indebtedness in full by February 7, 2025.

JUST AND CONVENIENT

27. The GSA provides Apex the right to appoint a receiver and manager, or to apply to the Court to appoint a receiver and manager, over the Debtors in the event that the security interest becomes enforceable.
28. As stated in the Press Release, without Beta’s funding, Kaden is no longer able to meet its obligations under the Proposal. If the Proposal is annulled, Kaden will immediately be assigned into bankruptcy.
29. As an alternative to bankruptcy, Apex seeks the appointment of the Receiver over Beta and Kaden so that the Receiver can carry out a robust sale and investment solicitation process for the Debtors assets, which Apex believes will allow for greater recovery to stakeholders than a bankruptcy would.
30. I understand that Beta and Kaden also agree that the appointment of the Receiver to carry out a sales process is the best way to maximize value for stakeholders, and they either consent to the appointment of the Receiver or will not oppose the appointment of the Receiver.

FTI CONSENTS TO ACT AS RECEIVER

31. I verily believe that the immediate appointment of a receiver over the Debtors is just and convenient, and is necessary to protect Apex’s security interests and to realize upon the security interests in an orderly fashion.

This is **Exhibit "A"** referred to in the Affidavit of Sean Charland sworn before me this 4th day of February, 2025.



Notary Public and Commissioner of Oaths
in and for the Province of British Columbia

MICHAEL N. HANUMAN
BARRISTER & SOLICITOR
700 WEST GEORGIA STREET
SUITE 2200
VANCOUVER, B.C. V7Y 1K8
(604) 687-2242



BC Company Summary

For

APEX OPPORTUNITIES FUND LTD.

Date and Time of Search: February 03, 2025 01:30 PM Pacific Time
Currency Date: September 11, 2024

ACTIVE

Incorporation Number: BC1472948
Name of Company: APEX OPPORTUNITIES FUND LTD.
Business Number: 748233756 BC0001
Recognition Date and Time: Incorporated on March 27, 2024 09:30 AM Pacific Time **In Liquidation:** No
Last Annual Report Filed: Not Available **Receiver:** No

REGISTERED OFFICE INFORMATION

Mailing Address: SUITE 2501-550 BURRARD STREET VANCOUVER BC V6C 2B5 CANADA	Delivery Address: SUITE 2501-550 BURRARD STREET VANCOUVER BC V6C 2B5 CANADA
--	---

RECORDS OFFICE INFORMATION

Mailing Address: SUITE 2501-550 BURRARD STREET VANCOUVER BC V6C 2B5 CANADA	Delivery Address: SUITE 2501-550 BURRARD STREET VANCOUVER BC V6C 2B5 CANADA
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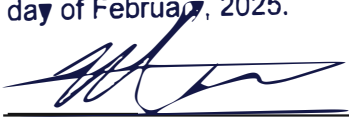
DIRECTOR INFORMATION

Last Name, First Name, Middle Name:
 Charland, Sean

Mailing Address: SUITE 1450 - 789 WEST PENDER STREET VANCOUVER BC V6C 1H2 CANADA	Delivery Address: SUITE 1450 - 789 WEST PENDER STREET VANCOUVER BC V6C 1H2 CANADA
--	---

NO OFFICER INFORMATION FILED .

This is **Exhibit "B"** referred to in the Affidavit of Sean Charland sworn before me this 4th day of February, 2025.



Notary Public and Commissioner of Oaths
in and for the Province of British Columbia

MICHAEL N. HANUMAN
BARRISTER & SOLICITOR
700 WEST GEORGIA STREET
SUITE 2200
VANCOUVER, B.C. V7Y 1K8
(604) 687-2242



BC Company Summary

For
BETA ENERGY CORP.

Date and Time of Search: February 03, 2025 01:30 PM Pacific Time
Currency Date: September 11, 2024

ACTIVE

Incorporation Number: BC1305787
Name of Company: BETA ENERGY CORP.
Business Number: 799769302 BC0001
Recognition Date and Time: Incorporated on May 17, 2021 11:58 AM Pacific Time **In Liquidation:** No
Last Annual Report Filed: May 17, 2024 **Receiver:** No

REGISTERED OFFICE INFORMATION

Mailing Address:
SUITE 2501-550 BURRARD STREET
VANCOUVER BC V6C 2B5
CANADA

Delivery Address:
SUITE 2501-550 BURRARD STREET
VANCOUVER BC V6C 2B5
CANADA

RECORDS OFFICE INFORMATION

Mailing Address:
SUITE 2501-550 BURRARD STREET
VANCOUVER BC V6C 2B5
CANADA

Delivery Address:
SUITE 2501-550 BURRARD STREET
VANCOUVER BC V6C 2B5
CANADA

DIRECTOR INFORMATION

Last Name, First Name, Middle Name:
Cooper, Christopher

Mailing Address:
5630 OLYMPIC STREET
VANCOUVER BC V6N 1Z5
CANADA

Delivery Address:
5630 OLYMPIC STREET
VANCOUVER BC V6N 1Z5
CANADA

Last Name, First Name, Middle Name:

Jones, Darryl

Mailing Address:

SUITE 2088 - 1177 WEST HASTINGS STREET
VANCOUVER BC V6E 2K3
CANADA

Delivery Address:

SUITE 2088 - 1177 WEST HASTINGS STREET
VANCOUVER BC V6E 2K3
CANADA

Last Name, First Name, Middle Name:

Nichol, Brad

Mailing Address:

SUITE 2088 - 1177 WEST HASTINGS STREET
VANCOUVER BC V6E 2K3
CANADA

Delivery Address:

SUITE 2088 - 1177 WEST HASTINGS STREET
VANCOUVER BC V6E 2K3
CANADA

Last Name, First Name, Middle Name:

Siemens, Wes

Mailing Address:


159 SCENIC PARK CRESCENT NW
CALGARY AB T3L 1S2
CANADA

Delivery Address:

159 SCENIC PARK CRESCENT NW
CALGARY AB T3L 1S2
CANADA

NO OFFICER INFORMATION FILED AS AT May 17, 2024.

This is **Exhibit "C"** referred to in the Affidavit of Sean Charland sworn before me this 4th day of February, 2025.



Notary Public and Commissioner of Oaths
in and for the Province of British Columbia

MICHAEL N. HANUMAN
BARRISTER & SOLICITOR
700 WEST GEORGIA STREET
SUITE 2200
VANCOUVER, B.C. V7Y 1K8
(604) 687-2242

Government Corporation/Non-Profit Search of Alberta ■ Corporate Registration System

Date of Search: 2025/02/04
 Time of Search: 08:56 AM
 Search provided by: MILLER THOMSON LLP - CALGARY
 Service Request Number: 43884706
 Customer Reference Number: 0290077.0001

Corporate Access Number: 2019125497
Business Number: 812178127
Legal Entity Name: KADEN ENERGY LTD.

Legal Entity Status: Active
Alberta Corporation Type: Named Alberta Corporation
Registration Date: 2015/08/04 YYYY/MM/DD

Registered Office:

Street: SUITE 800, 555 - 4TH AVENUE S.W.
City: CALGARY
Province: ALBERTA
Postal Code: T2P3E7

Records Address:

Street: SUITE 800, 555 - 4TH AVENUE S.W.
City: CALGARY
Province: ALBERTA
Postal Code: T2P3E7

Email Address: WSIEMENS@KADENENERGY.COM

Primary Agent for Service:

Last Name	First Name	Middle Name	Firm Name	Street	City	Province	Postal Code	Email
SIEMENS	WESLEY	STEPHEN		SUITE 800, 555 - 4TH AVENUE S.W.	CALGARY	ALBERTA	T2P3R7	WSIEMENS@KADENENERGY.COM

Directors:

Last Name: NICHOL
First Name: BRAD
Street/Box Number: 800, 555 - 4TH AVENUE S.W.
City: CALGARY
Province: ALBERTA
Postal Code: T2P3E7

Last Name: SIEMENS
First Name: WESLEY
Middle Name: STEPHEN
Street/Box Number: 159 SCENIC PARK CRESCENT N.W.
City: CALGARY
Province: ALBERTA
Postal Code: T3L1S2

Voting Shareholders:

Last Name: BETA ENERGY CORP.
Street: 1450 789 W PENDER ST
City: VANCOUVER
Province: BRITISH COLUMBIA
Postal Code: V6C1H2
Percent Of Voting Shares: 100

Details From Current Articles:

The information in this legal entity table supersedes equivalent electronic attachments

Share Structure: REFER TO THE MOST RECENT "SHARE STRUCTURE" ATTACHMENT.
Share Transfers Restrictions: NO SHARES OF THE CORPORATION SHALL BE TRANSFERRED TO ANY PERSON WITHOUT THE APPROVAL OF THE BOARD OF DIRECTORS BY RESOLUTION.
Min Number Of Directors: 1
Max Number Of Directors: 9
Business Restricted To: NONE
Business Restricted From: NONE
Other Provisions: THE ATTACHED SCHEDULE IS INCORPORATED INTO AND FORMS PART OF THE ARTICLES OF THE CORPORATION.

Other Information:

Last Annual Return Filed:

File Year	Date Filed (YYYY/MM/DD)
2024	2024/07/17

Filing History:

List Date (YYYY/MM/DD)	Type of Filing
2015/08/04	Incorporate Alberta Corporation

2017/12/18	Name/Structure Change Alberta Corporation
2020/02/22	Update BN
2021/12/08	Change Address
2022/09/16	Change Agent for Service
2023/06/06	Change Director / Shareholder
2024/07/17	Enter Annual Returns for Alberta and Extra-Provincial Corp.

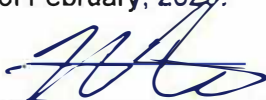
Attachments:

Attachment Type	Microfilm Bar Code	Date Recorded (YYYY/MM/DD)
Share Structure	ELECTRONIC	2015/08/04
Other Rules or Provisions	ELECTRONIC	2015/08/04
Share Structure	ELECTRONIC	2016/01/08
Shares in Series	ELECTRONIC	2016/01/08
Statutory Declaration Notice Error	10000807110617625	2016/01/20
Shares in Series	ELECTRONIC	2017/01/27
Shares in Series	ELECTRONIC	2017/12/18

The Registrar of Corporations certifies that, as of the date of this search, the above information is an accurate reproduction of data contained in the official public records of Corporate Registry.



This is **Exhibit "D"** referred to in the Affidavit of Sean Charland sworn before me this 4th day of February, 2025.



Notary Public and Commissioner of Oaths
in and for the Province of British Columbia

MICHAEL N. HANUMAN
BARRISTER & SOLICITOR
700 WEST GEORGIA STREET
SUITE 2200
VANCOUVER, B.C. V7Y 1K8
(604) 687-282

Convertible Note Funding Agreement

Agreement for a private placement of up to CDN\$12,000,000
by way of senior secured convertible notes

Dated: August 23, 2024

BETA ENERGY CORP.

as Company

APEX OPPORTUNITIES FUND LTD.

as Investor

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THIS CONVERTIBLE SECURITY FUNDING AGREEMENT is made as of August 23, 2024

BETWEEN:

BETA ENERGY CORP., a company incorporated under the laws of British Columbia, with an address of 1450 – 789 W. Pender St., Vancouver, BC V6C 1H2

(the *Company*)

AND:

APEX OPPORTUNITIES FUND LTD., a company incorporated under the laws of British Columbia, with an address of 900 – 885 West Georgia St., Vancouver, BC V6C 3H1

(the *Investor*)

WHEREAS:

- A. the Investor wishes to invest up to C\$12,000,000 in the Company; and
- B. the Company has agreed to issue Convertible Notes (as defined herein) to the Investor in accordance with the terms and subject to the conditions of this Agreement.

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the mutual covenants, conditions and premises herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each of the Parties, the Parties do hereby covenant and agree as follows:

1 Definitions and Interpretation

1.1 Definitions

The following definitions apply unless the context requires otherwise.

1933 Act means the *United States Securities Act of 1933*, as amended.

Accelerated Maturity Date has the meaning given to that term in Section 3.2.

Advance shall mean any issuance and sale of Convertible Notes from the Company to the Investor pursuant to Article 2 hereof.

Advance Amount has the meaning given to that term in Section 2.2(b)(ii).

Advance Notice means a written notice in the form of Exhibit A attached hereto to the Investor executed by an officer of the Company and setting forth the Principal Amount of Convertible Notes that the Company wishes to issue and sell to the Investor.

Advance Notice Date shall mean each date the Company is deemed to have delivered (in accordance with Section 2.2(a) of this Agreement) an Advance Notice to the Investor, subject to the terms of this Agreement.

Affiliate has the meaning ascribed to the terms "affiliate" and "affiliated" under the *Securities Act* (British Columbia).

Agreement means this agreement.

Amount Outstanding means the then-outstanding Principal Amount of all Convertible Notes issued and sold by the Company to the Investor pursuant to the terms of this Agreement that have not otherwise been repaid by the Company to the Investor pursuant to Article 3 or converted into Equity Securities by the Investor pursuant to Section 5.1.

Anti-Corruption Laws means any law or regulation in a U.S. or any non-U.S. jurisdiction regarding bribery or any other corrupt activity, including the U.S. *Foreign Corrupt Practices Act*, the U.K.

Bribery Act 2010, the Proceeds of Crime (Money Laundering) and Terrorist Financing Act (Canada) and the Corruption of Foreign Public Officials Act (Canada).

Anti-Money Laundering Laws means any law or regulation in a U.S. or any non-U.S. jurisdiction regarding money laundering, drug trafficking, terrorist-related activities or other money laundering predicate crimes, including the *Currency and Foreign Transactions Reporting Act of 1970* (otherwise known as the *Bank Secrecy Act*) and the *USA PATRIOT Act*.

Business Day means any day of the year, other than a Saturday, Sunday or a statutory holiday in Vancouver, British Columbia.

Business Hours means 9:00AM to 5:00PM (local time).

CDN\$ (or C\$) means Canadian dollars, the legal currency of Canada.

Change in Law Termination Event means:

- (i) a change in an interpretation or administration of a Law;
- (ii) compliance by the Investor or any of its Affiliates with a Law or an interpretation or administration of a Law; or
- (iii) a change after the date of this Agreement in a Law or an interpretation or administration of a Law,

which has, in the reasonable opinion of the Investor, directly or indirectly, the effect of:

- (iv) varying the duties, obligations or liabilities of the Company or the Investor in connection with any Transaction Document or Contemplated Transactions such that the Investor's rights, powers, benefits, remedies or economic burden (including any Tax treatment in the hands of the Investor) are materially adversely affected; or
- (v) otherwise materially adversely affecting rights, powers, benefits, remedies or the economic burden of the Investor (including by way of delay or postponement),

provided that the definition of Change in Law Termination Event excludes for this purpose any applicable Law regarding maximum permitted rates of interest, including the *Criminal Code* (Canada) regarding a criminal rate of interest.

Class A Pref Shares means Class A Preferred shares in the capital of the Company.

Closing has the meaning given to that term in Section 2.2(a).

Closing Date means the date of Closing, as defined in Section 2.2(a).

Commitment Period means the period commencing on October 1, 2024 and expiring on October 1, 2026.

Common Shares means common shares in the capital of the Company.

Contemplated Transactions means the transactions contemplated in this Agreement.

Conversion means the conversion of all issued and outstanding Convertible Notes in accordance with Section 5.1.

Conversion Date means a date specified by the Investor in a Conversion Notice.

Conversion Equity Securities has the meaning given to that term in Section 5.1(d).

Conversion Notice means a notice given by the Investor to the Company pursuant to Section 5.1(a).

Convertible Notes means senior secured notes of the Company convertible into Equity Securities on the terms and subject to the conditions contained in this Agreement.

Corporations Act means the *Business Corporations Act* (British Columbia) and the regulations thereunder.

Debt Proceeds has the meaning given to that term in Section 10.2(b).

Drawdown Loans has the meaning given to that term in Section 9.1(a).

E-mail Time has the meaning given to that term in Section 17.6(c)(i).

Entire Amount Outstanding means an amount equal to the Amount Outstanding, any accrued and unpaid interest thereon and any other amounts outstanding from the Company to the Investor pursuant to the terms of this Agreement.

Equity Securities means equity securities of the Company, including Shares and equity securities convertible into Shares, but excluding debt securities convertible into Shares.

Event of Default means an event of default as set out in Section 12.1.

Environmental Laws has the meaning given to that term in Section 7.1(p).

Execution Date means the date of mutual execution of this Agreement, or where one Party executes this Agreement on a date prior to another Party, means the date upon which the second Party executes this Agreement.

Frustration Termination Event means there comes into being an applicable Law which, or an official or reasonable interpretation of which, in the Investor's reasonable opinion, makes it illegal or impossible for the Investor or the Company to undertake any of the Contemplated Transactions, in accordance with this Agreement, or renders consummation of any of the Contemplated Transactions in accordance with this Agreement unenforceable, void, voidable or unlawful, or contrary to or inconsistent with any Law; provided that the definition of Frustration Termination Event excludes for this purpose any provisions in the *Criminal Code* (Canada) regarding criminal rates of interest.

Funding Amount means up to C\$12,000,000.

Governmental Authority means any United States, Canadian or other (a) multinational, federal, provincial, state, regional, municipal, local or other government, governmental or public department, central bank, court, tribunal, arbitral body, bureau or agency, domestic or foreign, (b) any subdivision, agent, commission, board, or authority of any of the foregoing, or (c) any quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing, and any stock exchange or self-regulatory authority and, for greater certainty, includes the Securities Commissions and the Investment Industry Regulatory Organization of Canada.

IFRS means the International Financial Reporting Standards as issued by the International Accounting Standards Board and are subject to Canadian auditing and auditor independence standards.

Insolvency Event means the commencement by the Company or any Subsidiary of a voluntary proceeding under applicable bankruptcy or insolvency legislation (**Bankruptcy Laws**) or the commencement by any person of involuntary proceedings under Bankruptcy Laws against the Company or any Subsidiary that are not dismissed within sixty (60) days after commencement thereof, or a receiver or administrator is appointed for or takes charge of all or substantially all of the property of the Company or any Subsidiary, or the Company or any Subsidiary commences any other proceeding under any proposal, arrangement, adjustment of debt, relief of debtors, dissolution, insolvency or liquidation or similar Law of any jurisdiction whether now or hereafter in effect relating to the Company or any Subsidiary, or the Company or any Subsidiary is adjudicated insolvent or bankrupt, or any order or relief or other order approving any such case or proceeding is entered, or the Company or any Subsidiary makes a general assignment for the benefit of creditors, excluding the Kaden Proceedings.

Interest Rate has the meaning given to that term in Section 2.3(a).

Interest Rate upon Default has the meaning given to that term in Section 14(e).

Investor's Equity Securities means the Conversion Equity Securities and any Equity Securities otherwise issued or issuable to the Investor under this Agreement.

Investor Indemnified Person has the meaning given to that term in Section 16.2(a).

Kaden means Kaden Energy Ltd.

Kaden Proceedings has the meaning given to that term in Section 9.1(a).

Law means Securities Laws and all other statutes, regulations, statutory rules, orders, by-laws, codes, ordinances, decrees, the terms and conditions of any grant of approval, permission, authority or license, or any judgment, order, decision, ruling, award, policy or guideline, of any Governmental Authority, and the term **applicable** with respect to such Laws and in the context that refers to one or more persons, means that such Laws apply to such person or persons or its or their business, undertaking, property or securities and emanate from a Governmental Authority having jurisdiction over the person or persons or its or their business, undertaking, property or securities.

Lien means a lien, charge, mortgage, security interest, encumbrance, right of first refusal, or pre-emptive right.

Liquidation Event means, in respect of the Company:

- (a) if any Person, or group of Persons acting jointly or in concert (as contemplated by Securities Laws), shall at any time have acquired more than 50% of the issued and outstanding voting securities; or
- (b) the transfer or the sale or other disposition by the Company in a single transaction, or in a series of transactions, of more than 50% of the Company's consolidated assets.

Liquidation Event Deemed Company Value means the value of the Company implied by the net proceeds payable to the Company or the shareholders of the Company, as applicable, pursuant to a Liquidation Event.

Liquidation Event Notice has the meaning given to that term in Section 5.1(a).

Lock-Up Period means the period during which the Investor may not trade Conversion Equity Securities, being the period commencing from a Closing Date and ending on the date that is four (4) months and one (1) calendar day following such Closing Date, provided the relevant provisions of NI 45-102 are otherwise complied with.

Losses has the meaning given to that term in Section 16.2(a).

Material Adverse Effect means a material adverse effect on:

- (a) the assets, liabilities, results of operations, condition (financial or otherwise), business or prospects of the Company and its Subsidiaries taken as a whole; or
- (b) the ability of the Company to perform its obligations under this Agreement.

Material Subsidiary means one of, and **Material Subsidiaries** means collectively, Kaden and Voltaic.

Materials has the meaning given to that term in Section 7.1(t)(i).

Maturity Date has the meaning given to that term in Section 3.1.

Money Laundering Laws has the meaning given to that term in Section 7.1(s).

most recent financial statements means the annual or interim financial statements of the Company most recently released to the market and made available in the Public Record.

NI 45-102 means National Instrument 45-102 - *Resale of Securities*.

NI 45-106 means National Instrument 45-106 - *Prospectus Exemptions*.

Party means a party to this Agreement.

Percentage Interest means the lesser of (a) 75%, and (b) the percentage obtained as follows:

$$\frac{A \times B}{C}$$

x 100

where:

A = the Entire Amount Outstanding;

B = four (4); and

C = the Liquidation Event Deemed Company Value.

Permitted Liens means Liens securing Purchase-Money Security Interests.

Principal Amount means the principal amount of any Convertible Notes sold and issued by the Company to the Investor.

Proceeding has the meaning given to that term in Section 16.2(a)(vi).

Prohibited Transaction means a transaction with a third party or third parties (other than the Investor and its Affiliates) in which the Company issues or sells (or arranges or agrees to issue or sell):

- (a) any debt, equity or equity-linked securities (including options or warrants) that are convertible into, exchangeable or exercisable for, or include the right to receive Shares at a conversion, repayment, exercise or exchange rate or other price that is subject to being reset at some future date after the initial issuance of such debt, equity or equity-linked security or upon the occurrence of specified or contingent events (other than a Share consolidation or Share split); or
- (b) any securities in a capital or debt raising transaction or series of related transactions which grant to an investor the right to receive additional securities based upon future transactions of the Company on terms more favourable than those granted to such investor in such first transaction or series of related transactions,

and are deemed to include transactions generally referred to as equity lines of credit, "at-the-market" distributions, and stand-by equity distribution agreements, and convertible securities and loans having a similar effect. For the avoidance of doubt, rights issuances, shareholder purchase plans, deferred share unit plans, employee share ownership plans, convertible securities, or equity issuances, each at a fixed price per Share, are not Prohibited Transactions.

Public Record means the documents filed by the Company with the Canadian securities regulatory authorities under the Company's profile on the SEDAR Plus website (www.sedar+.com).

Purchase-Money Security Interest means, with respect to a person (a) any lease of (or other agreement conveying the right to use) any real or personal property, or a combination thereof, by such person that, in conformity with IFRS, is or should be accounted for as a capital lease or finance lease on the balance sheet of that person, and the amount of such obligations shall be the capitalized amount thereof determined in accordance with IFRS, or (b) a Lien on any property or asset which is created, issued or assumed to secure the unpaid purchase price thereof, provided that such Lien is restricted to such property or asset and secures an amount not in excess of the purchase price thereof and any interest and fees payable in respect thereof.

Relevant Information has the meaning given to that term in Section 17.14(a).

Securities means each of the Investor's Equity Securities and the Convertible Notes, and all of the Investor's Equity Securities and the Convertible Notes collectively.

Securities Commissions means, collectively, the securities commissions or other securities regulatory authorities in the provinces of British Columbia, Alberta and Ontario.

Securities Laws means all applicable securities laws in each of the provinces of British Columbia, Alberta and Ontario emanating from Governmental Authorities including the respective rules and regulations made thereunder together with applicable published national and local instruments, policy statements, notices, blanket rulings and orders of the Securities Commissions, all discretionary rulings and orders, if any, of the Securities Commissions, all as the same are in effect at the date hereof.

Securities Termination Event means a banking moratorium has been declared with respect to the Company in Canada and is continuing for a consecutive period of greater than three (3) Business Days.

Security Documents means all documents contemplated by Section 10.3.

Shares means Common Shares and Class A Pref Shares and includes (where applicable) Shares comprising the Investor's Equity Securities.

Subsidiary has the meaning given to that term in the Corporations Act.

Tax means (a) any and all taxes, duties, fees, excises, premiums, assessments, imposts, levies and other charges or assessments of any kind whatsoever imposed by any Governmental Authority, whether computed on a separate, consolidated, unitary, combined or other basis, including those levied on, or measured by, or described with respect to, income, gross receipts, profits, gains, windfalls, capital, capital stock, production, recapture, transfer, land transfer, license, gift, occupation, wealth, environment, net worth, indebtedness, surplus, sales, goods and services, harmonized sales, use, value-added, excise, special assessment, stamp, withholding, business, franchising, real or personal property, health, employee health, payroll, workers' compensation, employment or unemployment, severance, social services, social security, education, utility, surtaxes, customs, import or export, and including all license and registration fees and all employment insurance, health insurance and government pension plan premiums or contributions; (b) all interest, penalties, fines, additions to tax or other additional amounts imposed by any Governmental Authority on or in respect of amounts of the type described in Section (a) above or this Section (b); (c) any liability for the payment of any amounts of the type described in clauses (a) or (b) as a result of being a member of an affiliated, consolidated, combined or unitary group for any period; and (d) any liability for the payment of any amounts of the type described in clauses (a) or (b) as a result of any express or implied obligation to indemnify any other person or as a result of being a transferee or successor in interest to any Party.

Term means the period commencing on a Closing Date and ending on the earlier of the date on which (a) the applicable Convertible Notes mature in accordance with Section 3.1 or Section 3.2, as applicable, and (b) the Amount Outstanding has been fully converted and/or fully repaid in accordance with the terms hereof.

Transaction Documents means this Agreement, all Convertible Note certificates issued under this Agreement and all Security Documents.

U.S. Person means a "U.S. person" as defined in Rule 902(k) of Regulation S under the 1933 Act.

Voltaic means Voltaic Minerals (USA) Inc.

1.2 Interpretation

The following rules apply unless the context requires otherwise.

- (a) Headings and sub-headings used in this Agreement are used for convenience only and do not affect interpretation.
- (b) The singular includes the plural, and the converse also applies.
- (c) A gender includes all genders.
- (d) If a word or phrase is defined, its other grammatical forms have a corresponding meaning.
- (e) A reference to a Section is a reference to a Section of this Agreement.
- (f) Mentioning anything after "includes", "including", "for example", or similar expressions, does not limit what else might be included.
- (g) A reference to an agreement or document (including a reference to this Agreement) is to the agreement or document as amended, supplemented or novated.
- (h) Each reference to the word "person" in this Agreement will be deemed to include an individual, corporation, partnership, trust, incorporated or unincorporated association or body, joint venture, limited liability company, joint stock company, government (or any agency or subdivision), and other entity of any kind.
- (i) As used in this Agreement, references to the Recitals, Articles, Sections, subsections and Exhibits are references, respectively, to the Recitals of, Sections of, subsections of and the Exhibits to, this Agreement unless otherwise indicated.
- (j) The Exhibits identified in this Agreement are incorporated in this Agreement by reference and made a part of this Agreement.
- (k) Where a Closing Date falls on a day that is not a Business Day, such Closing will occur on the day that is the next day that is a Business Day.
- (l) Where a Conversion Date falls on a day that is not a Business Day, the relevant Conversion will occur on the next Business Day.
- (m) Any reference to time on a given day, excluding in connection with the meaning of Business Hours herein, shall be a reference to the local time in Vancouver, British Columbia on such day.
- (n) This Agreement will be construed without regard to any presumption or rule requiring construction or interpretation against the Party drafting or causing any instrument to be drafted.

2 Convertible Notes

2.1 Purchase of Convertible Notes

- (a) Subject to Section 2.1(b), at any time during the Commitment Period, the Company, at its sole discretion, shall have the right, but not the obligation, to issue and sell to the Investor, and the Investor shall purchase from the Company, such number of Convertible Notes having an aggregate principal amount up to the Funding Amount by the delivery to the Investor of a duly completed Advance Notice.
- (b) Notwithstanding any other provision of this Agreement, the Investor shall not be obligated to purchase from the Company Convertible Notes that, together with all other Convertible Notes issued and sold by the Company to the Investor pursuant to the terms of this Agreement, have an aggregate principal amount that exceeds the Funding Amount.

2.2 Closing Dates

On the terms and subject to the conditions of this Agreement, and subject to the satisfaction or waiver by the Investor of the conditions set forth in Section 4.01:

- (a) the closing of each Advance (each, a **Closing**) shall take on the Business Day immediately following the sixth (6th) day after each Advance Notice Date (each, a **Closing Date**); and
- (b) at each Closing:
 - (i) pursuant to the wire instructions provided in the applicable Advance Notice, the Investor shall pay to the Company cash in an amount equal to the Principal Amount of the Convertible Notes to be issued and sold by the Company to the Investor pursuant to the applicable Advance Notice (each, an **Advance Amount**); and
 - (ii) the Company shall issue (and at the Closing will be deemed to have issued) to the Investor an uncertificated senior secured convertible note with a face value equal to the applicable Advance Amount (each, a **Convertible Note**).

2.3 Interest

- (a) Interest shall accrue on the outstanding Principal Amount of any Convertible Notes at an annual rate equal to 10.0% (simple interest) (the **Interest Rate**), which Interest Rate shall increase to an annual rate of 15% upon the occurrence and during the continuance of any Event of Default pursuant to Section 14(e). Interest shall be calculated on the basis of a 365-day year and the actual number of days elapsed, to the extent permitted by applicable law.
- (b) If as a result of a Conversion, if any, it is determined by the Investor or a court of competent jurisdiction that the effective rate of interest paid or payable on the Amount Outstanding is an effective rate of interest greater than the maximum prescribed in section 347(1)(b) of the *Criminal Code* (Canada), then the Parties shall take such steps, and modify this Agreement in such manner, so that the effective rate of interest paid or payable does not contravene such section and that the resulting amount of interest received by the Investor does not result in an effective rate of interest greater than the maximum prescribed in section 347(1)(b) of the *Criminal Code* (Canada).

3 Repayment

3.1 Maturity Date

Each tranche of Convertible Notes issued and sold by the Company to the Investor pursuant to Section 2.2 shall mature on the date that is five (5) years from the applicable Closing Date (each, a **Maturity Date**).

3.2 Accelerated Maturity

In the event that the Company is subject to a Liquidation Event and

- (a) the Investor has not elected to convert all of the issued and outstanding Convertible Notes into Equity Securities pursuant to Section 5.1(b); or
- (b) the Investor has elected to convert all of the issued and outstanding Convertible Notes into Equity Securities pursuant to Section 5.1(b), but subsequently revokes the applicable Conversion Notice pursuant to Section 5.1(e),

all of the Convertible Notes issued and sold by the Company to the Investor pursuant to Section 2.2 that have not otherwise matured or been repaid shall mature concurrently with the closing of the Liquidation Event (the **Accelerated Maturity Date**).

3.3 Payment at Maturity

- (a) On each Maturity Date, as applicable, the Company shall pay to the Investor the Principal Amount of the applicable Convertible Notes plus any accrued and unpaid interest thereon pursuant to payment instructions to be provided by the Investor.

- (b) On the Accelerated Maturity Date, if any, the Company shall pay to the Investor the Entire Amount Outstanding pursuant to payment instructions to be provided by the Investor.

4 Conditions Precedent to Closing

4.1 Conditions Precedent to Closing – Investor

The Investor will have no obligation to pay or advance the amounts under Section 2.2 to the Company or to effect any Closing, unless and until the following conditions are fulfilled, or waived in writing by the Investor, by no later than the day immediately prior to such Closing:

- (a) The Company has delivered or caused to be delivered to the Investor, and the Investor has received, the following:
 - (i) a copy of the resolutions duly adopted by the board of directors of the Company authorizing the execution and delivery of the Transaction Documents and the performance by the Company of its obligations thereunder, in form acceptable to the Investor, acting reasonably;
 - (ii) an executed copy of each of the documents required by Section 10.3(a);
 - (iii) copies of such additional documents (including evidence demonstrating all relevant approvals have been obtained from each person who is a party to an agreement with the Company where the transactions contemplated by the Closing would otherwise contravene, breach or constitute an event of default under that agreement with such person, as applicable), certificates, payments, assignments, transfers and other deliveries as the Investor or its legal counsel may reasonably request and as are customary in Canada to effect a closing of the matters contemplated at the Closing under this Agreement; and
 - (iv) a valid Advance Notice duly completed by the Company, substantially in the form set out in Exhibit A.
- (b) If such Closing, or the issue of the applicable Convertible Notes, may not be effected under Securities Laws or the Corporations Act in the absence of shareholder approval, the Company has obtained all shareholder approvals for the purposes of the Corporations Act and any Securities Laws and delivered to the Investor, and the Investor has received, documentary evidence (reasonably satisfactory to the Investor) of such shareholder approval having been obtained.
- (c) The representations and warranties of the Company contained in this Agreement are true and correct in all respects as of the dates as of which they are made or deemed to be made under this Agreement.
- (d) Any and all consents, permits, approvals, registrations, waivers and documents, that, in the reasonable opinion of the Investor, are necessary or appropriate for the consummation of those Contemplated Transactions that would be consummated at such Closing (including, but not limited to, the approval of Kaden's creditors pursuant to the Kaden Proceedings), have been received by the Investor and remain in full force and effect.
- (e) The Investor is of the opinion, acting reasonably, that:
 - (i) no Event of Default has occurred; and
 - (ii) no Event of Default would result from the Closing being effected.
- (f) The Company has performed or complied in all respects with all agreements and covenants required by this Agreement to be performed or complied with by the Company as at or prior to the Closing.

- (g) The Investor has received each of the documents required to be delivered, or which evidences satisfaction of the conditions, in accordance with paragraphs (a) – (f) of this Section 4.1 in connection with such Closing.

The Investor may, but is not required to, deem the absence of any notification by the Company prior to such Closing that any conditions to such Closing have not been fulfilled to be an assurance that all conditions to such Closing have been fulfilled.

4.2 Conditions Precedent to Closing – Company

The Company will have no obligation to effect any Closing, unless and until the following conditions are fulfilled, or waived in writing by the Company, by no later than immediately prior to such Closing:

- (i) The Investor has performed or complied in all respects with all agreements and covenants required by this Agreement to be performed or complied with by the Investor as at, or prior to, such Closing.
- (ii) The representations and warranties of the Investor contained in this Agreement are true and correct in all respects as of the dates as of which they are made or deemed to be made under this Agreement.

5 Conversion of the Convertible Notes

5.1 Conversion of the Convertible Note

Upon the occurrence of a Liquidation Event, the Investor shall be permitted to convert all of the issued and outstanding Convertible Notes issued by the Company to the Investor into Equity Securities, subject to the following terms and conditions:

- (a) At least 10 Business Days prior to a Liquidation Event, the Company shall provide to the Investor a written notice describing the Liquidation Event in reasonable detail, including, but not limited to, the type of transaction, the type and value of any consideration payable and the timeline for such transaction (a **Liquidation Event Notice**).
- (b) Within five (5) Business Days of Investor's receipt of any Liquidation Event Notice, the Investor may elect, in its sole discretion, to provide the Company with a conversion notice under this Section 5.1(b) indicating that it requires a Conversion of the Entire Amount Outstanding (a **Conversion Notice**) into Equity Securities. For the avoidance of doubt, the Investor shall not be permitted to convert any lesser portion of the issued and outstanding Convertible Notes than the Entire Amount Outstanding.
- (c) A Conversion Notice delivered pursuant to Section 5.1(b) will specify the date by which the Investor requires Conversion to occur (**Conversion Date**) (which shall be no less than four (4) Business Days from the date that the Conversion Notice is delivered to the Company), the Percentage Interest and the manner in which the Percentage Interest was calculated by the Investor. For the avoidance of doubt, notwithstanding any other provision of this Agreement, the Percentage Interest shall not be reduced in any way to account for Equity Securities already owned or controlled by the Investor prior to the Conversion.
- (d) Prior to the Conversion Date the Company will take all actions required under Securities Laws in order for the Conversion to occur on the Conversion Date; *provided that*, the Parties acknowledge and agree that the Investor may revoke any Conversion Notice, at its sole discretion, until such time as the Company has actually effected the requested Conversion.
- (e) Subject to Section 17.11, following receipt by the Company of a Conversion Notice delivered pursuant to Section 5.1(b), the Company will effect a Conversion of the Entire Amount Outstanding using the applicable Percentage Interest, by issuing and delivering

Equity Securities in the number determined pursuant to Section 5.1(f) (**Conversion Equity Securities**) to the Investor on the Conversion Date.

- (f) The number and type of Conversion Equity Securities that the Company shall issue and deliver on a Conversion shall be such number and type of Conversion Equity Securities as the board of directors of the Company determines, in its sole discretion, acting reasonably and in good faith, will cause the Investor to receive the Percentage Interest of the Company's Equity Securities that are issued and outstanding on the Conversion Date; *provided that*, if the resultant number contains a fraction, such number will be rounded down to the next lowest whole number.
- (g) The Company shall deliver to the Investor on the Conversion Date the Conversion Equity Securities to which it is entitled under this Section 5.1, and where the Conversion Date is on or prior to the end of the Lock-Up Period, the applicable Conversion Equity Securities will be delivered as physical certificates or DRS statements bearing a restrictive legend if required under applicable securities laws.

6 Additional Conditions to Investor's Equity Securities

6.1 Conditions to issue of Investor's Equity Securities

The obligation of the Investor to accept an issuance of Investor's Equity Securities, will be subject to the fulfilment on or before the issuance date of each of the conditions set out below.

- (a) All shareholder and regulatory approvals, consents, permits, other approvals, registrations and waivers necessary or appropriate for the issuance of the Investor's Equity Securities, including under Securities Laws, have been issued and received by the Company and remain in full force and effect.
- (b) The representations and warranties of the Company contained in this Agreement are true and correct in all material respects as of the dates as of which they are made or deemed to be made.
- (c) The Company has performed or complied in all material respects with all agreements and covenants required by this Agreement to be performed or complied with by it on or prior to the issuance date.
- (d) No Event of Default has occurred or would result from the Contemplated Transactions occurring on such issuance date being effected.
- (e) The issue and delivery of such Investor's Equity Securities would not result in the Company being in breach of Securities Laws or the Corporations Act.

6.2 Consequence of failure to meet conditions

- (a) The Company shall not issue Equity Securities to the Investor pursuant to Article 5 without the prior written consent of the Investor if, on the issue of the relevant Equity Securities, any of the conditions in Section 6.1 have not been fulfilled.
- (b) If the Company issues Equity Securities in breach of Section 6.2(a):
 - (i) the relevant Equity Securities will be deemed not to have been accepted by the Investor and the Equity Securities will be surrendered by the Investor for and repurchased for cancellation by the Company, unless prohibited by applicable Law, and the Investor agrees to co-operate to effect such repurchase and cancellation. The costs of such repurchase and cancellation will be borne by the Company and the Company shall indemnify the Investor in respect of any liability arising to the Investor in accordance with Section 16.2; and

- (ii) the obligation of the Company to deliver Equity Securities in accordance with Section 5 will be deemed not to have been discharged.

7 Representations and Warranties by the Company

7.1 Representations and Warranties

The Company represents and warrants to the Investor, on the Execution Date, at each Closing and at the Conversion Date, if any (in each case where qualified by an express reference to the representation or the warranty being given on a particular other date or dates, on that date or dates), that the following statements in this Section 7.1 are true and correct and not misleading, including by omission:

- (a) **(Existence)** The Company is a corporation incorporated and validly existing in good standing under the laws of the Province of British Columbia, with all requisite corporate power and authority to own, use, lease and operate its properties and conduct its business in the manner presently conducted, and is duly qualified to transact business in each jurisdiction where it is so required.
- (b) **(Authorisation)** The execution and delivery of, and performance by the Company of this Agreement, including, without limitation, to:
 - (i) enter into, authorise, execute and deliver the Transaction Documents, including obtaining any shareholder approval required for the issue (as and when required to be issued in accordance with the terms of the Transaction Documents) of the Convertible Notes and the Investor's Equity Securities; and
 - (ii) enter into, and authorise the performance of, all obligations of the Company as and when required under the Transaction Documents and the Contemplated Transactions, including issuing the Investor's Equity Securities,

has been authorized by all necessary corporate action on the part of the Company and no further corporate action is required by the Company, its officers, its board of directors, or its security holders in connection with the Transaction Documents or the relevant Contemplated Transactions (except as may be required by Securities Laws).
- (c) **(No contravention)** The entry into the Transaction Documents by the Company and the undertaking of the Contemplated Transactions will not cause the Company to breach or contravene:
 - (i) its notice of articles, articles or any of its other constating documents;
 - (ii) any agreement it has with any other third party and does not constitute an event of default under any such agreement; or
 - (iii) any applicable Law;
- (d) **(Securities)** The Company is authorized to issue (i) an unlimited number of Common Share, of which 91,872,192 Common Shares are issued and outstanding as of the Execution Date, and (ii) an unlimited number of Class A Pref Shares, of which 12,500,624 Class A Pref Shares are issued and outstanding as of the Execution Date, and is not authorized to issue any other class of equity or voting securities.
- (e) **(Binding Obligations)** This Agreement has been duly executed and delivered by the Company, and this Agreement and each Transaction Document constitutes a legal, valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, subject to bankruptcy, insolvency, fraudulent transfer, reorganisation, moratorium and similar laws of general applicability, relating to or affecting creditors' rights generally.

- (f) **(Security structure)**
- (i) No person is entitled, or purports to be entitled, to any right of first refusal, pre-emptive right, right of participation, or any similar right, to participate in the Contemplated Transactions or otherwise with respect to any securities of the Company.
 - (ii) Other than Permitted Liens and the Liens granted by the Company and Material Subsidiaries to the Investor under this Agreement, the Company and Material Subsidiaries have not granted security with respect to any indebtedness or other equity.
 - (iii) The issuance and sale of any of the Investor's Equity Securities will not obligate the Company to issue Equity Securities or other securities to any other person and will not result in the adjustment of the exercise, conversion, exchange, or reset price of any outstanding security.
 - (iv) Except as disclosed in the Public Record or in connection with the transactions explicitly permitted hereunder:
 - (A) there are no outstanding warrants, options, convertible securities or other rights, agreements or arrangements of any character under which the Company or any Subsidiary is, or may be, obligated to issue any equity, equity securities or equity-linked securities of any kind;
 - (B) there are no voting, buy-sell, outstanding or authorised stock appreciation, right of first purchase, phantom stock, profit participation or equity-based compensation agreements, options or arrangements, or like rights relating to the securities of the Company or agreements of any kind between the Company and any person; and
 - (C) as of the Execution Date, there is no indebtedness of the Company that will be senior to, or *pari passu* with, the Convertible Notes in right of payment, whether with respect to interest or upon liquidation or dissolution, or otherwise, except for indebtedness of the Company secured by Permitted Liens.
 - (v) The Public Record sets out all debt facilities and ordinary course liabilities of the Company that are due and payable within the ninety (90) days prior to the Execution Date which have not been repaid in full.
- (g) **(Valid issuance)** All Shares comprising the Investor's Equity Securities to be issued by the Company pursuant to this Agreement have been duly authorized for issuance and sale by all necessary corporate action on the part of the Company and, when issued and delivered by the Company against payment of the consideration thereof pursuant to this Agreement, will be issued as fully paid and non-assessable Shares, and will not have been issued in violation or subject to any pre-emptive rights or other contractual rights to purchase securities issued by the Company or in violation of any Securities Laws, and will be free and clear of all Liens and restrictions, except for restrictions on transfer imposed by Securities Laws.
- (h) **(Reporting Issuer)** The Company is a "reporting issuer" under Securities Laws in each of the provinces of British Columbia, Alberta and Ontario, and is not currently noted in default of any filing requirement under such securities laws.
- (i) **(Consents)** Prior to the Closing, there are no consents, approvals, authorizations, orders or agreements of any Governmental Authorities or any other persons which may be required for the execution, delivery and performance by the Company of the Transaction Documents and the offer, issuance and sale of the Securities.

- (j) **(Regulatory Issues)** No order ceasing or suspending trading in securities of the Company nor prohibiting the sale of such securities has been issued to and is outstanding against the Company and, to the Company's knowledge, no investigations or proceedings for such purposes are pending or threatened. Other than as described in the Public Record, to the Company's knowledge, there is no fact or circumstance that may cause the Company to request or any Governmental Authority to impose any order ceasing or suspending trading in securities of the Company nor prohibiting the sale of such securities.
- (k) **(Subsidiaries)** The Material Subsidiaries are all of the Subsidiaries of the Company. The Company owns the voting and equity interests in the Material Subsidiaries. The Company and the Material Subsidiaries do, as of the Execution Date, and will at all times during the Term, own all or substantially all of the material assets of the Company, on a consolidated basis, and that are necessary to operate the business of the Company. Except as disclosed in the Public Record, the Company is the sole beneficial owner of the Material Subsidiaries and no other person holds any equity interests or securities exchangeable into securities of any Material Subsidiary or has any agreement, option, warrant, right or privilege (whether pre-emptive or contractual) being capable of becoming an agreement for the purchase, subscription or issuance of any issued or unissued shares or other securities of any Material Subsidiary. Each of the Material Subsidiaries has been duly incorporated or established and is validly existing and in good standing under the laws of its respective jurisdiction of organization with all requisite corporate power and authority to own, use, lease and operate its properties and conduct its business in the manner presently conducted, and is duly qualified to transact business in each jurisdiction where it is so required, except as described in the Public Record.
- (l) **(No Material Adverse Effect)** There has not been any material change in the assets, liabilities or obligations (absolute, contingent or otherwise) of the Company and its Subsidiaries (taken as a whole) from that set forth in the Company's most recent financial statements (as defined herein). Additionally, no event or circumstance exists or subsists which affects the Company or any of its Subsidiaries or to which any of the Company's or any of its Subsidiaries' assets are subject which would, or would be reasonably likely to, have a Material Adverse Effect, except as described in the Company's most recent financial statements.
- (m) **(Financial Statements)** Since the date of the Company's most recent financial statements:
- (i) the Company has not incurred any liabilities (contingent or otherwise) that remain outstanding, other than in the ordinary course of business;
 - (ii) the Company has not altered its method of accounting; and
 - (iii) the Company has not declared or made any dividend or distribution of cash or other property to its shareholders, or purchased, redeemed or made any agreements to purchase or redeem any shares of its capital stock.
- The Company's most recent financial statements have been prepared in accordance with IFRS consistently applied throughout the periods involved and present fairly the consolidated financial position and results of operation and changes in the financial position of the Company for the periods involved, and such accounts fairly present in all material respects the financial condition, financial performance and cash flows of the Company for the periods involved.
- (n) **(Litigation)** Other than as disclosed in the Company's most recent financial statements:
- (i) there are no pending actions, suits or proceedings against or affecting the Company, its Subsidiaries or any of its or their assets or properties and to the

- Company's knowledge, no such actions, suits or proceedings are threatened or contemplated;
- (ii) there is no ongoing, and to the Company's knowledge there is no, pending or contemplated investigation by any Governmental Authority involving the Company, its Subsidiaries or any current or former director or officer of the Company or any of its Subsidiaries; and
 - (iii) there is no agreement, judgment, injunction, order or decree binding upon the Company or its Subsidiaries that has or could reasonably be expected to have the effect of prohibiting, restricting or impairing any business practice of the Company or its Subsidiaries, or any acquisition of property by the Company or any of its Subsidiaries.
- (o) **(Compliance)**
- (i) Other than as disclosed in the Company's most recent financial statements, neither the Company nor any Material Subsidiary:
 - (A) is in material default under, or in violation of (and no event has occurred that has not been waived that, with notice or lapse of time or both, would result in a material default by the Company or any Material Subsidiary under), nor has the Company or any Material Subsidiary received notice of a claim that it is in material default under or that it is in violation of, any indenture, loan or credit agreement or any other agreement or instrument to which it is a party or by which it or any of its properties is bound (whether or not such material default or violation has been waived);
 - (B) is in violation of any order of any court, arbitrator or Governmental Authority; or
 - (C) is in violation of any Law in any material respect.
 - (ii) Other than as disclosed in the Company's most recent financial statements, the Company and its Subsidiaries have received all permits, licenses and other approvals required of any of them under such Laws, rules, regulations, orders and directions for the conduct of their current business operations, and are in material compliance with all terms and conditions of such permits, licenses or approvals; and have not received any notice of the modification, revocation or cancellation of, or any intention to modify, revoke or cancel or any proceeding relating to the modification, revocation or cancellation of any such permits, licenses or approvals.
- (p) **(Environmental)** The Company and its Subsidiaries: (i) are in compliance with any and all applicable foreign, federal, provincial, state and local laws and regulations relating to the protection of human health and safety, the environment or hazardous or toxic substances or wastes, pollutants or contaminants (*Environmental Laws*); (ii) have received all permits, licenses or other approvals currently required of any of them under applicable Environmental Laws to conduct their current business; and (iii) are in compliance with all terms and conditions of any such permit, licences or approval.
- (q) **(Tax Returns)** Other than as disclosed in the Company's most recent financial statements:
- (i) each of the Company and its Subsidiaries has (A) correctly prepared and duly and on a timely basis filed all tax returns required to be filed by them, (B) paid all Taxes due and payable by them, (C) paid all assessments and reassessments and all other Taxes, governmental charges, penalties, interest and other fines due and payable by them and which are claimed by any Governmental Authority to be due and owing and adequate provision has been made for Taxes payable for any completed fiscal period for which tax returns are not yet required to be filed, (D)

- duly and timely withheld and remitted or caused to be withheld and remitted, all Taxes required to be withheld and remitted by them, and (E) duly and timely collected and remitted or caused to be collected and remitted, to the appropriate Governmental Authority such Taxes required by Law to be collected and remitted by them;
- (ii) there are no agreements, waivers or other arrangements providing for an extension of time with respect to the filing of any tax return or payment of any Tax, governmental charge or deficiency by the Company or any of its Subsidiaries;
 - (iii) to the knowledge of the Company, there are no actions, suits, proceedings, investigations or claims threatened or pending against the Company or any of its Subsidiaries in respect of Taxes, governmental charges or assessments; and
 - (iv) there are no matters under discussion with any governmental authority relating to Taxes, governmental charges or assessments asserted by any such authority.
- (r) **(No Foreign Corrupt Practices)** None of the Company nor any of the Subsidiaries has made or will make during the Term, directly or indirectly: (i) any contribution, payment or gift of funds or property to any official, employee or agent of any Governmental Authority of any jurisdiction except as otherwise permitted under applicable Law; or (ii) any contribution to any candidate for public office, in either case, where either the payment or the purpose of such contribution, payment or gift was, is, or would be prohibited under Anti-Corruption Laws or under any other legislation of any relevant jurisdiction covering a similar subject matter applicable to the Company or its Subsidiaries and their respective operations.
- (s) **(Anti-Money Laundering)** The operations of each of the Company and the Subsidiaries are, have been and shall be during the Term conducted at all times in compliance with all Anti-Money Laundering Laws and no action, suit or proceeding by or before any court or Governmental Authority involving the Company or its Subsidiaries with respect to any of the Anti-Money Laundering Laws is, to the best knowledge of the Company, pending, threatened or contemplated.
- (t) **(Disclosures)**
- (i) The materials delivered, and statements made, by the Company and its representatives to the Investor in connection with the Contemplated Transactions (the **Materials**) do not, as at the time delivered or made, and (in respect of materials delivered and statements made prior to the Execution Date) on the Execution Date:
 - (A) contain any untrue statement of a material fact or misleading statement; or
 - (B) omit to state a material fact necessary in order to make the statements contained in those Materials, in light of the circumstances under which they were made, not misleading.
 - (ii) The Company has disclosed to the Investor all facts relating to the Company, its business, assets, properties, intellectual property, the Transaction Documents, the Contemplated Transactions, and all other matters which are, to the Company's knowledge, material to the assessment of the nature and amount of the risk inherent in an investment in the Company.
- (u) **(Solvency)** Other than as disclosed in the Company's most recent financial statements, no Insolvency Event has been suffered or incurred by the Company or its Subsidiaries.
- (v) **(Law)** The Company has filed or delivered any documents required under Securities Laws or the Corporations Act to be filed and delivered, and in each case, within the time period

required, and the Company is otherwise in compliance with Securities Laws and the Corporations Act and no fact exists which may result in the Company not being in such compliance with Securities Laws or the Corporations Act.

- (w) **(Entitlement to rely on prospectus exemption)** The Company has complied and will comply with Securities Laws in connection with the offer, sale and issuance of the Convertible Notes and the Investor's Equity Securities to the Investor and confirms that the Convertible Notes and the Investor's Equity Securities may be issued to the Investor under Securities Laws without the requirement that the Company file a prospectus qualified under such Securities Laws.
- (x) **(Non-public information)** Neither the Company nor any person acting on its behalf has provided the Investor or its agents, representatives or counsel with any information that is a "material fact" or "material change" (as such terms are defined under Securities Laws) that has not been generally disclosed to the public, and to the Company's best knowledge, the Investor does not possess knowledge of any "material fact", "material change" with respect to the Company that has not been generally disclosed to the public (and, to the extent this warranty is breached, the Company must immediately release the relevant information to the market).
- (y) **(Prohibited Transactions)** The Company has not entered into, or agreed to enter into, a Prohibited Transaction that has not been completed.
- (z) **(Absence of Events of Default)** No Event of Default and no event which, with notice, lapse of time or both, would constitute an Event of Default, has occurred and is continuing.

7.2 Investor's reliance

The Company acknowledges that the Investor has entered into this Agreement in reliance on the Company's representations and warranties set out in Section 7.1.

7.3 Construction of representation and warranties

Each representation and warranty of the Company is to be construed independently of the others and is not limited by reference to any other representation or warranty.

7.4 Disclosures and limitations.

The representations and warranties of the Company set out in Section 7.1 are not limited in any way by information gathered by the Investor, its advisers or representatives.

7.5 Notice

The Company shall promptly notify the Investor in writing upon becoming aware of any breach or inaccuracy of any representation or warranty given by the Company under this Agreement.

8 Representations and Warranties of the Investor

8.1 Representations and warranties

The Investor represents, warrants, covenants and agrees, on the Execution Date, at each Closing, at the Conversion Date, if any, and on the date of issuance of any Securities (in each case, except where qualified by an express reference in this Section 8.1 as to the representation or the warranty being given on and as of a particular date or dates, only on and as of that date or dates), that the following are true:

- (a) **(Organisation, good standing and qualification)**
 - (i) The Investor is a company duly formed under the laws of the jurisdiction of its formation and has all requisite power and authority to enter into and consummate

- the Contemplated Transactions and otherwise to carry out its obligations under this Agreement;
- (ii) The Investor is in good standing under the laws of the jurisdiction of its formation and has all requisite power and authority to carry out the Contemplated Transactions;
 - (iii) The Investor is not in violation or default of any of the provisions of its organisational or constating documents; and
 - (iv) The Investor is not a "non-resident" within the meaning of the *Income Tax Act* (Canada).
- (b) **(Authorization)** The execution, delivery and performance by the Investor of this Agreement have been duly authorised and will each constitute a valid and legally binding obligation of the Investor, enforceable against the Investor in accordance with its terms, subject to bankruptcy, insolvency, fraudulent transfer, reorganisation, moratorium and similar laws of general applicability, relating to or affecting creditors' rights generally.
- (c) **(Status of Investor)** The Investor is, at the Execution Date, at each Closing and at the Conversion Date, if any, an "accredited investor" within the meaning of NI 45-106 and was not created, and is not used, solely to purchase or hold securities as an accredited investor. The Investor further acknowledges and agrees that:
- (i) no agency, governmental authority or other entity has made any finding or determination as to the merit for investment of, nor have any such agencies or governmental authorities made any recommendation or endorsement with respect to the Securities; (ii) there is no government or other insurance covering the Securities; and (iii) there are risks associated with acquiring and holding the Securities;
 - (ii) the Investor has such knowledge and experience in financial and business matters as to be capable of evaluating the merits of, and is able to bear the economic risk of loss related to, the issuance of the Securities;
 - (iii) the Investor has had the opportunity to ask questions of and receive answers from the Company regarding its acquisition of the Securities and has received all such information regarding the Company that it has requested;
 - (iv) the Investor will receive the Securities as principal for its own account for investment and not with a view to or for distributing or reselling such Securities, or any part thereof in violation of any applicable securities laws, is not a party to any contract, undertaking, agreement, direct or indirect arrangement with any Person to sell, transfer or pledge to such Person, or anyone else, such Securities, or any part thereof, or any interest therein, and has no present plans to enter into any such contract, undertaking, agreement or arrangement with any other persons to distribute or regarding the distribution of such Securities;
 - (v) the distribution of the Securities is not being accompanied by a general solicitation or advertisement, including articles, notices or other communications published in any newspaper, magazine or similar media or broadcast over radio or television, or any seminar or meeting whose attendees have been invited by general solicitation or general advertising;
 - (vi) no prospectus or other offering document has been filed by the Company with a securities commission or other securities regulatory authority in any province or territory of Canada, or any other jurisdiction in or outside of Canada in connection with the issuance of the Securities, and such issuance is exempt from the prospectus requirements otherwise applicable under the provisions of applicable

securities laws and, as a result, in connection with receiving the Securities hereunder, as applicable:

- (vii) the Investor is restricted from using most of the protections, rights and remedies available under applicable securities laws with respect to the Securities, including, without limitation, statutory rights of rescission or damages;
- (viii) the Investor will not receive information that may otherwise be required to be provided to the Investor under applicable securities laws or contained in a prospectus prepared in accordance with applicable securities laws;
- (ix) the Investor has been advised to consult its own legal advisors with respect to the holding of and trading in the Securities and with respect to the resale restrictions imposed by applicable securities laws, and acknowledges that no representation has been made respecting the applicable hold periods imposed by applicable securities laws or other resale restrictions applicable to the Securities which restrict the ability of the Investor to resell the Securities. The Investor is solely responsible to find out what these restrictions are, and the Investor is solely responsible (and the Company is not in any way responsible) for compliance with applicable resale restrictions;
- (x) the Investor is not acting “jointly” or “in concert”, as such terms are used in applicable securities laws, with any other person;
- (xi) the Investor does not own or have any interest in (directly or indirectly), nor exercise control or direction over any securities of, the Company; and
- (xii) personal information regarding the directors, officers and other insiders of the Investor may be collected by the Company and disclosed to Governmental Authorities, and the Investor will comply with all applicable Securities Laws in connection with its holding of the Securities.

(d) **(U.S. compliance)** The Investor is not a U.S. Person.

8.2 Company’s reliance

The Investor acknowledges that the Company has entered into this Agreement in reliance on the Investor’s representations and warranties set out in Section 8.1.

8.3 Construction of representation and warranties

Each representation and warranty of the Investor is to be construed independently of the others and is not limited by reference to any other representation or warranty.

8.4 Notice

The Investor will promptly notify the Company in writing upon becoming aware of any material breach or inaccuracy of any representation or warranty given by the Investor under this Agreement.

9 Use of Proceeds

9.1 Permitted Use

The Company shall only use the funds received from the Investor under this Agreement:

- (a) to advance funds to Kaden by way of senior secured loans (each, a **Drawdown Loans**) to Kaden to be used by Kaden for the purposes of satisfying any of its outstanding liabilities, including by allowing Kaden to formulate a proposal (the **Proposal**) to its creditors in its notice of intention to make a proposal proceedings (the **Kaden Proceedings**) commenced by Kaden under the *Bankruptcy and Insolvency Act* (Canada) on March 6, 2024; and

- (b) if, but only if, Kaden has satisfied all of its outstanding liabilities under its Proposal, for general working capital, corporate and future development purposes that are reasonable in light of the nature of the Company's business from time to time,

and for greater certainty, must not use such funds for making any pledge payments to any third party, for dividend payments, the repayment or redemption of any indebtedness or obligations or interests held by any security holders (or similar payments) or the repayment of any debt due to a director, officer, insider or related party of the Company or any of its Subsidiaries.

9.2 Drawdown Loan Agreement

Prior to advancing any of the funds received from the Investor under this Agreement to Kaden by way of Drawdown Loans pursuant to Section 9.1(a), the Company shall enter into a loan agreement with Kaden in a form acceptable to the Investor, acting reasonably, which shall contain such covenants as are necessary to ensure that Kaden only uses such funds in accordance with the purpose set forth in Section 9.1(a).

10 Additional Covenants and Agreements

10.1 Ranking of the Investor's Equity Securities

- (a) The Investor's Equity Securities will rank equally in all respects with the existing Equity Securities on the date of issue of the Investor's Equity Securities.
- (b) All Investor's Equity Securities will be issued free and clear of any Liens, except for restrictions on transfer imposed by Securities Laws.

10.2 Ranking of Investor's interest in the Convertible Note

- (a) All Convertible Notes will constitute direct, general, and unconditional obligations of the Company and the Company represents and warrants, at the Execution Date and for the period while there is Amount Outstanding, all Convertible Notes will, unless otherwise agreed to by the Investor, rank senior to all other debt or loan obligations of the Company, including any of the Company's outstanding bank debt (if any), except for debt or loan obligations secured by Permitted Liens.
- (b) In the event the Company arranges, or obtains, any new debt (including convertible debt or preferred stock) (*Debt Proceeds*), the Company must promptly provide the Investor with full details about such arrangements, and, in its sole discretion, the Investor may direct that the Company use some or all of the Debt Proceeds as is specified by the Investor to promptly repay some or all of the Amount Outstanding or may, in its sole discretion, waive compliance with this requirement.

10.3 Security

- (a) On the Execution Date, the Company shall:
 - (i) grant to the investor a general security interest in all of the present and after-acquired assets and property of the Company (including all of the issued and outstanding shares of Kaden and Voltaic) in a form of agreement acceptable to the Investor, acting reasonably;
 - (ii) cause the execution of a guarantee (the **Kaden Guarantee**) by Kaden of all of the obligations of the Company under this Agreement, in one or more forms of agreement acceptable to the Investor, acting reasonably; and
 - (iii) cause Kaden to grant the Investor a general security interest in support of the Kaden Guarantee in all of its respective present and after-acquired assets and property, in a form of agreement(s) acceptable to the investor, acting reasonably.

- (b) The Liens granted by the Company to the Investor under this Section 10.3 shall be first ranking ahead of any other Lien or security interests on the assets of the Company, except for Permitted Liens.
- (c) Upon the earlier of (i) the date on which the Company pays to the Investor the Entire Amount Outstanding in cash pursuant to Article 3 or in Equity Securities pursuant to Section 5.1, and (ii) the expiry of the Term (and provided that the Amount Outstanding is NIL), at the request of the Company, the Investor shall execute, deliver and file, as applicable, all discharges, releases and financing change statements that are, in the Company's opinion and at the Company's expense, necessary or desirable to release all Liens granted by the Company to the Investor.

10.4 Rights of Investor

The right of the Investor to be issued Conversion Equity Securities in accordance with Section 5.1 and otherwise under this Agreement, will not confer on the Investor any entitlement to receive dividends or vote at a general meeting of shareholders of the Company.

10.5 Compliance with Laws

- (a) The Company and the Investor will each comply with all applicable Laws in all material respects.
- (b) Except as otherwise provided herein, the Company shall make, in a timely manner, all filings that may be required (if any) under Securities Laws in connection with the Contemplated Transactions.

10.6 Prohibited Transactions

- (a) Unless otherwise agreed in writing between the Company and the Investor, from the Execution Date until the date of termination of this Agreement, the Company shall not effect, or enter into an agreement to effect, any Prohibited Transaction unless the funds raised from such Prohibited Transaction are utilised to repay the Entire Amount Outstanding.

10.7 Set-Off

- (a) The Investor may set off any of its obligations to the Company (whether or not due for payment), against any of the Company's obligations to the Investor (whether or not due for payment) under this Agreement and/or any Transaction Document; *provided that*, the Investor shall not be permitted to set off its obligations to purchase Convertible Notes pursuant to Section 2.1.
- (b) The Investor may do anything necessary to effect any set-off undertaken in accordance with this Section 10.7 (including varying the date for payment of any amount payable by the Investor to the Company).

10.8 Set-Off Exclusion

All payments which are required to be made by the Company to the Investor will be made without:

- (a) any set-off, counterclaim or condition; or
- (b) any deduction or withholding for Tax or any other reason, unless a deduction or withholding is required by Law,

except as may otherwise be consented to by the Investor.

10.9 Miscellaneous Negative Covenants

The Company shall not, and (in respect of only clauses (b) and (c) below) shall cause all of its Subsidiaries not to, directly or indirectly, without the Investor's written approval (such consent not to be unreasonably withheld):

- (a) undertake any consolidation of its share capital unless such consolidation is in connection with an application for listing on a stock exchange;
- (b) reduce its paid-up or stated capital;
- (c) transfer the jurisdiction of incorporation of the Company or any of its Subsidiaries;
- (d) make a loan to any director, officer, insider or related party of the Company or of any of its Subsidiaries; or
- (e) enter into any agreement with respect to any of the matters referred to in paragraphs (a) – (e).

In the event the Company proposes to take any action set out in paragraphs (a) to (e) above, the Company shall provide the Investor with at least ten (10) Business Days' prior written notice regardless of whether the consent of the Investor is required in the circumstances.

10.10 Withholding Gross-Up

All payments made by the Company in respect of this Agreement (in respect of principal, interest or otherwise) shall, except as required by applicable Law, be made in full without set-off or counterclaim, and free of and without deduction or withholding for any present or future Taxes provided that if the Company is required by applicable Law to deduct or withhold any Taxes from or in respect of any payment or sum payable to the Investor, the payment or sum payable will be increased as necessary so that after making all such deductions or withholdings, the Investor receives an amount equal to the sum it would have received if no such deduction or withholding had been made and the Company shall pay the full amount deducted to the relevant Governmental Authority in accordance with applicable Law.

In the event the Investor subsequently receives or recovers any deducted or withheld amount from any Canadian federal, provincial or other Governmental Authority and the Company has complied with its obligations in this Section 10.10, then the Investor shall pay such amount to the Company within twenty (20) Business Days of actual receipt.

11 Taxes

- (a) Without limiting anything else in this Agreement the Company shall:
 - (i) pay any Tax required to be paid to any Governmental Authority which is payable by the Company in respect of this Agreement or any Contemplated Transaction (including in respect of the execution, delivery, performance, release, discharge, amendment or enforcement of this Agreement or any Contemplated Transaction);
 - (ii) pay any fine, penalty or other cost in respect of a failure to pay any Tax which is payable by the Company as required by this Article 11; and
 - (iii) indemnify the Investor against any amount payable by it under this Article 11.
- (b) Without limiting anything else in this Agreement:
 - (i) the Company shall pay all stamp, loan transaction, registration and similar Taxes, including fines and penalties, financial institutions duty and debits Tax that may be payable to, or required to be paid by, any appropriate authority, or determined to be payable in connection with the execution, delivery, performance or enforcement of this Agreement or any Contemplated Transaction or any payment, receipt or other transaction contemplated by this Agreement; and

- (ii) the Company shall indemnify the Investor against any loss or liability incurred or suffered by it as a result of the delay or failure by the Company to pay the Taxes under Section 11(b)(i).
- (c) Without limiting anything else in this Agreement, at all times on and from the date of this Agreement, the Company shall comply in all respects with all applicable laws relating to Tax and promptly file, or cause to be filed, all tax returns, and other Tax filings, required under applicable Tax law.

12 Default

12.1 Events of Default

Any of the following will constitute an Event of Default:

- (a) any of the representations or warranties, or covenants made by the Company or any of its agents, officers, directors, employees or representatives in any Transaction Document, Materials or public filing are inaccurate, false or misleading in any material respect, as of the date as of which it is made or deemed to be made, or any certificate or financial or other written statements furnished by or on behalf of the Company to the Investor, any of its representatives, or the Company's shareholders, is inaccurate, false or misleading, in any material respect, as of the date as of which it is made or deemed to be made or repeated (in each case where qualified by an express reference to the representation or the warranty being given on a particular other date or dates, on that date or dates);
- (b) the Company or any Subsidiary of the Company suffers or incurs an Insolvency Event that has not otherwise already occurred on or before the Execution Date and specifically excluding the Kaden Proceedings;
- (c) the Company or any of its Material Subsidiaries ceases, suspends, or threatens to cease or suspend, the conduct of any part of its business where such cessation or suspension would reasonably be expected to result in a Material Adverse Effect, or disposes, in a single transaction, or in a series of transactions, of all or substantially all of its assets;
- (d) the Company or any of its Material Subsidiaries takes action to reduce its capital in accordance with section 26 of the Corporations Act;
- (e) there is a cease trade order against the Company, a management cease trade order in respect of the Company;
- (f) any of the conditions set out in Section 4.1 or Section 6.1 have not been fulfilled in the time prescribed in such Sections;
- (g) the Company challenges, disputes or denies the right of the Investor to receive any Securities hereunder, or otherwise dishonours or rejects any action taken, or document delivered, in furtherance of the Investor's bona fide rights to receive any Investor's Equity Securities;
- (h) a Transaction Document or a Contemplated Transaction has been determined by a court of competent jurisdiction to be wholly or partly void, voidable or unenforceable in any respect;
- (i) a court of competent jurisdiction makes a determination in favour of any action, claim, proceeding, suit, investigation, or action against any other person or otherwise asserted before any Governmental Authority, which seeks to restrain, challenge, deny, enjoin, limit, modify, delay, or dispute, the right of the Investor or the Company to enter into any Transaction Documents or undertake any of the Contemplated Transactions;
- (j) any event, condition or development occurs or arises which in the opinion of the Investor (acting reasonably) has or could have a Material Adverse Effect;

- (k) any consent, permit, approval, registration or waiver necessary for the consummation of those Contemplated Transactions that remain to be consummated at the applicable time, has not been issued or received, or does not remain in full force and effect at the applicable time;
- (l) the Investor has not received all those items required to be delivered to it in connection with any Closing in accordance with this Agreement;
- (m) the Company subsequently becomes prohibited under Securities Laws or the Corporations Act from issuing Equity Securities to the Investor under this Agreement;
- (n) the Company fails to perform, comply with, or observe, any other term, covenant, undertaking, obligation or agreement under any Transaction Document, including without limitation, the failure to pay any cash amount owing to the Investor hereunder at the time such payment is due (subject to any applicable cure provisions set out in Article 13);
- (o) a default judgment of an amount of CDN\$250,000 or greater is entered against the Company;
- (p) the Company defaults in relation to a *bona fide* payment obligation in the amount of CDN\$250,000 or greater under any financial accommodation, including any loan, advance, debenture or other form of financing entered into with a third party (taking into account any applicable grace period agreed by the relevant third party);
- (q) if at any time after the Execution Date, the Company has any present or future liabilities, including contingent liabilities for an amount or amounts totalling more than CDN\$2,000,000 which have not been satisfied on time as invoiced or within five (5) Business Days of a first written request for payment (taking into account any applicable grace period agreed with the relevant third party to whom such liabilities are owed), or have become prematurely payable as a result of its default or breach (howsoever described);
- (r) the Company fails to comply with its obligation to deliver Conversion Equity Securities in accordance with this Agreement;
- (s) the Company or any Subsidiary fails to grant the liens or security interests or deliver the executed agreements which grant such liens and security interests, or fail to comply with their obligations under such agreements, in each case as set out in Section 10.3 and the relevant Security Documents; and
- (t) the Company contravenes Section 10.2,

provided that, notwithstanding any other provision in this Agreement, no Event of Default will be caused by occurrence, development or continuation of the Kaden Proceedings.

12.2 Investor Right to Investigate an Event of Default

If in the Investor's reasonable opinion, an Event of Default has occurred, or is or may be continuing or likely to occur:

- (a) the Investor may notify the Company that it wishes to investigate such purported Event of Default;
- (b) the Company shall co-operate fully with the Investor in such investigation;
- (c) the Company shall comply with all reasonable requests made by the Investor of the Company in connection with any investigation by the Investor and will:
 - (i) provide all information and documents requested by the Investor (acting reasonably) in relation to the Event of Default to the Investor, provided the Investor agrees that any materially price sensitive information and/ or non-public information will be subject to confidentiality; and

- (ii) provide all such information and documents within seven (7) Business Days of such request by the Investor; and
- (d) the Company shall pay all reasonable costs in connection with any investigation by the Investor.

13 Notice and Cure Provisions

The Investor shall give notice to the Company of the occurrence, or failure to occur, at any time from the date hereof, of any event or state of facts which occurrence or failure would be likely to or could result in an Event of Default. Subject to the provisions hereof and other than with respect to an Event of Default under Section 12.1(b) or an Event of Default in respect to the issuance of Equity Securities, the Investor may only elect to terminate this Agreement or exercise its rights under Articles 14 and 15 during the continuance of such Event of Default, if:

- (a) the Investor has delivered written notice to the Company specifying in reasonable detail the event or state of facts which occurrence or failure would be likely to or could result in an Event of Default; and
- (b) if any such notice is delivered, and the Company is proceeding diligently at its own expense to cure such matter, if such matter is susceptible of being cured, the Investor may not terminate this Agreement or exercise its rights under Article 14 until the expiration of a period of five (5) Business Days from the date of such occurrence, failure to occur or the coming into existence of such event or state of facts, it being understood and agreed that (i) such five (5) Business Day cure period shall be cumulative over the Term of this Agreement with respect to each enumerated Event of Default such that any repeated or recurring Event of Default shall only have the benefit of a one time single five (5) Business Day cure period, irrespective of the number of times such Event of Default occurs and/or is continuing; and (ii) the aggregate number of cure period days with respect to all occurring and/or continuing Events of Default under this Agreement during the Term shall not exceed ten (10) Business Days.

14 Rights of the Investor upon an Event of Default

- (a) Upon the occurrence or existence of any Event of Default and at any time during the continuance of such Event of Default, subject to compliance with Article 13, the Investor may:
 - (i) declare, by notice to the Company, effective immediately, all outstanding obligations by the Company under the Transaction Documents to be immediately due and payable in immediately available funds (including, without limitation, the immediate repayment of the Entire Amount Outstanding) without presentment, demand, protest or any other notice of any kind, all of which are expressly waived by the Company, anything to the contrary contained in this Agreement or in any other Transaction Document notwithstanding; and/or
 - (ii) terminate this Agreement, by notice to the Company, effective as of the date set out in the Investor's notice given to the Company under this Section 14(a)(ii).
- (b) If the Investor gives the Company a notice under Section 14(a)(i), the Company must within seven (7) Business Days after expiry of the applicable cure period in Article 13, pay to the Investor in immediately available funds the Entire Amount Outstanding.
- (c) The Investor will have no obligation to consummate any Closing under this Agreement where an Event of Default has occurred, for as long as such Event of Default continues, and the applicable Closing Date will be deemed to be postponed accordingly, unless the Investor notifies the Company otherwise in writing (which notification shall be at the sole discretion of the Investor).

- (d) In addition to the remedies set out in sub-clauses 14(a) and 14(b), subject to compliance with Article 13, upon the occurrence or existence of any Event of Default, the Investor may exercise any other right, power or remedy granted to it by the Transaction Documents or otherwise permitted to it by Law, including by suit in equity and/or by action at Law.
- (e) Notwithstanding anything to the contrary contained in this Agreement or in any other Transaction Document, in addition to the rights of the Investor specified in this Article 14, upon the occurrence of an Event of Default (subject to the cure periods in Article 13), the interest thereafter payable on all issued Convertible Notes will be at a rate of 15% per annum (*Interest Rate upon Default*), which interest will accrue from the first date the cure periods set out in Article 13 have expired in respect of such Event of Default on the *Outstanding Amount* of the issued Convertible Notes and will be compounded monthly, for as long as the Event of Default will not have been remedied. The Company must pay this amount of interest on the Amount Outstanding to the Investor on a monthly basis in arrears on the last day of each calendar month following the date that the cure periods set out in Article 13 have expired in respect of such Event of Default (or such other date as notified in writing by the Investor to the Company or as otherwise required under Section 14(b)).
- (f) Upon the occurrence or existence of any Event of Default, in addition to all other remedies at law and in equity, the Investor may, at its option, take all actions and remedies provided for in the security instruments and filings securing the liens described in Section 10.3 herein.

15 Termination

15.1 Events of Termination

This Agreement:

- (a) may be terminated, without limiting the generality of Article 14, but subject to Article 13:
 - (i) by the Investor on the occurrence or existence of a Securities Termination Event;
 - (ii) by the mutual written consent of the Parties, at any time;
 - (iii) by either Party, by written notice to the other Party, effective immediately, if the Closing has not occurred within ten (10) Business Days of the Execution Date or such later date as the Parties agree in writing, provided that the right to terminate this Agreement under this Section 15.1(a)(iii) is not available to any Party:
 - (A) that is in material breach of or default under this Agreement; or
 - (B) whose failure to fulfil any obligation under this Agreement has been the principal cause of, or has resulted in the failure of the Closing to occur; and
 - (iv) by the Investor, in accordance with Article 14 or Section 17.15.

15.2 Effect of Termination

- (a) Subject to Section 15.2(b), each Party's right of termination under Section 15.1 is in addition to any other rights it may have under this Agreement or otherwise, and the exercise of a right of termination will not be an election of remedies.
- (b) If the Investor terminates this Agreement under Section 15.1(a)(i):
 - (i) the Investor may declare, by notice to the Company, all outstanding obligations by the Company under the Transaction Documents to be due and payable (including, without limitation, the immediate repayment of any Amount Outstanding) without presentment, demand, protest or any other notice of any kind, all of which are expressly waived by the Company, anything to the contrary contained in this Agreement or in any other Transaction Document notwithstanding; and

- (ii) the Company must within five (5) Business Days after expiry of the applicable cure period in Article 13, pay to the Investor in immediately available funds the Entire Amount Outstanding.
- (c) Upon termination of this Agreement, the Investor will not be required to fund any further amount nor effect any Closing, provided that termination will not affect any undischarged obligation under this Agreement, including, for the avoidance of doubt any obligation of the Company to issue Convertible Notes.
- (d) Nothing in this Agreement will be deemed to release any Party from any liability for any breach by such Party of the terms and provisions of this Agreement or to impair the right of any Party to compel specific performance by any other Party of its obligations under this Agreement.

16 Survival and Indemnification

16.1 Survival

The provisions of Articles 1, 5 to 11, and 13 to 17 (inclusive) of this Agreement will survive, and continue in full force and effect, notwithstanding the execution of this Agreement, Closing and each repayment of any of the Amount Outstanding, and each Contemplated Transaction, and the termination of this Agreement or another Transaction Document or any related provision.

16.2 Indemnification of Investor

- (a) An Investor Indemnified Person will not be liable to the Company, and the Company shall indemnify and hold harmless each of the Investor, and the respective directors, officers, shareholders, partners, employees, attorneys, agents and permitted successors and assigns of each of the Investor and Affiliates of each of those parties (each, an **Investor Indemnified Person**), from and against any and all losses, claims, damages, liabilities, awards, demands and expenses (including, without limitation, all judgments, amounts paid in settlements, reasonable solicitors' fees and costs and attorney fees and reasonable disbursements and other expenses incurred in connection with investigating, preparing or defending any action, claim, proceeding, suit, investigation, or action by any Governmental Authority, pending or threatened, and the costs of enforcement) (collectively, **Losses**), that arise out of, are based on, relate to, or are incurred in connection with, any of the following:
 - (i) a breach or non-performance by the Company of its covenants under this Agreement;
 - (ii) a material breach or an inaccuracy of any of the Company's representations or warranties made in this Agreement;
 - (iii) any misrepresentation made in the Materials or the Company's Public Record;
 - (iv) any non-disclosure of any "material fact" or "material change" as such terms are defined under Securities Laws, or necessary to make the statements in the Materials or the Company's public filings, in light of the circumstances under which they were made, not misleading;
 - (v) the Company authorizing, entering into and delivering this Agreement and the Company's performance of the Contemplated Transactions, including the issuance of the Investor's Equity Securities; and
 - (vi) any inquiry, investigation or proceeding commenced or threatened by, or in, any court, administrative body, securities commission, stock exchange or other competent authority (each a **Proceeding**) based upon, or resulting from, the execution, delivery, performance or enforcement of any of the Transaction Documents or Contemplated Transactions, and whether or not the Investor is party

thereto by claim, counterclaim, crossclaim, as a defendant or otherwise, or if such Proceeding is based upon, or results from, any of those items referred to in paragraphs (i) – (v),

provided, however, that the Company shall not indemnify any Investor Indemnified Person from, or hold any Investor Indemnified Person harmless against, any Losses that result solely from:

- (vii) such Investor Indemnified Person's breach of any representation or warranty contained in this Agreement, or
 - (viii) such Investor Indemnified Person's fraud, gross negligence or wilful default in performing its obligations under this Agreement.
- (b) To the extent that the Company's undertaking in this Section 16.2 may be unenforceable for any reason, the Company shall make the maximum contribution to the payment and satisfaction of all Losses that is permissible under applicable Law.
 - (c) To the extent that any amount payable to an Investor Indemnified Person in accordance with this Section 16.2 is subject to Tax or withholding, then, without limiting Section 10.10 or Article 11, the Company shall increase the amount payable to the Investor Indemnified Person by such additional amount as is necessary to ensure that after making the allowance for any Tax that may be payable, the Investor Indemnified Person receives the full amount required to be paid before giving effect to such allowance for Tax.
 - (d) Each indemnity set out in this Agreement:
 - (i) is a continuing obligation, independent of the Company's other obligations under this Agreement;
 - (ii) continues notwithstanding any termination of this Agreement;
 - (iii) constitutes a liability of the Company separate and independent from any other liability under this Agreement and under any other agreement; and
 - (iv) will survive, and continue in full force and effect, in accordance with Section 16.1.
 - (e) The Company acknowledges that the indemnity given under this Section 16.2 is directly enforceable against it by any Investor Indemnified Person. The Investor holds the benefit of this Section 16.2 on trust for any Investor Indemnified Person.

17 Miscellaneous

17.1 Time of the essence

With regard to all dates and time periods set out in this Agreement or referred to in any Transaction Document, time is of the essence.

17.2 No partnership or advisory or fiduciary relationship

Nothing in this Agreement should be construed to create a partnership between the Parties, or a fiduciary or an advisory relationship between the Investor or any of its Affiliates and the Company and any of its Subsidiaries.

17.3 Remedies and injunctive relief

- (a) The rights and remedies of the Investor set out in this Agreement and the other Transaction Documents are in addition to all other rights and remedies given to the Investor by law or otherwise.
- (b) The Company acknowledges that:

- (i) monetary damages alone would not be adequate compensation to the Investor for a breach by the Company of this Agreement; and
- (ii) the Investor may seek an injunction or an order for specific performance from a court of competent jurisdiction if:
 - (A) the Company fails to comply or threatens not to comply with this Agreement; or
 - (B) the Investor has reason to believe that the Company will not comply with this Agreement.

17.4 Successors and assigns

- (a) The rights and obligations of the Parties under this Agreement are personal and may not be assigned to any other person or assumed by any other person, except as expressly provided in this Section 17.4.
- (b) Neither this Agreement nor any of the Company's rights and obligations under this Agreement may be assigned by the Company without the prior written consent of the Investor.
- (c) Subject to Section 17.4(d), the Investor may assign this Agreement and/or any of its rights and/or obligations under this Agreement on prior written notice to the Company.
- (d) The Investor must notify the Company of any assignment or novation of any of its rights or obligations under this Agreement at least five (5) Business Days prior to the assignment or novation referred to in Section 17.4(c) taking effect.
- (e) Nothing in this Section 17.4 will be deemed to prevent the Investor from assigning, transferring, encumbering or otherwise dealing with its rights under, or in connection with, the Investor's Equity Securities without the consent of any person, subject to the Investor's compliance with applicable Laws.

17.5 Counterparts and e-mail

- (a) This Agreement may be executed in any number of counterparts, each of which will be deemed an original, and all of which together will constitute one and the same instrument.
- (b) Such counterparts may be delivered by one Party to the other by e-mail, and such counterparts will be valid for all purposes.

17.6 Notices

- (a) Except as otherwise specifically agreed, all notices and other communications made in connection with any Transaction Document will be in writing and must be delivered by a courier or another like service in person, or sent by e-mail.
- (b) When delivered by a courier or another like service in person, a notice will be deemed given, or another communication will be deemed to have been received:
 - (i) when delivered, if received during Business Hours in the place of delivery; or
 - (ii) at 9.00 am (in the place of delivery) on the Business Day immediately following the date of such delivery, if delivered outside of Business Hours in the place of delivery.
- (c) When sent by e-mail transmission, a notice will be deemed given, or another communication will be deemed to have been received:
 - (i) two hours after the time at which such transmission was sent (the *E-mail Time*), if such time falls within Business Hours in the place of delivery; or

- (ii) at 9.00 am (in the place of delivery) on the Business Day immediately following the date of the E-mail Time, if sent to the Company or the Investor and the E-mail Time falls outside of Business Hours in the place of delivery,

unless the sender receives an automated message that the email has not been delivered.

- (d) All notices and other communications required to be delivered in accordance with this Agreement will be sent to the representatives of the Party to be notified at the addresses or e-mail addresses indicated respectively below, or at such other addresses or e-mail addresses as the Parties may from time to time by like notice specify:

- (i) If to the Company:

Beta Energy Corp.
1450 – 789 W. Pender St.
Vancouver, BC V6C 1H2

Attention: Brad Nichol, Chief Executive Officer
E-mail: Brad@buckfive.ca
CC (which shall not constitute notice) : bfast@cozen.com

- (ii) If to the Investor:

Apex Opportunities Fund Ltd.
900 – 885 West Georgia St.
Vancouver, BC V6C 3H1

Attention: Sean Charland, Chief Executive Officer
E-mail: scharland@zimtu.com
CC (which shall not constitute notice) : mpalumbo@cwilson.com

17.7 Amendments and waivers

- (a) Any term of this Agreement may be amended, supplemented, or modified, only with the written consent of the Parties.
- (b) Any obligation of either Party under this Agreement may be extended or waived only by an instrument in writing signed on behalf of the Party entitled to enforce the obligation.

17.8 Legal Costs

Each Party will bear its own legal, due diligence and other costs in connection with the preparation and entering into of this Agreement.

17.9 Payments under this Agreement

Any payment to be made pursuant to the terms of this Agreement will be made by way of immediately available funds, except as expressly stated in this Agreement or unless the Parties agree otherwise.

17.10 Financial calculations

- (a) All calculations of any Percentage Interest under this Agreement must initially be undertaken by the Investor.
- (b) The Investor must notify the amount calculated under paragraph (a) to the Company for verification and confirmation, together with the underlying calculations and other supporting information.
- (c) The Investor must:

- (i) ensure any calculation referred to in Section 17.10(a) is the result of accurate mathematical calculation; and
 - (ii) promptly provide any information reasonably requested by the Company to verify any calculation from time to time.
- (d) In the event of a dispute between the Investor and the Company as to the appropriateness or correctness of any calculation, any underlying assumption or supporting information, the Investor and the Company must meet and negotiate in good faith to settle the dispute upon notice from either Party to the other requiring the same. If the dispute is not resolved within two (2) Business Days, then in the absence of manifest error in, or a deficiency in supporting information for, the Investor's calculation, the Investor's calculation of the Percentage Interest will be used for the purpose of effecting any Conversion under this Agreement.

17.11 Non circumvention

Neither Party to this Agreement shall do anything or omit to do anything that undermines or in any way circumvents, whether directly or indirectly the intent or objective of this Agreement.

17.12 Good Faith

The Parties acknowledge that they have negotiated the terms of this Agreement in good faith and each Party must act in good faith towards each other and use their commercially reasonable best efforts to comply with the spirit and intention of this Agreement.

17.13 Publicity and confidentiality

- (a) The Company shall not, (and will use its commercial best efforts to ensure that none of its Affiliates or any persons acting on behalf of the Company and any of its Affiliates), issue any public release or announcement concerning this Agreement, its subject-matter or content, or the Contemplated Transactions, or disclose any information provided by the Investor (including the terms of any Transaction Documents) (**Relevant Information**), without the prior written consent of the Investor (which consent will not be unreasonably withheld or delayed), subject to Section 17.13(c).
- (b) In any public release or announcement proposed to be made in connection with the Kaden Proceedings or pursuant to Securities Laws, where the proposed public release or announcement proposes to make a reference to the Investor or the Contemplated Transactions, the Company shall provide a copy of the proposed announcement to the Investor for review prior to release, subject to Section 17.13(c).
- (c) If the Company is required to make a disclosure concerning Relevant Information in connection with the Kaden Proceedings, pursuant to Securities Laws or by an order of a Governmental Authority, and the Company (acting reasonably) in order to comply with its legal or regulatory obligations does not have sufficient time to discuss the form of disclosure with the Investor or provide the Investor with a copy of the disclosure prior to making such disclosure, then the Company must:
 - (i) ensure that any disclosure made regarding Relevant Information is restricted and limited in content and scope to the maximum extent permitted by Law to meet the relevant disclosure requirement; and
 - (ii) provide a copy of such disclosure (where it is public information) to the Investor as soon as possible.

For the avoidance of doubt, if the Company has sufficient time to discuss the form of disclosure with the Investor or provide a copy of the disclosure to the Investor prior to making the disclosure, it must do so in accordance with its obligations in Section 17.13(a).

- (d) For the avoidance of doubt, the Investor acknowledges that the Company may be required to file a copy of this Agreement with the Securities Commissions under the Company's SEDAR profile at www.sedarplus.ca and agrees to such filing (subject to permitted redactions in accordance with Securities Laws).

17.14 Severability and supervening legislation

Every provision of this Agreement is intended to be severable, and any provision of this Agreement that is illegal, invalid, prohibited or unenforceable in any jurisdiction will, as to such jurisdiction, be ineffective only to the extent of such illegality, invalidity, prohibition or unenforceability, without invalidating the remaining provisions, but will be interpreted as if it were written so as to be enforceable to the maximum extent permitted by applicable Law, and any such illegality, invalidity, prohibition or unenforceability in any jurisdiction will not affect the legality, validity, permissibility or enforceability of the remainder of this Agreement in that jurisdiction, or invalidate or render illegal, invalid, prohibited or unenforceable, such or any other provision of this Agreement in any other jurisdiction.

17.15 Illegality and impossibility

- (a) If there is a Frustration Termination Event, the Investor may, but is not obligated to, in accordance with the terms of this Section 17.15, by giving a notice to the Company, suspend or cancel some or all of its obligations under this Agreement (including, without limitation, to fund any further amount to the Company or effect any future Closing), or terminate this Agreement, as indicated in such notice.
- (b) If the Investor gives a notice to terminate this Agreement in accordance with this Section 17.15, the Company must within ten (10) Business Days of such notice being received, subject to limitations that may be imposed pursuant to the Frustration Termination Event, if any, pay to the Investor in immediately available funds the Entire Amount Outstanding.

17.16 Change in Law

- (a) If there is a Change in Law Termination Event, the Investor may, in accordance with the terms of this Section 17.16, by giving a notice to the Company, suspend or cancel its obligation to fund any further amount to the Company or effect any future Closing.
- (b) Such suspension or cancellation will apply only to the extent necessary to avoid the event or circumstance which triggered the Change in Law Termination Event.

17.17 Entire Agreement

This Agreement (including its Exhibits) and the instruments referenced in this Agreement supersedes all prior agreements, understandings, negotiations and discussions, both oral and written, between the Parties, their Affiliates and persons acting on their behalf with respect to the subject matter of this Agreement and constitutes the entire agreement among the Parties with respect to the *subject matter of this Agreement*.

17.18 Governing Law

This Agreement is governed by the laws of the Province of British Columbia and the federal laws of Canada applicable thereunder.

17.19 Jurisdiction

With respect to any legal action or proceedings arising out of or in any way related to this Agreement or its subject matter, other than the Security Documents, the Parties irrevocably and unconditionally:


- (a) submit to the non-exclusive jurisdiction of the courts with jurisdiction in British Columbia sitting in Vancouver; and

- (b) waive any right to object to the venue on any ground.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first written above.

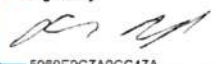
BETA ENERGY CORP.

Signed by:

By: D04ADD4F289040C

Name: Brad Nichol

Title: Chief Executive Officer

APEX OPPORTUNITIES FUND LTD.

Signed by:

By: 5060E9C7A9CC47A

Name: Sean Charland

Title: Chief Executive Officer

Exhibit A

Advance Notice

Reference is made to the convertible note funding agreement, dated ●, 2024 (the **Funding Agreement**) between Beta Energy Corp. (the **Company**) and Apex Opportunities Fund Ltd. (the **Investor**). Capitalized terms used but not otherwise defined herein shall the meanings ascribed thereto in the Funding Agreement.

Pursuant to Section 2.1 of the Funding Agreement, the Company hereby requires the Investor to purchase from the Company, on the terms and subject to the conditions of the Funding Agreement, a Convertible Note with an aggregate principal amount of CDN\$_____ (the **Principal Amount**).

The Company irrevocably authorises the Investor to distribute funds in the amount of the Principal Amount at the applicable Closing to the following bank account:

Beneficiary Bank: ●
Swift code: ●
ABA/Routing ●
Account # ●

Beneficiary name and address: ●

Yours sincerely,

BETA ENERGY CORP.

By: _____

Name:

Title:

This is **Exhibit "E"** referred to in the Affidavit of Sean Charland sworn before me this 4th day of February, 2025.



Notary Public and Commissioner of Oaths
in and for the Province of British Columbia

MICHAEL N. HANUMAN
BARRISTER & SOLICITOR
700 WEST GEORGIA STREET
SUITE 2200
VANCOUVER, B.C. V7Y 1K8
(604) 687-2242

Advance Notice

Reference is made to the convertible note funding agreement, dated August 23, 2024 (the **Funding Agreement**) between Beta Energy Corp. (the **Company**) and Apex Opportunities Fund Ltd. (the **Investor**). Capitalized terms used but not otherwise defined herein shall have the meanings ascribed thereto in the Funding Agreement.

Pursuant to Section 2.1 of the Funding Agreement, the Company hereby requires the Investor to purchase from the Company, on the terms and subject to the conditions of the Funding Agreement, a Convertible Note with an aggregate principal amount of CDN\$ 4,025,200 (the **Principal Amount**).

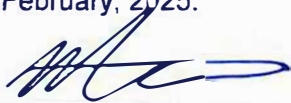
The Company irrevocably authorises the Investor to distribute funds in the amount of the Principal Amount at the applicable Closing to the bank account nominated by the Company in the written direction delivered to the Investor concurrently with this Advance Notice.

DATED November 15, 2024.

BETA ENERGY CORP.

Signed by:
By: Brad Nichol
Name: Brad Nichol
Title: Chief Executive Officer

This is **Exhibit "F"** referred to in the Affidavit of Sean Charland sworn before me this 4th day of February, 2025.



Notary Public and Commissioner of Oaths
in and for the Province of British Columbia

MICHAEL N. HANUMAN
BARRISTER & SOLICITOR
700 WEST GEORGIA STREET
SUITE 2200
VANCOUVER, B.C. V7Y 1K8
(604) 687-2242

GUARANTEE

This Guarantee is made as of November 15, 2024

WHEREAS:

- A. Apex Opportunities Fund Ltd. (the "**Secured Creditor**") has agreed to invest up to C\$12,000,000 in Beta Energy Corp. (the "**Company**"), and the Company has agreed to issue Convertible Notes (as defined herein) to the Secured Creditor in accordance with the terms of a convertible note funding agreement dated August 23, 2024 (the "**Funding Agreement**") between the Company and the Secured Creditor;
- B. it is a condition precedent to the extension of credit under the Funding Agreement that Kaden Energy Ltd. (the "**Guarantor**") execute and deliver this Guarantee; and
- C. the Company is the direct parent of the Guarantor and, due to the close business and financial relationships between the Guarantor and the Company, the Guarantor will derive substantial direct and indirect benefits from such transactions and therefore the Guarantor considers it in its best interest to provide this Guarantee.

NOW THEREFORE for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each of the parties, the Guarantor hereby covenants and agrees with the Lender as follows:

ARTICLE 1 INTERPRETATION

Section 1.1 Defined Terms.

As used in this Guarantee, the following terms have the following meanings:

"**Company**" has the meaning given to that term in the recitals hereto.

"**Funding Agreement**" has the meaning given to that term in the recitals hereto.

"**Credit Documents**" means the Funding Agreement, this Guarantee, the Security Agreement and any other guarantees, pledges and security documents from time to time delivered in connection therewith.

"**Credit Parties**" means the Company, the Guarantor and any other Person that, from time to time, provides credit support for the Obligations.

"**Guarantee**" means this guarantee.

"**Guarantor**" has the meaning given to that term in the recitals hereto.

"**Guarantor Security Documents**" means the Security Agreement, this Guarantee, and any other security held by the Secured Creditor, from time to time for the Guarantor's obligations under this Guarantee.

"**Obligations**" means (i) all debts, liabilities and obligations, present or future, direct or indirect, absolute or contingent, at any time or from time to time due or accruing due and owing by or otherwise payable by the Company to the Secured Creditor, in any currency, under or in connection with or pursuant to the Funding Agreement and any other Credit Document to which the Company is a party and whether incurred by the Company alone or jointly with another or others and whether as principal, guarantor or surety, and (ii) the due performance and compliance by the Company

with all of the terms and conditions of the Funding Agreement and the other Credit Documents, as such debts, liabilities and obligations may be varied from time to time as contemplated by Section 3.7.

“Other Taxes” means present and future stamp and documentary taxes and any other excise and property taxes, charges, financial institutions duties, debits taxes and similar levies which arise from any payment made by the Guarantor under this Guarantee or under any of the Guarantor Security Documents or from the execution, delivery or registration of, or otherwise with respect to, this Guarantee or any of the Guarantor Security Documents, in each case, including any interest, additions to tax or penalties applicable thereto.

“Secured Creditor” has the meaning given to that term in the recitals hereto.

“Security Agreement” means the security agreement dated on or around the date hereof granted by the Company and the Guarantor in favour of the Secured Creditor.

“Taxes” means all taxes, levies, imposts, deductions, charges or withholdings and all related liabilities imposed by any country (or any political subdivision or taxing authority of it), including any interest, additions to tax or penalties applicable thereto.

Section 1.2 Interpretation.

- (1) Capitalized terms used in this Guarantee but not defined have the meanings given to such terms in the Funding Agreement.
- (2) In this Guarantee the words “including”, “includes” and “include” mean “including (or includes or include) without limitation”. The phrase “the aggregate of”, “the total of”, “the sum of”, or a phrase of similar meaning means “the aggregate (or total or sum), without duplication, of”. The expression “Article”, “Section” or other subdivision followed by a number mean and refer to the specified Article, Section or other subdivision of this Guarantee.
- (3) Any reference in this Guarantee to gender includes all genders. Words importing the singular number include the plural and vice versa.
- (4) The division of this Guarantee into Articles, Sections and other subdivisions and the insertion of headings are for convenient reference only and are not to affect its interpretation.
- (5) Any reference to this Guarantee, any Credit Document or any Guarantor Security Document refers to this Guarantee or such Credit Document or Guarantor Security Document as the same may have been or may from time to time be amended, modified, extended, renewed, restated, replaced or supplemented and includes all schedules to it. Except as otherwise provided in this Guarantee, any reference in this Guarantee to a statute refers to such statute and all rules and regulations made under it as the same may have been or may from time to time be amended or re-enacted.
- (6) All references in this Guarantee to dollars, unless otherwise specifically indicated, are expressed in Canadian dollars.

ARTICLE 2 GUARANTEE

Section 2.1 Guarantee.

The Guarantor irrevocably and unconditionally guarantees to the Secured Creditor the due and punctual payment, and the due performance, whether at stated maturity or otherwise, of the Obligations. The Guarantor agrees that the Obligations will be paid to the Secured Creditor strictly in accordance with their terms and conditions.

Section 2.2 Indemnity.

If any or all of the Obligations are not duly performed by the Company and are not performed by the Guarantor under Section 2.1 for any reason whatsoever, the Guarantor will, as a separate and distinct obligation, indemnify and save harmless the Secured Creditor from and against all losses resulting from the failure of the Company to duly perform such Obligations.

Section 2.3 Primary Obligation

If any or all of the Obligations are not duly performed by the Company and are not performed by the Guarantor under Section 2.1 or the Secured Creditor is not indemnified under Section 2.2, in each case, for any reason whatsoever, such Obligations will, as a separate and distinct obligation, be performed by the Guarantor as primary obligor.

Section 2.4 Absolute Liability.

The Guarantor agrees that the liability of the Guarantor under Section 2.1 and Section 2.3 and, for greater certainty, under Section 2.2, is absolute and unconditional irrespective of:

- (a) the lack of validity or enforceability of any terms of any of the Credit Documents;
- (b) any defence, counter claim or right of set-off available to the Company;
- (c) any release, compounding or other variance of the liability of the Company or any other Person liable in any manner under or in respect of the Obligations or the extinguishment of all or any part of the Obligations by operation of law;
- (d) any change in the time or times for, or place or manner or terms of payment or performance of the Obligations or any consent, waiver, renewal, alteration, extension, compromise, arrangement, concession, release, discharge or other indulgences which the Secured Creditor may grant to the Company or any other Person;
- (e) any amendment or supplement to, or alteration or renewal of, or restatement, replacement, refinancing or modification or variation of (including any increase in the amounts available thereunder or the inclusion of an additional Company thereunder), or other action or inaction under, the Funding Agreement, the other Credit Documents or any other related document or instrument, or the Obligations;
- (f) any discontinuance, termination, reduction, renewal, increase, abstention from renewing or other variation of any credit or credit facilities to, or the terms or conditions of any transaction with, the Company or any other Person;

- (g) any change in the ownership, control, name, objects, businesses, assets, capital structure or constitution of the Company, the Guarantor or any other Credit Party or any reorganization (whether by way of reconstruction, consolidation, amalgamation, merger, transfer, sale, lease or otherwise) of the Company, the Guarantor or any other Credit Party or their respective businesses;
- (h) any dealings with the security which the Secured Creditor holds or may hold pursuant to the terms and conditions of the Credit Documents, including the taking, giving up or exchange of securities, their variation or realization, the accepting of compositions and the granting of releases and discharges;
- (i) any limitation of status or power, disability, incapacity or other circumstance relating to the Company, the Guarantor, any other Credit Party or any other Person, including any bankruptcy, insolvency, reorganization, composition, adjustment, dissolution, liquidation, winding-up or other like proceeding involving or affecting the Company, the Guarantor, any other Credit Party or any other Person or any action taken with respect to this Guarantee by any trustee or receiver, or by any court, in any such proceeding, whether or not the Guarantor shall have notice or knowledge of any of the foregoing;
- (j) the assignment of all or any part of the benefits of this Guarantee;
- (k) any taking or failure to take security, any loss of, or loss of value of, any security, or any invalidity, non-perfection or unenforceability of any security held by the Secured Creditor, or any exercise or enforcement of, or failure to exercise or enforce, security, or irregularity or defect in the manner or procedure by which the Secured Creditor realizes on such security;
- (l) any application of any sums received to the Obligations, or any part thereof, and any change in such application; and
- (m) any other circumstances which might otherwise constitute a defence available to, or a discharge of, the Guarantor, the Company or any other Person in respect of the Obligations or this Guarantee.

ARTICLE 3 ENFORCEMENT

Section 3.1 Remedies.

The Secured Creditor is not bound to exhaust its recourse against the Company or any other Person or realize on any security it may hold in respect of the Obligations before being entitled to (i) enforce payment and performance under this Guarantee or (ii) pursue any other remedy against the Guarantor, and the Guarantor renounces all benefits of discussion and division.

Section 3.2 Amount of Obligations.

Any account settled or stated by or between the Secured Creditor and the Company, or if any such account has not been settled or stated immediately before demand for payment under this Guarantee, any account stated by the Secured Creditor shall, in the absence of manifest mathematical or factual error, be accepted by the Guarantor as conclusive evidence of the amount of the Obligations which is due by the Company to the Secured Creditor or remains unpaid by the Company to the Secured Creditor.

Section 3.3 Payment on Demand.

The Guarantor will pay and perform the Obligations and pay all other amounts payable by it to the Secured Creditor under this Guarantee, and the obligation to do so arises, upon the occurrence of an Event of Default, immediately after demand for such payment or performance is made in writing to it. The liability of the Guarantor bears interest from the date of such demand at the rate or rates of interest then applicable to the Obligations under and calculated in the manner provided in the Credit Documents (including any adjustment to give effect to the provisions of the *Interest Act* (Canada)).

Section 3.4 Costs and Expenses.

The Guarantor is liable for and will pay on demand by the Secured Creditor any and all expenses, costs and charges incurred by or on behalf of the Secured Creditor in connection with enforcing this Guarantee, including all reasonable legal fees, courts costs, receivers or agent's remuneration and other reasonable expenses in connection with enforcing any of their rights under this Guarantee.

Section 3.5 Assignment and Postponement.

- (1) All obligations, liabilities and indebtedness of the Company to the Guarantor of any nature whatsoever and all security therefor (the "Intercorporate Indebtedness") are assigned and transferred to the Secured Creditor as continuing and collateral security for the Guarantor's obligations under this Guarantee and postponed to the payment in full of all Obligations. Until the occurrence of an Event of Default that is continuing, the Guarantor may receive payments in respect of the Intercorporate Indebtedness. The Guarantor will not assign all or any part of the Intercorporate Indebtedness to any Person other than the Secured Creditor.
- (2) Upon the occurrence and during the continuation of an Event of Default, all Intercorporate Indebtedness will be held in trust for the Secured Creditor and will be collected, enforced or proved subject to, and for the purpose of, this Guarantee. In such event, any payments received by the Guarantor in respect of the Intercorporate Indebtedness will be held in trust for the Secured Creditor and segregated from other funds and property held by the Guarantor and immediately paid to the Secured Creditor on account of the Obligations.
- (3) In the event of any insolvency, bankruptcy or other proceeding involving the liquidation, arrangement, compromise, reorganization or other relief with respect to the Company or its debts, the Guarantor will, upon the request of the Secured Creditor, make and present a proof of claim or commence such other proceedings against the Company on account of the Intercorporate Indebtedness as may be reasonably necessary to establish the Guarantor's entitlement to payment of any Intercorporate Indebtedness. Such proof of claim or other proceeding must be made or commenced prior to the earlier of (i) the day which is 30 days after notice requesting such action is delivered by or on behalf of the Secured Creditor to the Guarantor and (ii) the day which is 10 days preceding the date when such proof of claim or other proceeding is required by applicable law to be made or commenced. Such proof of claim or other proceeding must be in form and substance acceptable to the Secured Creditor.
- (4) If the Guarantor fails to make and file such proof of claim or commence such other proceeding in accordance with this Section 3.5, the Secured Creditor is irrevocably authorized, empowered and directed and appointed the true and lawful attorney of the Guarantor (but is not obliged) with the power to exercise for and on behalf of the Guarantor the following rights, upon the occurrence and during the continuance of an Event of Default: (i) to make and present for and on behalf of the Guarantor proofs of

claims or other such proceedings against the Company on account of the Intercorporate Indebtedness, (ii) to demand, sue for, receive and collect any and all dividends or other payments or disbursements made in respect of the Intercorporate Indebtedness in whatever form the same may be paid or issued and to apply the same on account of the Obligations, and (iii) to demand, sue for, collect and receive each such payment and distribution and give acquittance therefor and to file claims and take such other actions, in its own name or in the name of the Guarantor or otherwise, as the Secured Creditor may deem necessary or advisable to enforce its rights under this Guarantee.

- (5) The Guarantor will execute all subordinations, postponements, assignments and other agreements as the Secured Creditor may reasonably request to more effectively subordinate and postpone the Intercorporate Indebtedness to the payment and performance of the Obligations on the terms set out herein.
- (6) The provisions of this Section 3.5 survive the termination of this Guarantee and remain in full force and effect until (i) the Obligations and all other amounts owing under the Credit Documents are repaid in full; and (ii) the Secured Creditor has no further obligations under any of the Credit Documents.

Section 3.6 Suspension of Guarantor Rights.

So long as there are any Obligations, the Guarantor will not exercise any rights which it may at any time have by reason of the performance of any of its obligations under this Guarantee (i) to be indemnified by the Company, (ii) to claim contribution from any other guarantor of the debts, liabilities or obligations of the Company, or (iii) subject to Section 3.8, to take the benefit (in whole or in part, whether by way of subrogation or otherwise) of any rights of the Secured Creditor under any of the Credit Documents.

Section 3.7 No Prejudice to Secured Creditor.

The Secured Creditor is not prejudiced in any way in the right to enforce any provision of this Guarantee by any act or failure to act on the part of the Company or the Secured Creditor. The Secured Creditor may, at any time and from time to time, subject to the terms and conditions of the Funding Agreement, without any consent of, or notice to, the Guarantor and without impairing or releasing the obligations of the Guarantor (i) change the manner, place, time or terms of payment or performance of the Obligations, (ii) renew or alter the Obligations, (iii) amend, vary, modify, supplement or replace any Credit Document or any other related document or instrument, (iv) discontinue, reduce, renew, increase, abstain from renewing or otherwise vary any credit or credit facilities to, any transaction with, the Company or any other Person, (v) release, compound or vary the liability of the Company or any other Person liable in any manner under or in respect of the Obligations, (vi) take or abstain from taking securities or collateral from any other Person, or from perfecting securities or collateral of any other Person, (vii) exercise or enforce or refrain from exercising or enforcing any right or security against the Company, the Guarantor or any other Person, (viii) accept compromises or arrangements from any Person, (ix) apply any sums from time to time received to the Obligations, or any part thereof, and change any such application in whole or in part from time to time, or (x) otherwise deal with, or waive or modify their right to deal with, any Person and security.

Section 3.8 No Subrogation.

The Guarantor irrevocably waives any claim, remedy or other right which it may now have or hereafter acquire against the Company that arises from the existence, payment, performance or enforcement of the Guarantor's obligations under this Guarantee, including any right of subrogation, reimbursement, exoneration, indemnification or any right to participate in any claim or remedy of the Secured Creditor against the Company or any

collateral which the Secured Creditor now has or hereafter acquires, whether or not such claim, remedy or other right is reduced to judgment or is liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, secured or unsecured, and whether or not such claim, remedy or other right arises in equity or under contract, statute or common law. The Guarantor further agrees that the Company is an intended third-party beneficiary of the Guarantor's waiver contained in this Section 3.8. If any amount is paid to the Guarantor in violation of this Section 3.8 and, at such time, the Secured Creditor's claims against the Company in respect of the Obligations have not been paid in full, any amount paid to the Guarantor is deemed to have been paid to the Guarantor for the benefit of, and held in trust for, the Secured Creditor and will immediately be paid to the Secured Creditor to be credited and applied to such Obligations. The Guarantor acknowledges that it will receive direct and indirect benefits from the transactions contemplated by this Guarantee and that the waiver in this Section 3.8 is knowingly made in contemplation of such benefits.

Section 3.9 No Set-off.

To the fullest extent permitted by law, the Guarantor will make all payments under this Guarantee without regard to any defence, counter-claim or right of set-off available to it.

Section 3.10 Successors of the Company.

This Guarantee will not be revoked by any change in the constitution of the Company.

Section 3.11 Continuing Guarantee and Continuing Obligations.

The obligation of the Guarantor under Section 2.1 is a continuing guarantee, and the obligations of the Guarantor under Section 2.2 and Section 2.3 are continuing obligations. Each of Section 2.1, Section 2.2 and Section 2.3 extends to all present and future Obligations, applies to and secures the ultimate balance of the Obligations due or remaining due to the Secured Creditor and is binding as a continuing obligation of the Guarantor until the Secured Creditor releases the Guarantor. This Guarantee will continue to be effective or be reinstated, as the case may be, if at any time any payment of any of the Obligations is rescinded or must otherwise be returned by the Secured Creditor upon the insolvency, bankruptcy or reorganization of the Company or otherwise, all as though the payment had not been made.

Section 3.12 Supplemental Security.

This Guarantee is in addition and without prejudice to and supplemental to all other guarantees, indemnities, obligations and security now held or which may hereafter be held by the Secured Creditor.

Section 3.13 Security for Guarantee.

The Guarantor acknowledges that the payment and performance of the Obligations and the other obligations of the Guarantor under this Guarantee are secured pursuant to the terms and provisions of the Guarantor Security Documents.

Section 3.14 Right of Set-off.

Upon the occurrence and during the continuance of any Event of Default, the Secured Creditor is authorized by the Guarantor at any time and from time to time and may, to the fullest extent permitted by law, set off and apply any and all deposits (general or special, time or demand, provisional or final) at any time held and other indebtedness at any time owing by the Secured Creditor to or for the credit or the account of the Guarantor against any and all of the obligations of the Guarantor now or hereafter existing irrespective of whether or not (i) the Secured Creditor has made any demand under this Guarantee, or (ii) any of the obligations comprising the Obligations are contingent or unmatured. The rights

of the Secured Creditor under this Section 3.14 are in addition and without prejudice to and supplemental to other rights and remedies which the Secured Creditor may have.

Section 3.15 Interest Act (Canada).

The Guarantor acknowledges that certain of the rates of interest applicable to the Obligations may be computed on the basis of a year of 360 days or 365 days, as the case may be and paid for the actual number of days elapsed. For purposes of the *Interest Act* (Canada), whenever any interest is calculated using a rate based on a year of 360 days or 365 days, as the case may be, such rate determined pursuant to such calculation, when expressed as an annual rate is equivalent to (i) the applicable rate based on a year of 360 days or 365 days, as the case may be, (ii) multiplied by the actual number of days in the calendar year in which the period for such interest is payable (or compounded) ends, and (iii) divided by 360 or 365, as the case may be.

Section 3.16 Taxes.

- (1) All payments to the Secured Creditor by the Guarantor under this Guarantee or under any of the Guarantor Security Documents will be made free and clear of, and without deduction or withholding for, any and all Taxes, unless such Taxes are required by applicable law to be deducted or withheld. If the Guarantor is required by applicable law to deduct or withhold any such Taxes from or in respect of any amount payable under this Guarantee or under any of the Guarantor Security Documents (i) the amount payable shall be increased (and for greater certainty, in the case of interest, the amount of interest shall be increased) as may be necessary so that after making all required deductions or withholdings (including deductions or withholdings applicable to any additional amounts paid under this Section 3.16), the Secured Creditor receives an amount equal to the amount it would have received if no such deduction or withholding had been made, (ii) the Guarantor will make such deductions or withholdings, and (iii) the Guarantor will immediately pay the full amount deducted or withheld to the relevant Governmental Entity in accordance with applicable law.
- (2) The Guarantor agrees to immediately pay any Other Taxes.
- (3) The Guarantor will indemnify the Secured Creditor for the full amount of Taxes and Other Taxes (including, without limitation, any Taxes or Other Taxes imposed by any jurisdiction on amounts payable by the Guarantor under this Section 3.16) paid by the Secured Creditor and any liability (including penalties, interest and expenses) arising from or with respect to such Taxes and Other Taxes, whether or not they were correctly or legally asserted. Payment under this indemnification will be made within 30 days from the date the Secured Creditor makes written demand for it. A certificate as to the amount of such Taxes and Other Taxes submitted to the Guarantor by the Secured Creditor is conclusive evidence, absent manifest error, of the amount due from the Guarantor to the Secured Creditor.
- (4) The Guarantor will furnish to the Secured Creditor the original or a certified copy of a receipt evidencing payment of any Taxes or Other Taxes made by the Guarantor within 30 days after the date of any payment of such Taxes or Other Taxes.
- (5) The provisions of this Section 3.16 survive the termination of this Guarantee.

Section 3.17 Judgment Currency.

- (1) If for the purposes of obtaining judgment in any court it is necessary to convert all or any part of the Obligations or any other amount due to the Secured Creditor in respect of the Guarantor's obligations under this Guarantee in any currency (the

“Original Currency”) into another currency (the “Other Currency”), the Guarantor, to the fullest extent that it may effectively do so, agrees that the rate of exchange used shall be that at which, in accordance with normal banking procedures, the Secured Creditor could purchase the Original Currency with the Other Currency on the Business Day preceding that on which final judgment is paid or satisfied.

- (2) The obligations of the Guarantor in respect of any sum due in the Original Currency from it to the Secured Creditor shall, notwithstanding any judgment in any Other Currency, be discharged only to the extent that on the Business Day following receipt by the Secured Creditor, of any sum adjudged to be so due in such Other Currency the Secured Creditor may, in accordance with its normal banking procedures, purchase the Original Currency with such Other Currency. If the amount of the Original Currency so purchased is less than the sum originally due to the Secured Creditor in the Original Currency, the Guarantor agrees, as a separate obligation and notwithstanding any such judgment, to indemnify the Secured Creditor against such loss, and if the amount of the Original Currency so purchased exceeds the sum originally due to the Secured Creditor in the Original Currency, the Secured Creditor agrees to remit such excess to the Guarantor.

ARTICLE 4 REPRESENTATIONS AND WARRANTIES

Section 4.1 General.

The Guarantor represents and warrants, acknowledging and confirming that the Secured Creditor is relying on such representations and warranties, that:

- (a) **Creation, Existence, Power and Capacity.** The Guarantor is a valid and subsisting company under the laws of its jurisdiction of existence and has all necessary power and capacity to own its properties and assets and carry on its business and to enter into and perform its obligations under this Guarantee.
- (b) **Valid Authorization and Enforceability.** The Guarantor has taken all necessary action to authorize the execution and delivery of, and performance of its obligations under, this Guarantee and this Guarantee has been duly executed and delivered. This Guarantee constitutes legal, valid and binding obligations of the Guarantor enforceable against it in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors rights generally and the discretion exercisable by courts of competent jurisdiction in respect of the availability of equitable remedies and general equitable principles.
- (c) **Non-Conflict.** The execution or delivery by the Guarantor of, and the performance of its obligations under, this Guarantee: (i) does not and will not require any shareholder consent or approval which has not been obtained, (ii) does not and will not violate, breach or conflict with or constitute a default under any provision of its constating documents or any applicable law and (iii) does not and will not violate, contravene, breach or constitute a default under any material agreement or undertaking to which it is a party or by which it or any of its properties is bound or affected.

ARTICLE 5 GENERAL

Section 5.1 Notices, etc.

Any notice, direction or other communication (each a "Notice") given regarding the matters contemplated by this Guarantee must be in writing, sent by personal delivery, courier or facsimile (but not by electronic mail) and addressed:

- (a) to the Guarantor at:

Suite 800, 555 – 4th Avenue S.W.
Calgary, Alberta T2P 3E7

Attention: Wes Siemens, President
E-mail:

- (b) to the Secured Creditor at:

Apex Opportunities Fund Ltd.
900 – 885 West Georgia St.
Vancouver, BC V6C 3H1

Attention: Sean Charland, Chief Executive Officer
Telephone: scharland@zimtu.com

A Notice is deemed to be delivered and received (i) if sent by personal delivery, 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, (ii) if sent by same-day service courier, on the date of delivery if sent on a Business Day and delivery was made prior to 4:00 p.m. (local time in place of receipt) and otherwise on the next Business Day, or (iii) if sent by overnight courier, 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.

Section 5.2 No Merger, Survival of Representations and Warranties.

The representations, warranties and covenants of the Guarantor in this Guarantee survive the execution and delivery of this Guarantee and each Advance under the Funding Agreement. Notwithstanding any investigation made by or on behalf of the Secured Creditor, the representations, warranties and covenants in this Guarantee continue in full force and effect.

Section 5.3 Further Assurances.

- (1) The Guarantor will do all acts and things and execute and deliver, or cause to be executed and delivered, all documents and instruments that the Secured Creditor may reasonably request to give full effect to this Guarantee and to perfect and preserve the rights and powers of the Secured Creditor under this Guarantee, including any acknowledgements and confirmations of this Guarantee and the Guarantor Security Documents.
- (2) The Guarantor acknowledges and confirms that the Guarantor itself has established its own adequate means of obtaining from the Company on a continuing basis all information desired by the Guarantor concerning the financial condition of the

Company and that the Guarantor will look to the Company and not to the Secured Creditor, in order for the Guarantor to keep adequately informed of changes in the Company' financial condition.

Section 5.4 Successors and Assigns.

This Guarantee is binding upon the Guarantor, its successors and assigns, and enures to the benefit of the Secured Creditor and its successors and assigns. Subject to the provisions of the Funding Agreement, this Guarantee may be assigned by the Secured Creditor without the consent of, or notice to, the Guarantor, to such Person as the Secured Creditor may determine and, in such event, such Person will be entitled to all of the rights and remedies of the Secured Creditor as set forth in this Guarantee or otherwise. In any action brought by an assignee to enforce any such right or remedy, the Guarantor will not assert against the assignee any claim or defence which the Guarantor now has or may have against the Secured Creditor. The Guarantor may not assign, transfer or delegate any of its rights or obligations under this Guarantee without the prior written consent of the Secured Creditor which may be unreasonably withheld.

Section 5.5 Amendment.

This Guarantee may only be amended, supplemented or otherwise modified by written agreement executed by the Secured Creditor and the Guarantor.

Section 5.6 Waivers, etc.

- (1) No consent or waiver by the Secured Creditor in respect of this Guarantee is binding unless made in writing and signed by an authorized officer of the Secured Creditor. Any consent or waiver given under this Guarantee is effective only in the specific instance and for the specific purpose for which given. No waiver of any of the provisions of this Guarantee constitutes a waiver of any other provision.
- (2) A failure or delay on the part of the Secured Creditor in exercising a right under this Guarantee does not operate as a waiver of, or impair, any right of the Secured Creditor however arising. A single or partial exercise of a right on the part of the Secured Creditor does not preclude any other or further exercise of that right or the exercise of any other right by the Secured Creditor.

Section 5.7 Severability.

If any court of competent jurisdiction from which no appeal exists or is taken, determines that any provision of this Guarantee is illegal, invalid or unenforceable, that provision will be severed from this Guarantee and the remaining provisions will remain in full force and effect.

Section 5.8 Application of Proceeds.

All monies collected by the Secured Creditor under this Guarantee will be applied as provided in the Funding Agreement. To the extent any other Credit Document requires proceeds of collateral under such Credit Document to be applied in accordance with the provisions of this Guarantee, the Secured Creditor or holder under such other Credit Document shall apply such proceeds in accordance with this Section 5.8.

Section 5.9 Governing Law.

- (1) This Guarantee will be governed by, interpreted and enforced in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

- (2) The Guarantor irrevocably attorns and submits to the exclusive jurisdiction of any court of competent jurisdiction of the Province of British Columbia sitting in Vancouver in any action or proceeding arising out of or relating to this Guarantee and the other Credit Documents to which it is a party. The Guarantor irrevocably waives objection to the venue of any action or proceeding in such court or that such court provides an inconvenient forum. Nothing in this Section 5.9 limits the right of the Secured Creditor to bring proceedings against the Guarantor in the courts of any other jurisdiction.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF the Guarantor has executed this Guarantee as of the date first written above.

KADEN ENERGY LTD.

By:  Signed by:
BABB16328FB247B...

Authorized Signing Officer

[Kaden Guarantee (Apex)]

This is **Exhibit "G"** referred to in the Affidavit
of Sean Charland sworn before me this 4th
day of February, 2015.



Notary Public and Commissioner of Oaths
in and for the Province of British Columbia

MICHAEL N. HANUMAN
BARRISTER & SOLICITOR
700 WEST GEORGIA STREET
SUITE 2200
VANCOUVER, B.C. V7Y 1K8
(604) 687-2242

EXECUTION VERSION**GENERAL SECURITY AGREEMENT**

THIS AGREEMENT is made as of November 15, 2024

BETWEEN:

BETA ENERGY CORP., a company incorporated under the laws of British Columbia, with an address of Suite 1450 – 789 W. Pender St., Vancouver, BC V6C 1H2

(the “**Parent**”)

AND:

KADEN ENERGY LTD., a company incorporated under the laws of Alberta, with an address of Suite 800, 555 – 4th Avenue S.W., Calgary, Alberta T2P 3E7

(“**Kaden**” and, together with the Parent, the “**Obligors**”)

AND:

APEX OPPORTUNITIES FUND LTD., a company incorporated under the laws of British Columbia, with an address of 900 – 885 West Georgia St., Vancouver, BC V6C 3H1

(the “**Secured Creditor**”)

WHEREAS:

- A. the Secured Creditor has agreed to invest up to C\$12,000,000 in the Company, and the Company has agreed to issue Convertible Notes (as defined herein) to the Secured Creditor in accordance with the terms of a convertible note funding agreement dated August 23, 2024 (the “**Funding Agreement**”) between the Company and the Secured Creditor;
- B. Kaden has guaranteed the obligations of Parent under the Funding Agreement pursuant to a guarantee dated on or around the date hereof (the “**Guarantee**”); and
- C. it is a condition precedent to the extension of credit under the provisions of the Funding Agreement that each Obligor execute and deliver this Agreement.

NOW THEREFORE in consideration of the mutual covenants, conditions and premises herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each of the parties, the parties do hereby covenant and agree as follows:

**ARTICLE 1
INTERPRETATION****Section 1.1 Defined Terms.**

As used in this Agreement, the following terms have the following meanings:

“**Agreement**” means this general security agreement.

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“**Collateral**” has the meaning specified in Section 2.1.

“**Funding Agreement**” has the meaning given to that term in the recitals hereto.

“**Credit Documents**” means the Funding Agreement, the Convertible Note, the Security Documents and any other guarantees, pledges and security documents from time to time delivered in connection therewith.

“**Expenses**” has the meaning specified in Section 2.2(b).

“**Instruments**” means bills, notes and cheques (as such are defined pursuant to the *Bills of Exchange Act* (Canada)), and all other writings that evidence a right to the payment of money and are of a type that in the ordinary course of business are transferred by delivery without any necessary endorsement or assignment.

“**Guarantee**” has the meaning given to that term in the recitals hereto.

“**Restricted Asset**” has the meaning specified in Section 2.4(1).

“**Secured Creditor**” has the meaning given to that term in the recitals hereto.

“**Secured Obligations**” has the meaning specified in Section 2.2(a).

“**Securities**” means any “security” as defined in the STA.

“**Security Documents**” means all security documents (including without limitation this Agreement and the Guarantee) from time to time delivered in connection with the Funding Agreement.

“**Security Interest**” has the meaning specified in Section 2.2.

“**ULC**” means an unlimited company, an unlimited liability company or an unlimited liability corporation incorporated pursuant to or otherwise governed by the laws of any of the provinces of Canada.

“**ULC Shares**” means shares at any time owned or otherwise held by any Obligor in any ULC.

Section 1.2 Interpretation.

- (1) Capitalized terms used in this Agreement but not otherwise defined have the meanings given to such terms in the Funding Agreement.
- (2) Terms defined in the *Personal Property Security Act* (British Columbia) (“**PPSA**”) or the regulations thereunder, or the *Securities Transfer Act* (British Columbia) (“**STA**”), and used but not otherwise defined in this Agreement have the meanings given to such terms in the PPSA or the STA, as applicable.
- (3) Any reference in any Credit Document to Liens permitted by the Funding Agreement or Guarantees and any right of any Obligor to create or suffer to exist Liens permitted by the Funding Agreement or Guarantees are not intended to and do not and will not

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subordinate the Security Interest to any such Lien or give priority to any Person over the Secured Creditor.

- (4) In this Agreement the words "including", "includes" and "include" mean "including (or includes or include) without limitation". The expressions "Article", "Section" and other subdivision followed by a number mean and refer to the specified Article, Section or other subdivision of this Agreement.
- (5) Any reference in this Agreement to gender includes all genders. Words importing the singular number include the plural and vice versa.
- (6) The division of this Agreement into Articles, Sections and other subdivisions and the insertion of headings are for convenient reference only and do not affect its interpretation.
- (7) Any schedules attached to this Agreement form an integral part of it for all purposes.
- (8) Except as otherwise provided in this Agreement, any reference to this Agreement, any Credit Document or any Security Document refers to this Agreement or such Credit Document or Security Document as the same may have been or may from time to time be amended, modified, extended, renewed, restated, replaced or supplemented and includes all schedules attached to it.
- (9) Except as otherwise provided in this Agreement, any reference in this Agreement to a statute refers to such statute and all rules and regulations made under it as the same may have been or may from time to time be amended or re-enacted.
- (10) Except as otherwise provided in this Agreement, any reference to a corporation includes its successors.

ARTICLE 2 SECURITY

Section 2.1 Grant of Security.

Subject to Section 2.4, each Obligor grants to the Secured Creditor a security interest in, and assigns, mortgages, charges, hypothecates and pledges to the Secured Creditor, all of its personal property and undertaking now owned or hereafter acquired and all of the personal property in which it now has or hereafter acquires any interest (collectively, the "**Collateral**"), including all of its present and after-acquired personal property, including all its present and after-acquired goods (including equipment and inventory), intangibles (including accounts, contract rights and intellectual property), investment property (including Securities), instruments, documents of title, chattel paper and money.

Section 2.2 Secured Obligations.

The security interest, assignment, mortgage, charge (fixed and floating), hypothecation and pledge granted by this Agreement (collectively, the "**Security Interest**") secures the payment and performance by each Obligor of:

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- (a) all debts, liabilities and obligations, present or future, direct or indirect, absolute or contingent, matured or unmatured, at any time or from time to time due and accruing or due and owing by or otherwise payable by such Obligor to the Secured Creditor, in any currency, under, in connection with or pursuant to the Funding Agreement or any other Credit Document to which any Obligor is a party (collectively, and together with the Expenses, the "**Secured Obligations**"); and
- (b) all reasonable expenses, costs and charges incurred by or on behalf of the Secured Creditor in connection with enforcing this Agreement, the Security Interest or the Collateral, including all reasonable legal fees, court costs, receiver's or agent's remuneration and other reasonable expenses of taking possession of, repairing, protecting, insuring, preparing for disposition, realizing, collecting, selling, transferring, delivering or obtaining payment for the Collateral, and of taking, defending or participating in any action or proceeding in connection with any of the foregoing matters or otherwise in connection with the Secured Creditor's interest in any Collateral (collectively, the "**Expenses**").

Section 2.3 Attachment and Perfection.

- (1) Each Obligor acknowledges that (i) value has been given, (ii) it has rights in the applicable Collateral or the power to transfer rights in the applicable Collateral to the Secured Creditor (other than after-acquired Collateral), (iii) it has not agreed to postpone the time of attachment of the Security Interest, and (iv) it has received a copy of this Agreement.
- (2) At the request of the Secured Creditor, each Obligor will take all action that the Secured Creditor deems necessary to cause the Secured Creditor to have "control" (as defined in the STA) over any Securities or other investment property that are now or at any time become Collateral, including (i) causing the Collateral to be transferred to or registered in the name of the Secured Creditor or its nominee or otherwise as the Secured Creditor may direct, (ii) endorsing any certificated Securities that are Collateral to the Secured Creditor or in blank by an effective endorsement, (iii) delivering the Collateral to the Secured Creditor or someone on its behalf as the Secured Creditor may direct, (iv) delivering to the Secured Creditor any and all consents or other documents or agreements which may be necessary to effect the transfer of any Collateral to the Secured Creditor or any third party and (v) entering into control agreements with the Secured Creditor and the applicable securities intermediary or issuer in respect of any Collateral in form and substance satisfactory to the Secured Creditor.
- (3) At the request of the Secured Creditor, each Obligor will (i) deliver to and deposit with the Secured Creditor any promissory note or other instruments that are Collateral evidencing any amount payable in excess of \$200,000 or evidencing any rights to goods having a value in excess of \$200,000, (ii) cause the transfer of any such instruments to the Secured Creditor to be registered wherever such registration may be required or advisable in the opinion of the Secured Creditor, (iii) endorse any such instruments to the Secured Creditor or in blank or register them in the name of the Secured Creditor or its nominee or otherwise as the Secured Creditor may direct and (iv) deliver to the Secured Creditor any and all consents or other documents that

may be necessary to effect the transfer of any such instruments to the Secured Creditor or any third party.

Section 2.4 Scope of Security Interest.

- (1) To the extent that (but only for so long as) the grant of an assignment of or a security interest in, or an assignment of amounts payable and other proceeds arising under or in connection with, (i) any agreement, contractual right, franchise, lease, licence, permit or quota of an Obligor would result in a breach or termination of such agreement, contractual right, franchise, lease, licence, permit or quota, or (ii) any Securities of an Obligor would result in such Obligor being in breach of any shareholders agreement or similar agreement relating to such Security (each, a "**Restricted Asset**"), the Security Interest will not extend to, and the Collateral will not include, such Restricted Asset, but such Obligor will instead hold its interest in such Restricted Asset in a trust created in favour of the Secured Creditor, pursuant to which the Obligor holds as trustee all proceeds arising under or in connection with such Restricted Asset in trust for the Secured Creditor on the following basis:
 - (a) subject to the Funding Agreement, unless the Security Interest has become and continues to be enforceable each Obligor is entitled to receive all such proceeds; and
 - (b) whenever the Security Interest has become and continues to be enforceable, (i) all rights of an Obligor to receive such proceeds cease and all such proceeds will be immediately paid over to the Secured Creditor, and (ii) each Obligor will take all actions requested by the Secured Creditor to collect and enforce payment and other rights arising under such Restricted Asset;

and pursuant to which such Obligor will not be permitted to amend, terminate or dispose of its interest in the Restricted Asset (including by way of Lien) except as the Secured Creditor may direct in writing; *provided that*, at any time when the Security Interest has become and continues to be enforceable, the Secured Creditor may, by notice in writing to such Obligor, elect that this Section 2.4 shall no longer apply with respect to some or all of the Restricted Assets.

- (2) The Security Interest with respect to trademarks constitutes a security interest in, and a charge, hypothecation and pledge of, such Collateral in favour of the Secured Creditor, but does not constitute an assignment or mortgage of such Collateral to the Secured Creditor.
- (3) The Security Interest does not extend to consumer goods or the last day of any lease.

Section 2.5 Care and Custody of Collateral.

- (1) The Secured Creditor has no obligation to keep fungible Collateral in its possession identifiable.
- (2) Without limiting any other rights or remedies under this Agreement, the Secured Creditor may, at any time when the Security Interest has become and continues to be enforceable, (i) notify any Person obligated on an instrument, security, account, chattel paper or other monetary obligation to make payments to the Secured

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Creditor, whether or not an Obligor was previously making collections on such instrument, security, account, chattel paper or other monetary obligation, and (ii) assume control of any proceeds arising from the Collateral.

- (3) The Secured Creditor has no obligation to collect dividends, distributions or interest payable on, or exercise any option or right in connection with, any Collateral. The Secured Creditor has no obligation to protect or preserve any Collateral from depreciating in value or becoming worthless and is released from all responsibility for any loss of value, whether such Collateral is in the possession of, is a security entitlement of, or is subject to the control of, the Secured Creditor, a securities intermediary, an Obligor or any other Person. In the physical keeping of any Collateral, the Secured Creditor is only obliged to exercise the same degree of care as it would exercise with respect to its own property kept at the same place.
- (4) The Secured Creditor may, at any time when the Security Interest has become and continues to be enforceable, sell, transfer, use or otherwise deal with any investment property included in the Collateral over which the Secured Creditor has control, on such conditions and in such manner as the Secured Creditor in its sole discretion may determine.

Section 2.6 Rights of the Obligors.

- (1) Unless the Security Interest has become and continues to be enforceable, each Obligor is entitled to vote the Securities and other financial assets that are part of the Collateral and to receive all dividends and distributions on such Securities and financial assets. If the Security Interest has become and continues to be enforceable, all rights of each Obligor to vote (under any proxy given by the Secured Creditor (or its nominee) or otherwise) or to receive distributions or dividends cease and all such rights become vested solely and absolutely in the Secured Creditor.
- (2) Any distributions or dividends received by an Obligor contrary to Section 2.6(1) or any other moneys or property received by each Obligor after the Security Interest has become and continues to be enforceable will be received as trustee for the Secured Creditor and shall be immediately paid over to the Secured Creditor.

Section 2.7 Expenses.

Each Obligor is liable for and will pay on demand by the Secured Creditor any and all Expenses.

ARTICLE 3 ENFORCEMENT

Section 3.1 Enforcement.

The Security Interest will become enforceable upon the occurrence and during the continuation of any Event of Default (and, for greater certainty, it is acknowledged that the Security Interest attaches as of the date of this Agreement with respect to all of the Collateral in which each Obligor currently has rights).

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Section 3.2 Remedies.

Whenever the Security Interest has become and continues to be enforceable, the Secured Creditor may realize upon the Collateral and enforce the rights of the Secured Creditor by:

- (a) entry onto any premises where Collateral consisting of tangible personal property may be located;
- (b) entry into possession of the Collateral by any method permitted by law;
- (c) sale, grant of options to purchase, or lease of all or any part of the Collateral;
- (d) holding, storing and keeping idle or operating all or any part of the Collateral;
- (e) exercising and enforcing all rights and remedies of a holder of the Collateral as if the Secured Creditor were the absolute owner thereof (including, if necessary, causing the Collateral to be registered in the name of the Secured Creditor or its nominee if not already done);
- (f) collection of any proceeds arising in respect of the Collateral;
- (g) collection, realization or sale of, or other dealing with, accounts or other monetary obligations of any third party to any Obligor;
- (h) license or sublicense, whether on an exclusive or nonexclusive basis, of any intellectual property for such term and on such conditions and in such manner as the Secured Creditor in its sole judgment determines (taking into account such provisions as may be necessary to protect and preserve such intellectual property);
- (i) instruction or order to any issuer or securities intermediary pursuant to any control the Secured Creditor has over the Collateral;
- (j) instruction to any bank to transfer all moneys constituting Collateral held by such bank to an account maintained with or by the Secured Creditor;
- (k) application of any moneys constituting Collateral or proceeds thereof in accordance with Section 5.11;
- (l) appointment by instrument in writing of a receiver (which term as used in this Agreement includes a receiver and manager) or agent of all or any part of the Collateral and removal or replacement from time to time of any receiver or agent;
- (m) institution of proceedings in any court of competent jurisdiction for the appointment of a receiver of all or any part of the Collateral;
- (n) institution of proceedings in any court of competent jurisdiction for sale or foreclosure of all or any part of the Collateral;

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- (o) filing of proofs of claim and other documents to establish claims to the Collateral in any proceeding relating to an Obligor; and
- (p) any other remedy or proceeding authorized or permitted under the PPSA or otherwise by law or equity.

Section 3.3 Additional Rights.

In addition to the remedies set forth in Section 3.2 and elsewhere in this Agreement, whenever the Security Interest has become and continues to be enforceable, the Secured Creditor may:

- (a) require an Obligor, at such Obligor's expense, to assemble the Collateral to the extent reasonably practicable at a place or places designated by notice in writing and each Obligor agrees to so assemble the Collateral immediately upon receipt of such notice;
- (b) require an Obligor, by notice in writing, to disclose to the Secured Creditor the location or locations of the Collateral and each Obligor agrees to promptly make such disclosure when so required;
- (c) repair, process, modify, complete or otherwise deal with the Collateral and prepare for the disposition of the Collateral, whether on the premises of an Obligor or otherwise;
- (d) redeem any prior security interest against any Collateral, procure the transfer of such security interest to itself, or settle and pass the accounts of the prior mortgagee, chargee or Lien-holder (any accounts to be conclusive and binding on each Obligor);
- (e) pay any liability secured by any Lien against any Collateral (the Obligor will immediately on demand reimburse the Secured Creditor for all such payments);
- (f) carry on all or any part of the business of an Obligor and, to the exclusion of all others including each Obligor, enter upon, occupy and use all or any of the premises, buildings, and other property of or used by an Obligor for such time as the Secured Creditor sees fit, free of charge, and the Secured Creditor is not liable to any Obligor for any act, omission or negligence (other than their own gross negligence or wilful misconduct) in so doing or for any rent, charges, depreciation or damages incurred in connection with or resulting from such action;
- (g) borrow for the purpose of carrying on the business of the Obligor or for the maintenance, preservation or protection of the Collateral and grant a security interest in the Collateral, whether or not in priority to the Security Interest, to secure repayment;
- (h) commence, continue or defend any judicial or administrative proceedings for the purpose of protecting, seizing, collecting, realizing or obtaining possession or payment of the Collateral, and give good and valid receipts

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and discharges in respect of the Collateral and compromise or give time for the payment or performance of all or any part of the accounts or other monetary obligations of any third party to any Obligor; and

- (i) at any public sale, and to the extent permitted by law on any private sale, bid for and purchase any or all of the Collateral offered for sale and upon compliance with the terms of such sale, hold, retain and dispose of such Collateral without any further accountability to any Obligor or any other Person with respect to such holding, retention or disposition, except as required by law. In any such sale to the Secured Creditor, the Secured Creditor may, for the purpose of making payment for all or any part of the Collateral so purchased, use any claim for Secured Obligations then due and payable to it as a credit against the purchase price.

Section 3.4 Exercise of Remedies.

The remedies under Section 3.2 and Section 3.3 may be exercised from time to time separately or in combination and are in addition to, and not in substitution for, any other rights of the Secured Creditor however arising or created. The Secured Creditor is not bound to exercise any right or remedy, and the exercise of rights and remedies is without prejudice to the rights of the Secured Creditor in respect of the Secured Obligations including the right to claim for any deficiency.

Section 3.5 Receiver's Powers.

- (1) Any receiver appointed by the Secured Creditor is vested with the rights and remedies which could have been exercised by the Secured Creditor in respect of an Obligor or the Collateral and such other powers and discretions as are granted in the instrument of appointment and any supplemental instruments. The identity of the receiver, its replacement and its remuneration are within the sole and unfettered discretion of the Secured Creditor.
- (2) Any receiver appointed by the Secured Creditor will act as agent for the Secured Creditor for the purposes of taking possession of the Collateral, but otherwise and for all other purposes (except as provided below), as agent for each Obligor. The receiver may sell, lease, or otherwise dispose of Collateral as agent for each Obligor or as agent for the Secured Creditor as the Secured Creditor may determine in its discretion. Each Obligor agrees to ratify and confirm all actions of the receiver acting as agent for such Obligor, and to release and indemnify the receiver in respect of all such actions.
- (3) The Secured Creditor, in appointing or refraining from appointing any receiver, does not incur liability to the receiver, any Obligor or otherwise and is not responsible for any wilful misconduct or negligence of such receiver.

Section 3.6 Appointment of Attorney.

Each Obligor hereby irrevocably constitutes and appoints the Secured Creditor (and any officer of the Secured Creditor), at any time and from time to time that the Security Interest has become and continues to be enforceable, the true and lawful attorney of such Obligor. As the attorney of each Obligor, the Secured Creditor will have the power to exercise for and in the name of such Obligor with full power of substitution, whenever the Security Interest has become and continues to be enforceable, any of such Obligor's right

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(including the right of disposal), title and interest in and to the Collateral including the execution, endorsement, delivery and transfer of the Collateral to the Secured Creditor, its nominees or transferees, and the Secured Creditor and its nominees or transferees are hereby empowered to exercise all rights and powers and to perform all acts of ownership with respect to the Collateral to the same extent as such Obligor might do. This power of attorney is irrevocable, is coupled with an interest, has been given for valuable consideration (the receipt and adequacy of which is acknowledged) and survives, and does not terminate upon, the bankruptcy, dissolution, winding up or insolvency of any Obligor. For greater clarity, this power of attorney will terminate and be of no further force or effect immediately upon full payment and performance of the Secured Obligations. This power of attorney extends to and is binding upon each Obligor's successors and permitted assigns. Each Obligor authorizes the Secured Creditor to delegate in writing to another Person any power and authority of the Secured Creditor under this power of attorney as may be necessary or desirable in the opinion of the Secured Creditor, and to revoke or suspend such delegation.

Section 3.7 Dealing with the Collateral.

- (1) The Secured Creditor is not obliged to exhaust its recourse against any Obligor or any other Person or against any other security it may hold in respect of the Secured Obligations before realizing upon or otherwise dealing with the Collateral in such manner as the Secured Creditor may consider desirable.
- (2) The Secured Creditor may grant extensions or other indulgences, take and give up securities (which term, as used in this section, has its general legal meaning and includes, without limitation, guarantees and Liens), accept compositions, grant releases and discharges and otherwise deal with any Obligor and with other Persons, sureties or securities as it may see fit without prejudice to the Secured Obligations, the liability of any Obligor or the rights of the Secured Creditor in respect of the Collateral.
- (3) Except as otherwise provided by law or this Agreement, the Secured Creditor is not (i) liable or accountable for any failure to collect, realize or obtain payment in respect of the Collateral, (ii) bound to institute proceedings for the purpose of collecting, enforcing, realizing or obtaining payment of the Collateral or for the purpose of preserving any rights of any Persons in respect of the Collateral, (iii) responsible for any loss occasioned by any sale or other dealing with the Collateral or by the retention of or failure to sell or otherwise deal with the Collateral, or (iv) bound to protect the Collateral from depreciating in value or becoming worthless.
- (4) Following the occurrence of the Discharge Events (as defined herein), the Secured Creditor will, at the written request of the Obligor, promptly redeliver the pledged Securities to the Obligor.

Section 3.8 Standards of Sale.

Without prejudice to the ability of the Secured Creditor to dispose of the Collateral in any manner which is commercially reasonable, each Obligor acknowledges that:

- (a) the Collateral may be disposed of in whole or in part;
- (b) the Collateral may be disposed of by public auction, public tender or private contract, with or without advertising and without any other formality;

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- (c) any assignee of such Collateral may be the Secured Creditor or a customer of any such Person;
- (d) any sale conducted by the Secured Creditor will be at such time and place, on such notice and in accordance with such procedures as the Secured Creditor, in its sole discretion, may deem advantageous;
- (e) the Collateral may be disposed of in any manner and on any terms necessary to avoid violation of applicable law (including compliance with such procedures as may restrict the number of prospective bidders and purchasers, require that the prospective bidders and purchasers have certain qualifications, and restrict the prospective bidders and purchasers to Persons who will represent and agree that they are purchasing for their own account for investment and not with a view to the distribution or resale of the Collateral) or in order to obtain any required approval of the disposition (or of the resulting purchase) by any governmental or regulatory authority or official;
- (f) a disposition of the Collateral may be on such terms and conditions as to credit or otherwise as the Secured Creditor, in its sole discretion, may deem advantageous; and
- (g) the Secured Creditor may establish an upset or reserve bid or price in respect of the Collateral.

Section 3.9 Dealings by Third Parties.

- (1) No Person dealing with the Secured Creditor or its agent or a receiver appointed by the Secured Creditor is required to determine (i) whether the Security Interest has become or continues to be enforceable, (ii) whether the powers which such Person is purporting to exercise have become exercisable, (iii) whether any money remains due to the Secured Creditor by an Obligor, (iv) the necessity or expediency of the stipulations and conditions subject to which any sale or lease is made, (v) the propriety or regularity of any sale or other dealing by the Secured Creditor with the Collateral, or (vi) how any money paid to the Secured Creditor has been applied.
- (2) Any *bona fide* purchaser of all or any part of the Collateral from the Secured Creditor, any receiver or any of their respective agents will hold the Collateral absolutely, free from any claim or right of whatever kind, including any equity of redemption, of an Obligor, which it specifically waives (to the fullest extent permitted by law) as against any such purchaser together with all rights of redemption, stay or appraisal which such Obligor has or may have under any rule of law or statute now existing or hereafter adopted.

Section 3.10 ULC Shares.

- (1) Notwithstanding anything else contained in this Agreement or any other document or agreement among all or some of the parties hereto, the relevant Obligor is the sole registered and beneficial owner of all Collateral that is ULC Shares and will remain so until such time as such ULC Shares are effectively transferred into the name of the Secured Creditor, any nominee of the Secured Creditor or any other Person on the books and records of such ULC. Accordingly, the Obligor shall be entitled to receive and retain for its own account any dividend on or other distribution, if any, in

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respect of ULC Shares that are Collateral and shall have the right to vote such ULC Shares and to control the direction, management and policies of any ULC to the same extent as the Obligor would if such ULC Shares were not pledged to the Secured Creditor, for the benefit of the Secured Creditor, pursuant hereto. Nothing in this Agreement or any other document or agreement among all or some of the parties hereto is intended to, and nothing in this Agreement or any other document or agreement among all or some of the parties hereto shall, constitute the Secured Creditor or any Person other than the Obligor, a member of any ULC for the purposes of the *Companies Act* (Nova Scotia), the *Business Corporations Act* (British Columbia), the *Business Corporations Act* (Alberta) or any other applicable legislation until such time as notice is given to the Obligor and all further steps are taken hereunder or thereunder so as to register the Secured Creditor or any nominee of the Secured Creditor, as specified in such notice, as the holder of shares of such ULC. To the extent any provision hereof would have the effect of constituting the Secured Creditor or any other Secured Creditor a member of a ULC prior to such time, such provision shall be severed herefrom and ineffective with respect to Collateral that is shares of such ULC without otherwise invalidating or rendering unenforceable this Agreement or invalidating or rendering unenforceable such provision insofar as it relates to Collateral that is not shares of such ULC.

- (2) Except upon the exercise of rights to sell or otherwise dispose of or other remedies in respect of Collateral that is ULC Shares at any time when the Security Interest has become and continues to be enforceable, the Obligor shall not cause or permit, or enable any ULC in which it holds ULC Shares that are Collateral to cause or permit, the Secured Creditor to: (a) be registered as a shareholder or member of a ULC; (b) have any notation entered in its favour in the share register of a ULC; (c) be held out as a shareholder or member of a ULC; (d) receive, directly or indirectly, any dividends, property or other distributions from a ULC by reason of the Secured Creditor holding a security interest in a ULC or ULC Shares; or (e) act as a shareholder or member of a ULC, or exercise any rights of a shareholder or member including the right to attend a meeting of, or to vote the shares of, a ULC.

ARTICLE 4 REPRESENTATIONS, WARRANTIES AND COVENANTS

Section 4.1 General.

Each Obligor represents and warrants and covenants and agrees, acknowledging and confirming that the Secured Creditor is relying on such representations, warranties, covenants and agreements, that:

- (a) **Creation, Existence, Power and Capacity.** The Obligor is a valid and subsisting company under the laws of its jurisdiction of existence and has all necessary power and capacity to own its properties and assets and carry on its business and to enter into and perform its obligations under the Credit Documents to which it is party.
- (b) **Valid Authorization and Enforceability.** The Obligor has taken all necessary action to authorize the execution and delivery of, and performance of its obligations under, all Credit Documents to which it is party and each of

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the Credit Documents to which it is a party have been duly executed and delivered. Each of the Credit Documents to which the Obligor is a party constitutes legal, valid and binding obligations of the Obligor enforceable against it in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors rights generally and the discretion exercisable by courts of competent jurisdiction in respect of the availability of equitable remedies and general equitable principles.

- (c) **Non-Conflict.** The execution or delivery by the Obligor of, and the performance of its obligations under, the Credit Documents to which it is a party: (i) does not and will not require any shareholder consent or approval which has not been obtained, (ii) does not and will not violate, breach or conflict with or constitute a default under any provision of its constating documents or any applicable law and (iii) does not and will not violate, contravene, breach or constitute a default under any material agreement or undertaking to which it is a party or by which it or any of its properties is bound or affected.
- (d) **Continuous Perfection.**
- (i) Schedule A sets out the jurisdiction in which such Obligor's place of business or, if more than one, such Obligor's registered office is located. The Obligor will not allow its registered office to be located in any other jurisdiction without providing at least 30 days' prior written notice to the Secured Creditor.
- (ii) Schedule A also sets out all jurisdictions in which Collateral is or may be located. The Obligor will not allow Collateral to be located in any other jurisdiction without providing at least 30 days' prior written notice to the Secured Creditor.
- (iii) Schedule A also sets out the Obligor's full legal name (including any French or combined English-French form). The Obligor will not at any time have, use, or carry on business under, any other name (including any French or combined English-French form) except upon giving 30 days' prior written notice to the Secured Creditor.
- (e) **Restriction on Disposition.** The Obligor will not sell, assign, convey, exchange, lease, release or abandon, or otherwise dispose of, any Collateral, except in the ordinary course of business.
- (f) **Negative Pledge.** The Obligor will not create or suffer to exist, any Lien on the Collateral, except for any Liens permitted by the Funding Agreement.
- (g) **Investment Property and Instruments.**

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- (i) Schedule B lists all Securities and Instruments owned or held by the Obligor, and all securities accounts of the Obligor, that are Collateral on the date of this Agreement. Schedule B sets out, for each class of Securities listed in the schedule, the percentage amount that such Securities represent of all issued and outstanding Securities of that class and whether the Securities are certificated securities or uncertificated securities.
- (ii) All Securities that are Collateral have been, where applicable, duly and validly issued and acquired and are fully paid and non-assessable.
- (iii) The Obligor has delivered to the Secured Creditor copies of all shareholder, partnership or trust agreements applicable to each issuer of such Securities and Instruments which are in the Obligor's possession, and the Obligor confirms that any interest in a partnership or limited liability company that now, or at any time, forms part of the Collateral is, and will be, a "security" for the purposes of the STA.
- (iv) No person has or will have any written or oral option, warrant, right, call, commitment, conversion right, right of exchange or other agreement or any right or privilege (whether by law, pre-emptive or contractual) capable of becoming an option, warrant, right, call, commitment, conversion right, right of exchange or other agreement to acquire any right or interest in any of the Securities that are Collateral.
- (v) The Instruments that are Collateral constitute, where applicable, the legal, valid and binding obligation of the Obligor under such Instruments, enforceable in accordance with their terms, subject only to any limitation under applicable laws relating to (i) bankruptcy, insolvency, fraudulent conveyance, arrangement, reorganization or creditors' rights generally, and (ii) the discretion that a court may exercise in the granting of equitable remedies.
- (vi) The pledge, assignment, delivery to and control by the Secured Creditor of the Collateral consisting of investment property pursuant to this Agreement creates a valid, first-ranking security interest (subject and subordinate only to Liens permitted by the Funding Agreement) in such Collateral and the proceeds of it. Such Collateral and the proceeds from it are not subject to any prior Lien or any agreement purporting to grant to any third party a Lien on or control of the property or assets of the Obligor which would include the Collateral, except for any Liens permitted by the Funding Agreement. The Secured Creditor is entitled to all of the rights, priorities and benefits afforded by the PPSA or other relevant personal property security legislation as enacted in any relevant jurisdiction to perfect security interests in respect of such Collateral.

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- (vii) The Obligor does not know of any claim to or interest in any Collateral consisting of investment property, including any adverse claims, except for any claims and interests set forth in Schedule B. If any Person asserts any Lien or adverse claim against any investment property that forms part of the Collateral, the Obligor will promptly notify the Secured Creditor.
 - (viii) The Obligor has not consented to, will not—except as required by law— consent to, has no knowledge of, and will not suffer to exist, any Person other than the Secured Creditor having “control” (as defined in the STA) with respect to any investment property included in the Collateral.
 - (ix) The Obligor will notify the Secured Creditor immediately upon becoming aware of any change in an “issuer’s jurisdiction” in respect of any uncertificated securities that are Collateral or any change in a “securities intermediary’s jurisdiction” in respect of any security entitlements, financial assets or securities accounts that are Collateral.
 - (x) The Obligor will not, after the date of this Agreement, establish and maintain any securities accounts with any securities intermediary unless (1) it gives the Secured Creditor 30 days’ prior written notice of its intention to establish such new securities account, (2) such securities intermediary is reasonably acceptable to the Secured Creditor, and (3) the securities intermediary and the Obligor (i) execute and deliver a control agreement with respect to such securities account that is in form and substance satisfactory to the Secured Creditor, or (ii) transfer the financial assets in such securities account into a securities account in the name of the Secured Creditor.
 - (xi) The Obligor will not have or acquire any ULC Shares without the prior written consent of the Secured Creditor (not to be unreasonably withheld).
- (h) **Additional Security Perfection and Protection of Security Interest.** The Obligor will grant to the Secured Creditor security interests, assignments, mortgages, charges, hypothecations and pledges in such Collateral that is not subject to a valid and perfected security interest (subject only to Liens permitted by the Funding Agreement) constituted by the Security Documents, in each relevant jurisdiction as determined by the Secured Creditor. The Obligor will perform all reasonable acts, execute and deliver all agreements, documents and instruments and take such other steps as are reasonably requested by the Secured Creditor at any time to assist the Secured Creditor to register, file, signify, publish, perfect, maintain, protect, and enforce the Security Interest including: (i) executing, recording and filing of financing or other statements, and paying all taxes, fees and other charges payable, (ii) placing notations on its books of account to disclose the Security Interest, (iii) delivering acknowledgements, confirmations and subordinations that may be necessary to ensure that the Security Documents constitute a valid and

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perfected security interest (subject only to Liens permitted by the Funding Agreement), (iv) executing and delivering any certificates, endorsements, instructions, agreements, documents and instruments that may be required under the STA and (v) delivering opinions of counsel in respect of matters contemplated by this paragraph. The documents and opinions contemplated by this paragraph must be in form and substance satisfactory to the Secured Creditor.

(i) **Insurance.** With respect to insurance:

- (i) the Obligor will keep all of the Collateral that is of an insurable nature insured in a manner as is customarily insured against for similar property, and such other risks as the Secured Creditor may reasonably require, and all such insurance will be with insurers acceptable to the Secured Creditor, and will show the Secured Creditor as a loss payee as its interest may appear;
- (ii) the Parent will maintain public liability insurance and directors' and officers' liability insurance in amounts and with insurers acceptable to the Secured Creditor and with the Secured Creditor shown as an additional insured;
- (iii) the Obligor assigns to the Secured Creditor the proceeds of all insurance required hereby and upon request will do everything necessary to enable the Secured Creditor to obtain the insurance proceeds, and if any such proceeds are or become payable the Secured Creditor may apply the same on account of the Secured Obligations, whether or not then due, and the Obligor waives any statutory right to request or require the insurance proceeds to be applied in any particular manner; and
- (iv) the Obligor will pay when due all premiums in connection with all insurance required hereby, and will provide to the Secured Creditor insurance certificates evidencing all such insurance and certified copies of the applicable policies, and will provide the Secured Creditor with evidence of renewal or replacement insurance at least 10 days before any policy expires or is terminated.

**ARTICLE 5
GENERAL**

Section 5.1 Notices.

Any notices, directions or other communications provided for in this Agreement must be in writing and given in accordance with the Funding Agreement or Guarantee, as applicable.

Section 5.2 Discharge.

Each Obligor will be entitled to require a discharge by notice (the "Discharge Notice") to the Secured Creditor upon, but only upon, (i) full and indefeasible payment and

performance of the Secured Obligations and (ii) the Secured Creditor having no obligations to extend credit under any Credit Document (collectively, the "**Discharge Events**"). Following the Discharge Events, and upon receipt of a Discharge Notice, the Secured Creditor will discharge the Security Interest and, at the request and expense of the Obligors, the Secured Creditor will execute and deliver to the applicable Obligors, on commercially reasonable timelines, such financing change statements and other documents or instruments as the applicable Obligors may reasonably require to discharge and release the Security Interest (or authorize such Obligors to register such financing change statements, other documents or instruments) and the Secured Creditor will redeliver to such Obligors, or as such Obligors may otherwise direct the Secured Creditor, any Collateral in its possession.

Section 5.3 No Merger, Survival of Representations and Warranties.

This Agreement does not operate by way of merger of any of the Secured Obligations and no judgment recovered by the Secured Creditor will operate by way of merger of, or in any way affect, the Security Interest, which is in addition to, and not in substitution for, any other security now or hereafter held by the Secured Creditor in respect of the Secured Obligations. The representations, warranties and covenants of each Obligor in this Agreement survive the execution and delivery of this Agreement and any advances under the Funding Agreement. Notwithstanding any investigation made by or on behalf of the Secured Creditor, such covenants, representations and warranties continue in full force and effect.

Section 5.4 Further Assurances.

Each Obligor will do all acts and things and execute and deliver, or cause to be executed and delivered, all agreements, documents and instruments that the Secured Creditor may require and take all further steps relating to the Collateral or any other property or assets of the applicable Obligor that the Secured Creditor may require for (i) protecting the Collateral, (ii) perfecting, preserving and protecting the Security Interest, and (iii) exercising all powers, authorities and discretions conferred upon the Secured Creditor. After the Security Interest has become and continues to be enforceable, each Obligor will do all acts and things and execute and deliver all documents and instruments that the Secured Creditor may require for facilitating the sale or other disposition of the Collateral in connection with its realization.

Section 5.5 Supplemental Security.

This Agreement is in addition to, without prejudice to and supplemental to all other security now held or which may hereafter be held by the Secured Creditor.

Section 5.6 Successors and Assigns.

This Agreement is binding on each Obligor and their respective successors and assigns, and enures to the benefit of the Secured Creditor and its successors and assigns. Subject to the provisions of the Funding Agreement, this Agreement may be assigned by the Secured Creditor without the consent of, or notice to, each Obligor, to such Person as the Secured Creditor may determine and, in such event, such Person will be entitled to all of the rights and remedies of the Secured Creditor as set forth in this Agreement or otherwise. Except as may be permitted by the Funding Agreement (if applicable), no Obligor may assign, transfer or delegate any of its rights or obligations under this Agreement without the prior written consent of the Secured Creditor which may be unreasonably withheld.

Section 5.7 Amalgamation.

Each Obligor acknowledges and agrees that in the event it amalgamates with any other corporation or corporations, it is the intention of the parties that, without limiting the provisions of Section 2.1 and Section 2.2 and the definition of "Secured Obligations", the Security Interest:

- (a) subject to Section 2.4, extends to: (i) all of the personal property and undertaking that any of the amalgamating corporations then owns, (ii) all of the personal property and undertaking that the amalgamated corporation thereafter acquires, (iii) all of the personal property and undertaking in which any of the amalgamating corporations then has any interest and (iv) all of the personal property and undertaking in which the amalgamated corporation thereafter acquires any interest; and
- (b) secures the payment and performance of all debts, liabilities and obligations, present or future, direct or indirect, absolute or contingent, matured or unmatured, at any time or from time to time due or accruing due and owing by or otherwise payable by each of the amalgamating corporations and the amalgamated corporation to the Secured Creditor in any currency, under, in connection with or pursuant to the Funding Agreement or any other Credit Document to which any of the amalgamating corporations or the amalgamated corporation is a party, and whether incurred alone or jointly with another or others and whether as principal, guarantor or surety and whether incurred prior to, at the time of or subsequent to the amalgamation.

The Security Interest attaches to the additional collateral at the time of amalgamation and to any collateral thereafter owned or acquired by the amalgamated corporation when such collateral becomes owned or is acquired. Upon any such amalgamation, the defined term "**Obligors**" includes, collectively, each of the amalgamating corporations and the amalgamated corporation, the defined term "**Collateral**" includes all of the personal property and undertaking and interests described in (a) above, and the defined term "**Secured Obligations**" includes all of the obligations described in (b) above.

Section 5.8 Severability.

If any court of competent jurisdiction from which no appeal exists or is taken, determines any provision of this Agreement to be illegal, invalid or unenforceable, that provision will be severed from this Agreement and the remaining provisions will remain in full force and effect.

Section 5.9 Amendment.

This Agreement may only be amended, supplemented or otherwise modified by written agreement executed by the Secured Creditor and each Obligor.

Section 5.10 Waivers, etc.

- (1) No consent or waiver by the Secured Creditor in respect of this Agreement is binding unless made in writing and signed by an authorized officer of the Secured Creditor. Any consent or waiver given under this Agreement is effective only in the specific instance and for the specific purpose for which given. No waiver of any of the provisions of this Agreement constitutes a waiver of any other provision.

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- (2) A failure or delay on the part of the Secured Creditor in exercising a right under this Agreement does not operate as a waiver of, or impair, any right of the Secured Creditor however arising. A single or partial exercise of a right on the part of the Secured Creditor does not preclude any other or further exercise of that right or the exercise of any other right by the Secured Creditor.

Section 5.11 Application of Proceeds of Security.

All monies collected by the Secured Creditor upon the enforcement of the Secured Creditor's rights and remedies under the Security Documents and the Liens created by them including any sale or other disposition of the Collateral, together with all other monies received by the Secured Creditor under the Security Documents, will be applied against payment of the Secured Obligations. To the extent any other Credit Document requires proceeds of collateral under such Credit Document to be applied in accordance with the provisions of this Agreement, the Secured Creditor or holder under such other Credit Document shall apply such proceeds in accordance with this Section 5.11.

Section 5.12 Conflict.

In the event of any conflict or inconsistency between the provisions of this Agreement and the provisions of the Funding Agreement which cannot be resolved by both provisions being complied with, the provisions contained in the Funding Agreement will prevail to the extent of such conflict or inconsistency.

Section 5.13 Governing Law.

This Agreement will be governed by, interpreted and enforced in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

[Signature page follows.]

IN WITNESS WHEREOF the Obligors have executed this Agreement as of the date first set out above.

BETA ENERGY CORP.

Signed by:
Brad Melod
By: D04ADD4F289040C...
Authorized Signatory

KADEN ENERGY LTD.

Signed by:
Wes Simons
By: BABB16B28FB247B...
Authorized Signatory

SCHEDULE A

Beta Energy Corp.

(a) Jurisdiction in which the Obligor's registered office is located

British Columbia

(b) Jurisdictions in which the Collateral is or may be located

- British Columbia
- Alberta

(c) Name(s)

Beta Energy Corp.

Kaden Energy Ltd.

(a) Jurisdiction in which the Obligor's registered office is located

Alberta

(b) Jurisdictions in which the Collateral is or may be located

- Alberta
- British Columbia

(c) Name(s)

Kaden Energy Ltd.

SCHEDULE B

**SECURITIES, INSTRUMENTS, AND OTHER INVESTMENT PROPERTY
(Section 4.1(g))**

Securities

Obligor	Issuer	Class of Securities	No. of Securities	% of issued Securities	Cert. No. (if Securities are Certificated)
Beta Energy Corp.	Kaden Energy Ltd.	Common	100,000,000	100%	C-123
	Voltaic Minerals (USA) Inc.	Common	11,000	100%	N/A
	Legacy Lithium Corp.	Common	200,000	1.55% ⁽¹⁾	N/A
	Pan American Energy Corp.	Common	1,000,000	1.03% ⁽²⁾	N/A
Kaden Energy Ltd.	N/A	N/A	N/A	N/A	N/A

Notes:

(1) As at July 31, 2024.

(2) As at June 30, 2024.

Instruments

Beta

N/A

Kaden

N/A

Other Investment Property

Beta

N/A

Kaden

Securities Accounts No. 46146139700 with ATB Financial.

This is Exhibit "H" referred to in the Affidavit of Sean Charland sworn before me this 4th day of February, 2025.



Notary Public and Commissioner of Oaths
in and for the Province of British Columbia

MICHAEL N. HANUMAN
BARRISTER & SOLICITOR
700 WEST GEORGIA STREET
SUITE 2200
VANCOUVER, B.C. V7Y 1K8
(604) 687-2242

EXECUTION VERSION**DEBENTURE**

THIS DEBENTURE (the "Debenture") is issued as of November 15, 2024 by KADEN ENERGY LTD. (the "Borrower"), a corporation organized under the laws of Alberta.

1. Reference is made to the guarantee dated November 15, 2024 (as amended, supplemented or otherwise modified from time to time, the "Guarantee") granted by Borrower in favour of APEX OPPORTUNITIES FUND LTD. (the "Lender" and, together with the Borrower, the "Parties" and, each, a "Party") in support of the convertible note funding agreement dated August 23, 2024 between Beta Energy Corp. and the Lender.
2. For value received, the Borrower hereby acknowledges itself indebted and promises to pay to or to the order of the Lender the principal amount of Twelve Million Dollars (CDN \$12,000,000.00), together with all accrued and unpaid interest thereon, at the applicable rate specified in, and otherwise in accordance with the terms of the Guarantee.
3. This Debenture secures, among other things, all amounts owing by the Borrower to the Lender under the Guarantee, and accordingly the Lender shall be entitled to all priorities and advantages conferred pursuant to section 104(2) of the *Land Titles Act, 2000* (Alberta) and the *Personal Property Security Act, 2000* (Alberta) and pursuant to equivalent sections of applicable laws in other jurisdictions.
4. As continuing security for the due payment, observance and performance of all obligations of the Borrower, but subject to the exception as to leaseholds hereinafter contained, the Borrower hereby grants as and by way of a first fixed and specific mortgage and charge to and in favour of the Lender, all of the Borrower's present and after-acquired right, title, estate and interest (whether freehold, leasehold, or otherwise, and whether legal or equitable, corporeal or incorporeal) in and to all present and after-acquired interests in and to:
 - (a) all of the right, title, estate and interest, whether contingent or absolute, legal or beneficial, present or future, vested or not, and whether or not an interest in land, of the Borrower, in and to any of the following:
 - (i) the interest and/or rights of the Borrower in respect of the lands described in Schedule "A" hereto, including all petroleum substances from time to time situated within or forming part of such lands (the "Lands");
 - (ii) the interest and/or rights of the Borrower in respect of the various leases, subleases, reservations, permits, rights, privileges, licenses and similar documents of title by virtue of which the holder thereof is entitled to explore for, test for, drill for, recover, remove or dispose of petroleum substances from time to time situated within or forming part of the Lands or otherwise, including, without limitation, any leases, licenses and other documents of title described in Schedule "A" hereto (the "Leases");
 - (iii) rights to explore for, test for, drill for and produce, take, save or market petroleum substances from, within, upon, under, allocated to, or in relation to the Leases or the Lands;
 - (iv) rights to a share of the production of petroleum substances from or allocated to the Leases or the Lands;

- (v) rights to a share of the proceeds of, or to receive payments calculated by reference to the quantity or value of, the production of petroleum substances from the Leases or Lands, other than rights under agreements for the sale of petroleum substances from the Leases or the Lands;
- (vi) rights to acquire any of the rights described in paragraphs (i) through (iv) above; and

which includes interests and rights known as a working interest, royalty interest, overriding royalty interest, gross overriding royalty interest, production payments, profits interest, net profits interest, revenue interest, net revenue interest and other interests in and to the Leases and the Lands and fractional or undivided interests in any of the foregoing (the "P&NG Interests");

(b) *all of the interests of the Borrower in all existing and future:*

- (i) producing, shut-in, injection, disposal and other wells now or hereafter used, or expected or intended to be used, in connection with the production of petroleum substances from any of the Lands; and
- (ii) separators, dehydrators, tanks, flow-lines, gathering systems, batteries, meter stations, gas plants, pipelines, compressors, enhanced recovery systems and similar facilities and structures used in connection with production, gathering, treatment, storage, processing, compression, transportation, injection, removal or other operations related to any of the P&NG Interests, Leases or Lands, or to any petroleum substances produced therefrom or allocable thereto;

together with all other existing and future equipment, machinery, apparatus, materials and other tangible property, assets and goods which may now or hereafter be located at the site of any such wells, facilities or structures and form part of, be appurtenant to or otherwise be used in connection with such wells, facilities or structures (the "Tangibles Interests"); and

(c) *all of the interests of the Borrower (other than P&NG Interests and Tangibles Interests), whether now owned or hereafter acquired, in all existing and future property, assets and rights now or hereafter relating to any of the P&NG Interests or Tangible Interests;*

it being the intent hereof that the entire property, assets and undertaking of the Borrower, real and personal, present and future, tangible and intangible, of every nature and kind, and wheresoever located, shall be subject to the lien hereof.

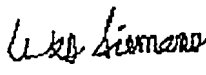
5. Subject to the fixed and specific mortgage and charge set forth in Section 4 hereof, as continuing security for the due payment, observance and performance of all obligations of the Borrower, but subject to the exception as to leaseholds hereinafter contained, the Borrower hereby grants as and by way of a first floating charge to and in favour of the Lender, all of the Borrower's present and after-acquired right, title, estate and interest (whether freehold, leasehold, or otherwise, and whether legal or equitable, corporeal or incorporeal) in and to all present and after-acquired interests in and to all present and after-acquired real property, buildings, structures, improvements, expansions, erections, works and fixtures, wherever located, other than such property and assets of the Borrower as are validly and effectively subject to the first fixed and specific mortgage and charge under Section 4 hereof.

6. The Lender may, at any time and from time to time, register, file and record this Debenture or notices, caveats, financing statements or other registrations thereof (including serial number registrations), at all proper offices where such registration, filing or recording may be necessary or advantageous to perfect or protect the lien hereof, and may maintain all such registrations in full force and effect to perfect and protect the lien hereof. The Borrower, upon request of the Lender, shall do all acts and execute all documents in respect of the registrations, filings and recordings described above.
7. The Borrower, by executing this Debenture, hereby acknowledges and agrees that:
 - (a) value has been given by the Lender;
 - (b) the Borrower has rights in the property, assets and undertakings of the Borrower which are subject to the lien hereof; and
 - (c) there is no agreement to postpone the attachment of the lien hereof.
8. The Borrower hereby covenants and agrees that, upon request of the Lender, it shall from time to time provide to the Lender an updated Schedule "A" reflecting the Borrower's Lands, Leases and P&NG Interests, which shall be deemed to be attached hereto and form an integral part of this Debenture without any further action required by the Borrower and the Lender.
9. Notwithstanding any other provision of this Debenture, nothing in this Debenture shall increase or otherwise modify the repayment obligations of the Borrower as set forth in the Credit Documents (as defined in the Guarantee).
10. This Debenture shall be governed by and construed in accordance with the laws of British Columbia and the federal laws of Canada applicable therein, and the undersigned hereby attorns to the non-exclusive jurisdiction of the courts of British Columbia.

[Remainder of page intentionally left blank.]

DATED as of the date first written above.

KADEN ENERGY LTD.

By: 
Authorized Signatory

Acknowledged by the Lender:

APEX OPPORTUNITIES FUND LTD.

By: _____
Authorized Signatory

SCHEDULE A
Lands and Leases

(See attached.)

AREA	LANDS	SECTION	Lease #	Sub	Operating Contract	Sub	Related Contracts	RIGHTS	WI	Partners	Des. Rep.	GROSS Ha	NET Ha	TITLE DOCS	EXPIRY	ROYALTY	ROFR?	COMMENTS
Smoky	59-26W5	8	M00012	A	C00013		C00012 C00015	PNG to base Cardium	33.33%	33.33% Kaden 33.34% CNR 33.33% CNV	Cenovus	256	85.3	5400020008	Con't	CSS 3% PDTO TPZ (PDBY KEL 100% on 33.33%)	Yes	ACQ from Tourmaline 2021 CNR - Canadian Natural Resources CNV - Cenovus TPZ - Topaz
Smoky	59-26W5	10, 11	M00013	A	NA		C00012 C00015	PNG to base Cardium	100.00%	100% Kaden	Tourmaline	512	512	5403080351	Con't	CSS 3% PDTO TPZ (PDBY KEL 100% on 100%)	No	ACQ from Tourmaline 2021
Smoky	59-26W5	12	M00013		NA		C00023 C00015	PNG to base Cardium	100.00%	100% Kaden	Tourmaline	256	256	5403080351	Con't	CSS 3% PDTO TPZ (PDBY KEL 100% on 100%)	No	Swap with Tourmaline 2022
Smoky	59-26W5	13	M00014	A	NA		C00023 C00015	PNG to base Cardium	100.00%	100% Kaden	Kaden	256	256	5403080352	Con't	CSS 3% PDTO TPZ (PDBY KEL 100% on 100%)	No	Swap with Tourmaline 2022
Smoky	59-26W5	14, 15	M00014	A	NA		C00012 C00015	PNG to base Cardium	100.00%	100% Kaden	Tourmaline	512	512	5403080352	Con't	CSS 3% PDTO TPZ (PDBY KEL 100% on 33.33%)	No	ACQ from Tourmaline 2021
Smoky	59-26W5	16, 17, 18, 19	M00015	A	C00014		C00012 C00016	PNG to base Cardium	33.33%	33.33% Kaden 33.34% CNR 33.33% SRL	CNR	1024	341.3	5403100871	Con't	CSS 3% PDTO TPZ (PDBY KEL 100% on 33.33%)	No	ACQ from Tourmaline 2021 SRL - Strathcona Resources
Smoky	59-26W5	20, 21, 22*	X		C00021			PNG to base Cardium	50.00%	50% Kaden* 50% SRL	SRL	768	384	5401030163	Con't	CSS 5% PDTO Spoke (PDBY KEL 100% on 50%)	No	Farmin Dec 16, 2021 Spoke *KEL to Spud well by Feb 2025
Smoky	59-26W5	23	M00016	A	NA		C00012 C00015	PNG to base Cardium	100.00%	100% Kaden	Tourmaline	256	256	511010427	27-Jan-26	CSS 3% PDTO TPZ (PDBY KEL 100% on 100%)	No	ACQ from Tourmaline 2021
Smoky	59-26W5	26, 27, 28	M00001	A	C00020	A		PNG to base Viking	100.00%	100% Kaden	Kaden	768	768	5496080101	Con't	CSS 4% PDTO Azimuth (PDBY KEL 100% on 100%)	No	Kaden Lands
Smoky	59-26W5	29	M00005	B	C00020	A		PNG to base Cardium	100.00%	100% Kaden	Tourmaline	256	256	5406120364	14-Dec-26	CSS 4% PDTO Azimuth (PDBY KEL 100% on 100%)	No	Kaden Lands
Smoky	59-26W5	31	M00021		C00022	B	C00024	PNG to base Cardium	9.90%	9.9% Kaden 90.1% SRL	SRL	256	25.3	5400020091	24-Feb-26	CSS 5% PDTO I3 (PDBY KEL 100% on 9.9%)	Yes	Acquired from I3 2022
Smoky	59-26W5	32, 33	M00005	B	C00020	A		PNG to base Cardium	100.00%	100% Kaden	Tourmaline	512	512	5406120364	14-Dec-26	CSS 4% PDTO Azimuth (PDBY KEL 100% on 100%)	No	Kaden Lands
Smoky	59-26W5	34	M00001	C	C00020	A		PNG to base Cardium	100.00%	100% Kaden	Kaden	256	256	5496080101	Con't	CSS 4% PDTO Azimuth (PDBY KEL 100% on 100%)	No	Kaden Lands
Smoky	59-26W5	35	M00001	D	C00020	A		PNG to base Cardium	100.00%	100% Kaden	Kaden	256	256	5496080101	Con't	CSS 4% PDTO Azimuth (PDBY KEL 100% on 100%)	No	Kaden Lands
Smoky	59-27W5	35	M00021		C00022	B	C00024	PNG to base Cardium	9.90%	9.9% Kaden 90.1% SRL	SRL	256	25.3	5400020091	24-Feb-26	CSS 5% PDTO I3 (PDBY KEL 100% on 9.9%)	Yes	Acquired from I3 2022
Smoky	59-27W5	36	M00021		C00022	A	C00024	PNG to base Cardium	30.00%	30% Kaden 70% SRL	SRL	256	76.8	5400020091	24-Feb-26	CSS 5% PDTO I3 (PDBY KEL 100% on 30%)	Yes	Acquired from I3 2022
Smoky	60-26W5	3	M00005	A	C00020	A		PNG to base Cardium	100.00%	100% Kaden	Tourmaline	256	256	5406120364	14-Dec-26	CSS 4% PDTO Azimuth (PDBY KEL 100% on 100%)	No	Kaden Lands
Smoky	60-26W5	7	M00017	A	NA		C00012 C00015	PNG to base Cardium	100.00%	100% Kaden	Tourmaline	256	256	509120355	17-Dec-26	CSS 3% PDTO TPZ (PDBY KEL 100% on 100%)	No	ACQ from Tourmaline 2021
Smoky	60-26W5	8	M00018	A	NA		C00012 C00015	PNG to base Cardium	100.00%	100% Kaden	Tourmaline	256	256	509120102	3-Dec-26	CSS 3% PDTO TPZ (PDBY KEL 100% on 100%)	No	ACQ from Tourmaline 2021
Smoky	60-26W5	16	M00002	A	C00020	A		PNG to base Cardium	100.00%	100% Kaden	Kaden	256	256	5406120366	14-Dec-26	CSS 4% PDTO Azimuth (PDBY KEL 100% on 100%)	No	Kaden Lands
Smoky	60-26W5	17	M00002	B	C00020	A		PNG to base Cardium	100.00%	100% Kaden	Kaden	256	256	5406120366	14-Dec-26	CSS 4% PDTO Azimuth (PDBY KEL 100% on 100%)	No	Kaden Lands
Smoky	60-26W5	18	M00026	A				PNG to base Cardium	100.00%	100% Kaden	Kaden	256	256	5401070042	Con't	CSS 10% PDTO Prairie Sky (PDBY KEL 100% on 100%)	No	Acquired from Cenovus 2023 Renegotiating ORR to PrairieSky
Smoky	60-26W5	19	M00026	A				PNG to base Cardium	100.00%	100% Kaden	Kaden	256	256	5401070042	Con't	CSS 10% PDTO Prairie Sky (PDBY KEL 100% on 100%)	No	Acquired from Cenovus 2023 Renegotiating ORR to PrairieSky
Smoky	60-26W5	20	M00002	A	C00020	A		PNG to base Cardium	100.00%	100% Kaden	Kaden	256	256	5406120366	14-Dec-26	CSS 4% PDTO Azimuth (PDBY KEL 100% on 100%)	No	Kaden Lands
Smoky	60-27W5	2	M00021		C00022	B	C00024	PNG to base Cardium	9.90%	9.9% Kaden 90.1% SRL	SRL	256	25.3	5400020091	24-Feb-26	CSS 5% PDTO I3 (PDBY KEL 100% on 9.9%)	Yes	Acquired from I3 2022
Smoky	60-27W5	11	M00021		C00022	B	C00024	PNG to base Cardium	9.90%	9.9% Kaden 90.1% SRL	SRL	256	25.3	5400020091	24-Feb-26	CSS 5% PDTO I3 (PDBY KEL 100% on 9.9%)	Yes	Acquired from I3 2022

AREA	LANDS	SECTION	Lease #	Sub	Operating Contract	Sub	Related Contracts	RIGHTS	WI	Partners	Des. Rep.	GROSS Ha	NET Ha	TITLE DOCS	EXPIRY	ROYALTY	ROFR?	COMMENTS
Smoky	60-27W5	13	M00021		C00022	C	C00024	PNG to base Cardium	100.00%	100% Kaden	CNV	256	256.0	5400020091	24-Feb-26	CSS 5% PDO TO I3 (PDBY KEL 100% on 9.9%) 5-15% Oil, 15% Gas on 20% Prod PDO PrairieSky (PDBY KEL 100% on 90.1%)	Yes	Acquired 9.9% from I3 2022 Acquired 90.1% from Cenovus 2023
Smoky	60-27W5	14	M00021		C00022	B	C00024	PNG to base Cardium	9.90%	9.9% Kaden 90.1% SRL	SRL	256	25.3	5400020091	24-Feb-26	CSS 5% PDO TO I3 (PDBY KEL 100% on 9.9%)	Yes	Acquired from I3 2022
Smoky	60-27W5	15	M00021		C00022	A	C00024	PNG to base Cardium	30.00%	30% Kaden 70% SRL	SRL	256	76.8	5400020091	Con't	CSS 5% PDO TO I3 (PDBY KEL 100% on 30%)	Yes	Acquired from I3 2022
Smoky	60-27W5	23	M00006	G	C00020	A		PNG to base Cardium	92.50%	92.5% Kaden 7.5% CNR	CNR	256	236.8	5401070043	12-Jul-26	CSS 4% PDO TO Azimuth (PDBY KEL 100% on 92.5%)	Yes	Kaden Lands
Smoky	60-27W5	24	M00006	A	C00020	A		PNG to base Cardium	88.75%	88.75% Kaden 11.25% CNR	CNR	256	227.2	5401070043	Con't	CSS 4% PDO TO Azimuth (PDBY KEL 100% on 88.75%)	Yes	Kaden Lands
Smoky	60-27W5	N&E 25	M00006	C	C00020	A		PNG to base Cardium	88.75%	88.75% Kaden 11.25% CNR	CNR	192	170.4	5401070043	Con't	CSS 4% PDO TO Azimuth (PDBY KEL 100% on 88.75%)	Yes	Kaden Lands
Smoky	60-27W5	26	M00006	D F	C00020	A		PNG to base Cardium	90.00%	90% Kaden 10% CNR	CNR	256	230.4	5401070043	12-Jul-26	CSS 4% PDO TO Azimuth (PDBY KEL 100% on 90%)	Yes	Kaden Lands
Smoky	60-27W5	27	M00006	B E	C00020	A		PNG to base Cardium	92.50%	92.5% Kaden 7.5% CNR	CNR	256	236.8	5401070043	12-Jul-26	CSS 4% PDO TO Azimuth (PDBY KEL 100% on 92.5%)	Yes	Kaden Lands
Smoky	61-27W5	2	M00003	A	C00020	A		PNG to base Cardium	100.00%	100% Kaden	Kaden	256	256	509090115	3-Sep-26	CSS 4% PDO TO Azimuth (PDBY KEL 100% on 100%)	No	Kaden Lands
Smoky	61-27W5	3	M00004		C00020	A		PNG to base Bluesky Bullhead	100.00%	100% Kaden	Kaden	256	256	5411010236	13-Jan-26	CSS 4% PDO TO Azimuth (PDBY KEL 100% on 100%)	No	Kaden Lands
Total Smoky												11,712.0	8,848.6	Total Smoky				

Kakwa	63-05W6	E 10, W 14, N&E 15, N 16, S&NE 22, W23	M00007	A	C00025 C00020	B		PNG to base Cardium	80%	80% - Kaden 20% - WHR	Kaden	896	716.8	517060074	Con't	CSS 2.89% PDO TO Azimuth (PDBY KEL 100% on 80%)	No	Kaden Lands Pooling with White Horse Resources
Kakwa	63-05W6	11, 12	M00007	A	C00025 C00020	B		PNG to base Cardium	80%	80% - Kaden 20% - WHR	Kaden	512	409.6	517060074	17-Jun-23	CSS 2.89% PDO TO Azimuth (PDBY KEL 100% on 80%)	No	Kaden Lands Pooling with White Horse Resources 7-12 Well RR Nov 11, 2022
Kakwa	63-04W6	4, 5, 6, 7, 8, W9	M00007	A	C00025 C00020	B		PNG to base Cardium	80%	80% - Kaden 20% - WHR	Kaden	1408	1126.4	517060074	17-Jun-23	CSS 2.89% PDO TO Azimuth (PDBY KEL 100% on 80%)	No	Kaden Lands Pooling with White Horse Resources 4-9 Well RR Dec 17, 2022 16-5 Well RR Nov 30, 2022
Kakwa	63-5W6	1	M00024	A	C00025 C00020	D		PNG in the Cardium Main	80%	80% - Kaden 20% - WHR	WHR	256	204.8	116356	Con't	CSS 2.89% PDO TO Azimuth (PDBY KEL 100% on 80%)	No	Pooling with White Horse Resources
Kakwa	63-5W6	13, E 14, E 23, 24	M00022	A	C00025 C00034 C00020	C		PNG in the Cardium Main	80%	80% - Kaden 20% - WHR	ARC	768	614.4	116358	Con't	CSS 2.89% PDO TO Azimuth (PDBY KEL 100% on 80%) 4% PDO TO ARC (PDBY KEL 80% on 50%)	No	Pooling with White Horse Resources ARC has Farmed out their 50% WI Effective May 31, 2022
Kakwa	63-5W6	E 2	M00025	A	C00025 C00020	D		PNG in the Cardium Main	80%	80% - Kaden 20% - WHR	WHR	128	102.4	116369	Con't	CSS 2.89% PDO TO Azimuth (PDBY KEL 100% on 80%)	No	Pooling with White Horse Resources
Total Kakwa												3,968.0	3,174.4	Total Kakwa				

This is **Exhibit "I"** referred to in the Affidavit of Sean Charland sworn before me this 4th day of February, 2025.



Notary Public and Commissioner of Oaths
in and for the Province of British Columbia

MICHAEL N. HANUMAN
BARRISTER & SOLICITOR
700 WEST GEORGIA STREET
SUITE 2200
VANCOUVER, B.C. V7Y 1K8
(604) 687-2242

Search ID #: Z18312445

Transmitting Party

MILLER THOMSON LLP

Eighth Avenue Place
525-8th Avenue SW, East 43rd Floor
CALGARY, AB T2P1G1Party Code: 50062611
Phone #: 403 206 6351
Reference #: TBD - Kira Lagadin

Search ID #: Z18312445

Date of Search: 2025-Jan-28

Time of Search: 12:21:00

Business Debtor Search For:

BETA ENERGY CORP.

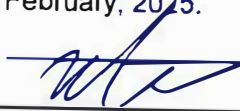
Exact Result(s) Only Found

NOTE:

A complete Search may result in a Report of Exact and Inexact Matches.
Be sure to read the reports carefully.



This is **Exhibit "J"** referred to in the Affidavit of Sean Charland sworn before me this 4th day of February, 2025.



Notary Public and Commissioner of Oaths
in and for the Province of British Columbia

MICHAEL N. HANUMAN
BARRISTER & SOLICITOR
700 WEST GEORGIA STREET
SUITE 2200
VANCOUVER, B.C. V7Y 1K8
(604) 687-2242



PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

Business Debtor - "Beta Energy Corp"

Search Date and Time: February 3, 2025 at 1:31:12 pm Pacific time
Account Name: MILLER THOMSON LLP
Folio Number: 0290077.0001

TABLE OF CONTENTS

1 Match in 1 Registration in Report

Exact Matches: 1 (*)

Total Search Report Pages: 4

	Base Registration	Base Registration Date	Debtor Name	Page
1	771423Q	November 18, 2024	* BETA ENERGY CORP.	2

Base Registration Number: 771423Q

Registration Description:	PPSA SECURITY AGREEMENT
Act:	PERSONAL PROPERTY SECURITY ACT
Base Registration Date and Time:	November 18, 2024 at 7:04:17 pm Pacific time
Current Expiry Date and Time:	November 18, 2031 at 11:59:59 pm Pacific time Expiry date includes subsequent registered renewal(s)
Trust Indenture:	No

CURRENT REGISTRATION INFORMATION

(as of February 3, 2025 at 1:31:12 pm Pacific time)

Secured Party Information

APEX OPPORTUNITIES FUND LTD.	Address 900-885 GEORGIA ST W VANCOUVER BC V6C 3H1 Canada
-------------------------------------	--

Debtor Information

BETA ENERGY CORP.	Address 1450-789 PENDER ST W VANCOUVER BC V6C 1H2 Canada
--------------------------	--

KADEN ENERGY LTD.	Address 800-555 4 AVE SW CALGARY AB T2P 3E7 Canada
--------------------------	--

Vehicle Collateral

None

General Collateral

Base Registration General Collateral:

ALL OF THE PRESENT AND AFTER-ACQUIRED PERSONAL PROPERTY OF EACH DEBTOR INCLUDING WITHOUT LIMITATION FIXTURES AND CROPS, AND AN UNCRYSTALLIZED FLOATING CHARGE ON LAND (ALL TERMS USED HEREIN THAT ARE DEFINED IN THE PERSONAL PROPERTY SECURITY ACT OF BRITISH COLUMBIA OR THE REGULATIONS MADE THEREUNDER HAVE THOSE DEFINED MEANINGS).

Original Registering Party

CLARK WILSON LLP

Address

SUITE 900 885 WEST GEORGIA STREET
VANCOUVER BC
V6C 3H1 Canada

HISTORY

(Showing most recent first)

AMENDMENT

Registration Date and Time: November 19, 2024 at 11:03:16 am Pacific time
Registration Number: 773069Q
Description: Correction of debtor names

Debtor Information

BETA ENERGY CORP.

ADDED

Address

1450-789 PENDER ST W
VANCOUVER BC
V6C 1H2 Canada

KADEN ENERGY LTD.

ADDED

Address

800-555 4 AVE SW
CALGARY AB
T2P 3E7 Canada

BETA ENERGY LTD.

DELETED

Address

1450-789 PENDER ST W
VANCOUVER BC
V6C 1H2 Canada

KADEN ENERGY CORP.

DELETED

Address

800-555 4 AVE SW
CALGARY AB
T2P 3E7 Canada

Registering Party Information

**CLARK WILSON LLP ATT. PPSA
CLERK**

Address

800 - 885 WEST GEORGIA STREET
VANCOUVER BC
V6C 3H1 Canada

This is **Exhibit "K"** referred to in the Affidavit of Sean Charland sworn before me this 4th day of February, 2025.



Notary Public and Commissioner of Oaths
in and for the Province of British Columbia

MICHAEL N. HANUMAN
BARRISTER & SOLICITOR
700 WEST GEORGIA STREET
SUITE 2200
VANCOUVER, B.C. V7Y 1K8
(604) 687-2242

Search ID #: Z18312443

Transmitting Party

MILLER THOMSON LLP

Eighth Avenue Place
525-8th Avenue SW, East 43rd Floor
CALGARY, AB T2P1G1Party Code: 50062611
Phone #: 403 206 6351
Reference #: TBD - Kira Lagadin

Search ID #: Z18312443

Date of Search: 2025-Jan-28

Time of Search: 12:20:39

Business Debtor Search For:

KADEN ENERGY LTD.

Both Exact and Inexact Result(s) Found

NOTE:

A complete Search may result in a Report of Exact and Inexact Matches.
Be sure to read the reports carefully.



Search ID #: Z18312443

Business Debtor Search For:

KADEN ENERGY LTD.

Search ID #: Z18312443

Date of Search: 2025-Jan-28

Time of Search: 12:20:39

Registration Number: 18020529919

Registration Date: 2018-Feb-05

Registration Type: SECURITY AGREEMENT

Registration Status: Current

Expiry Date: 2028-Feb-05 23:59:59

Exact Match on: Debtor No: 1

Debtor(s)**Block****Status**

1 KADEN ENERGY LTD
32 WENTWILLOW LANE SW
CALGARY, AB T3H 5W7

Current

Secured Party / Parties**Block****Status**

1 ALBERTA TREASURY BRANCHES-TRANSIT# 04509
SUITE 600, 585-8TH AVE SW
CALGARY, AB T2P 1G1
Phone #: 403 974 6653 Fax #: 403 974 5191

Current

Collateral: General**Block****Description****Status**

1 ALL MONIES ON DEPOSIT WITH ALBERTA TREASURY BRANCHES

Current

Search ID #: Z18312443

Business Debtor Search For:

KADEN ENERGY LTD.

Search ID #: Z18312443

Date of Search: 2025-Jan-28

Time of Search: 12:20:39

Registration Number: 22011728857

Registration Date: 2022-Jan-17

Registration Type: SECURITY AGREEMENT

Registration Status: Current

Expiry Date: 2026-Jan-17 23:59:59

Exact Match on:

Debtor

No: 1

Amendments to Registration

24011014699

Renewal

2024-Jan-10

24091827970

Amendment

2024-Sep-18

Debtor(s)**Block****Status**

Current

1 KADEN ENERGY LTD.
SUITE 1030, 639 5TH AVENUE SW
CALGARY, AB T2P 0M9

Secured Party / Parties**Block****Status**

Current

1 BULL MOOSE CAPITAL LTD.
500, 505- 8TH AVENUE SW
CALGARY, AB T2P 1G2
Phone #: 403 234 7204 Fax #: 403 264 7306
Email: LPSmith@bullmoosecapital.ca

Collateral: General**Block****Description****Status**

1 One (1) natural gas compressor (and all related parts and accessories) having Unit #C386 as described in Schedule "A" to the lease agreement dated September 27, 2021 between Bull Moose Capital Ltd., as Lessor, and Kaden Energy Ltd., as Lessee Deleted By 24091827970

PROCEEDS: GOODS, INVENTORY, CHATTEL PAPER, SECURITIES, DOCUMENTS OF TITLE, INSTRUMENTS, MONEY, INTANGIBLES AND ACCOUNTS (ALL AS DEFINED IN THE PERSONAL PROPERTY SECURITY ACT) AND INSURANCE PROCEEDS.

Search ID #: Z18312443

- 2 One (1) natural gas compressor (and all related parts and accessories) having Unit #12049 Current as described in Schedule "A" to the lease agreement dated October 12,2021 between Bull Moose Capital Ltd., as Lessor, and Kaden Energy Ltd., as Lessee.

PROCEEDS: GOODS, INVENTORY, CHATTEL PAPER, SECURITIES, DOCUMENTS OF TITLE, INSTRUMENTS, MONEY, INTANGIBLES AND ACCOUNTS (ALL AS DEFINED IN THE PERSONAL PROPERTY SECURITY ACT) AND INSURANCE PROCEEDS.

Search ID #: Z18312443

Business Debtor Search For:

KADEN ENERGY LTD.

Search ID #: Z18312443

Date of Search: 2025-Jan-28

Time of Search: 12:20:39

Registration Number: 22111516627

Registration Type: SECURITY AGREEMENT

Registration Date: 2022-Nov-15

Registration Status: Current

Expiry Date: 2027-Nov-15 23:59:59

Exact Match on:

Debtor

No: 1

Amendments to Registration

23092230058

Amendment

2023-Sep-22

Debtor(s)**Block**

1 KADEN ENERGY LTD.
SUITE 800 555 4TH AVE SW
CALGARY, AB T2P 3E7

Status
Current
Secured Party / Parties**Block**

1 MIDSTREAM EQUIPMENT CORP.
BOX 5799
HIGH RIVER, AB T1V 1P3
Phone #: 587 583 1642
Email: jenna.oreilly@midstreamequipment.com

Status
Deleted by
23092230058
Block

2 MIDSTREAM EQUIPMENT CORPORATION LTD.
27 DURUM DRIVE
WHEATLAND COUNTY, AB T1P 0R7
Phone #: 587 583 1642
Email: jenna.oreilly@midstreamequipment.com

Status
Current by
23092230058
Collateral: General**Block****Description**

1 Unit 1297 Gunset 95HP Cat 3304NA Engine

Status
Current

Search ID #: Z18312443

Business Debtor Search For:

KADEN ENERGY LTD.

Search ID #: Z18312443

Date of Search: 2025-Jan-28

Time of Search: 12:20:39

Registration Number: 22111517784

Registration Type: SECURITY AGREEMENT

Registration Date: 2022-Nov-15

Registration Status: Current

Expiry Date: 2027-Nov-15 23:59:59

Exact Match on: Debtor No: 3

Amendments to Registration

23022130234	Amendment	2023-Feb-21
23051030763	Amendment	2023-May-10
23092211276	Amendment	2023-Sep-22

Debtor(s)**Block**

1 RIDGEBACK RESOURCES INC.
2800 525 8TH AVE SW
CALGARY, AB T2P 1G1

StatusDeleted by
23022130234**Block**

2 ARCHER EXPLORATION CORP.
SUITE 550, 525 - 8TH AVENUE SW
CALGARY, AB T2P 1G1

StatusDeleted by
23051030763**Block**

3 KADEN ENERGY LTD.
SUITE 800, 555 4TH AVE SW
CALGARY, AB T2P 3E7

StatusCurrent by
23051030763**Secured Party / Parties****Block**

1 MIDSTREAM EQUIPMENT CORP.
BOX 5799
HIGH RIVER, AB T1V 1P3
Phone #: 587 583 1642
Email: jenna.oreilly@midstreamequipment.com

StatusDeleted by
23092211276

Search ID #: Z18312443

Block

2 MIDSTREAM EQUIPMENT CORPORATION LTD.
27 DURUM DRIVE
WHEATLAND COUNTY, AB T1P 0R7
Phone #: 587 583 1642
Email: jenna.oreilly@midstreamequipment.com

Status

Current by
23092211276

Collateral: General

Block

Description

1 Unit 1130 Gunset 220HP Cat 3306ATAAC Engine GHH Rand

Status

Current

Search ID #: Z18312443

Business Debtor Search For:

KADEN ENERGY LTD.

Search ID #: Z18312443

Date of Search: 2025-Jan-28

Time of Search: 12:20:39

Registration Number: 23051213307

Registration Date: 2023-May-12

Registration Type: SECURITY AGREEMENT

Registration Status: Current

Expiry Date: 2028-May-12 23:59:59

Exact Match on:

Debtor

No: 1

Amendments to Registration

23092230928

Amendment

2023-Sep-22

Debtor(s)**Block**

1 KADEN ENERGY LTD.
SUITE 800, 555 - 4TH AVE SW
CALGARY, AB T2P 3E7

Status

Current

Secured Party / Parties**Block**

1 MIDSTREAM EQUIPMENT CORPORATION
27 DURUM DRIVE
WHEATLAND COUNTY, AB T1P 0R7
Email: jenna.oreilly@midstreamequipment.com

StatusDeleted by
23092230928**Block**

2 MIDSTREAM EQUIPMENT CORPORATION LTD
27 DURUM DRIVE
WHEATLAND COUNTY, AB T1P 0R7
Email: jenna.oreilly@midstreamequipment.com

StatusCurrent by
23092230928**Collateral: General****Block****Description**

1 Unit 1300 - Natural Gas Compressor 95 HP Cat 3304NA Engine GE H302 Compressor

Status

Current

Search ID #: Z18312443

Business Debtor Search For:

KADEN ENERGY LTD.

Search ID #: Z18312443

Date of Search: 2025-Jan-28

Time of Search: 12:20:39

Registration Number: 23091525346

Registration Type: SECURITY AGREEMENT

Registration Date: 2023-Sep-15

Registration Status: Current

Expiry Date: 2028-Sep-15 23:59:59

Exact Match on:

Debtor

No: 1

Debtor(s)**Block****Status**

1 KADEN ENERGY LTD.
SUITE 800, 555 - 4TH AVENUE SW
CALGARY, AB T2P 3E7

Current

Secured Party / Parties**Block****Status**

1 BIDELL GAS COMPRESSION LTD.
6900 - 112TH AVE SE
CALGARY, AB T2C 4Z1
Email: TPallister@bidell.com

Current

Collateral: General**Block****Description****Status**

1 One (1) Bidell Equipment Compressor trailer mounted compressor unit number 17-1081 including (1) GEMINI, MPD2/1 frame and (1) G3304NA engine. Enclosed in self-framing steel building. Includes rig mats and hoses. Together with compressor, all ancillary piping and accessories, system controls, instrumentation, valves, scrubbers, piping, hoses, mats, skids and other parts of any kind and equipment attached to or forming part of such compressor unit at any time, whether or not attached, together with the self framing metal building in which the foregoing is contained and all components or other parts or equipment of any kind which may from time to time be incorporated or attached thereto. All rights to money or other value payable under insurance policies in respect of the foregoing. Proceeds: goods, inventory, chattel paper, documents of title, instruments, money, intangibles, accounts and investment property (all as defined in the Personal Property Security Act) and insurance proceeds.

Current

Search ID #: Z18312443

Business Debtor Search For:

KADEN ENERGY LTD.

Search ID #: Z18312443

Date of Search: 2025-Jan-28

Time of Search: 12:20:39

Registration Number: 24011724595

Registration Date: 2024-Jan-17

Registration Type: LAND CHARGE

Registration Status: Current

Registration Term: Infinity

Exact Match on:

Debtor

No: 1

Debtor(s)**Block****Status**

1 KADEN ENERGY LTD.
800, 555 - 4 AVENUE SW
CALGARY, AB T2P 3E7

Current

Secured Party / Parties**Block****Status**

1 KADEN ROYALTY CORP.
C/O AZIMUTH CAPITAL MANAGEMENT
CALGARY, AB T2P 0R3
Email: DAVE@NAVIGATINGENERGY.COM

Current

Particulars**Block****Additional Information****Status**

1 THE ADDRESS OF THE SECURED PARTY IS:

Current

KADEN ROYALTY CORP.
C/O AZIMUTH CAPITAL MANAGEMENT
SUITE 3110, 520 - 3 AVENUE SW
CALGARY, AB T2P 0R3
ATTN: DAVE PEARCE

Search ID #: Z18312443

Business Debtor Search For:

KADEN ENERGY LTD.

Search ID #: Z18312443

Date of Search: 2025-Jan-28

Time of Search: 12:20:39

Registration Number: 24011928815

Registration Type: SECURITY AGREEMENT

Registration Date: 2024-Jan-19

Registration Status: Current

Expiry Date: 2034-Jan-19 23:59:59

Exact Match on: Debtor No: 1

Debtor(s)**Block****Status**

1 KADEN ENERGY LTD.
800, 555 - 4 AVENUE SW
CALGARY, AB T2P 3E7

Current

Secured Party / Parties**Block****Status**

1 KADEN ROYALTY CORP.
C/O AZIMUTH CAPITAL MANAGEMENT
CALGARY, AB T2P 0R3
Email: DAVE@NAVIGATINGENERGY.COM

Current

Collateral: General**Block****Description****Status**

1 All of the Debtor's present and after-acquired Working Interests in the Royalty Lands, the Petroleum Substances within, upon or under the Royalty Lands, or produced therefrom (including, without limitation, the proceeds of such production), and the wells and other equipment and personal property thereon or in connection therewith. The terms "Petroleum Substances", "Working Interests" and "Royalty Lands" have the meanings ascribed to them in the Farmout Agreement dated August 19, 2021 originally between Kaden Energy Ltd. and 1320169 B.C. Ltd., Overriding Royalty Agreement dated February 3, 2022 originally between Kaden Energy Ltd. and Cardium Energy Corp., Assignment and Assumption Agreement dated March 18, 2022 between Kaden Energy Ltd., Kaden Royalty Corp. and Cardium Energy Corp. and the Amending Agreement dated November 3, 2023 between Kaden Energy Ltd. and Kaden Royalty Corp., and "Royalty Lands" shall include, without limitation, the "Lands" as defined in the Overriding Royalty Agreement dated February 3, 2022 originally between Kaden Energy Ltd. and Cardium Energy Corp. and those lands and interests set out below:

Current

Search ID #: Z18312443

- | | | |
|---|--|---------|
| 2 | 60-27W5: 23; Alberta Crown Petroleum and Natural Gas Lease/Licence 5401070043
60-27W5: 24; Alberta Crown Petroleum and Natural Gas Lease/Licence 5401070043
60-27W5: N&SE 25; Alberta Crown Petroleum and Natural Gas Lease/Licence 5401070043
60-27W5: 26; Alberta Crown Petroleum and Natural Gas Lease/Licence 5401070043
60-27W5: 27; Alberta Crown Petroleum and Natural Gas Lease/Licence 5401070043
61-27W5: 2; Alberta Crown Petroleum and Natural Gas Lease/Licence 0509090115
61-27W5: 3; Alberta Crown Petroleum and Natural Gas Lease/Licence 5410120154
60-26W5: 16, 20; Alberta Crown Petroleum and Natural Gas Lease/Licence 5406120366
60-26W5: 17; Alberta Crown Petroleum and Natural Gas Lease/Licence 5406120366
59-26W5: 26, 27, 28; Alberta Crown Petroleum and Natural Gas Lease/Licence 5496080101
59-26W5: 29, 32, 33; Alberta Crown Petroleum and Natural Gas Lease/Licence 5406120364
59-26W5: 34; Alberta Crown Petroleum and Natural Gas Lease/Licence 5496080101
59-26W5: 35; Alberta Crown Petroleum and Natural Gas Lease/Licence 5496080101
60-26W5: 3; Alberta Crown Petroleum and Natural Gas Lease/Licence 5406120364
63-4W6: 4-8, W9; Alberta Crown Petroleum and Natural Gas Lease/Licence 0517060074
63-5W6: E10, 11, 12, W14, N&SE15, N16, S&NE 22, W23; Alberta Crown Petroleum and Natural Gas Lease/Licence 0517060074
63-4W6: 13, E 14, E 23, 24; Alberta Crown Petroleum and Natural Gas Lease/Licence 116358
63-4W6: 1; Alberta Crown Petroleum and Natural Gas Lease/Licence 116356
63-4W6: E 2; Alberta Crown Petroleum and Natural Gas Lease/Licence 116369 | Current |
| 3 | PROCEEDS: GOODS, CHATTEL PAPER, INVESTMENT PROPERTY, DOCUMENTS OF TITLE, INSTRUMENTS, MONEY AND INTANGIBLES AS SUCH TERMS ARE DEFINED IN THE PERSONAL PROPERTY SECURITY ACT (ALBERTA) | Current |

Particulars

<u>Block</u>	<u>Additional Information</u>	<u>Status</u>
1	THE FULL ADDRESS FOR THE SECURED PARTY IS: KADEN ENERGY LTD. C/O AZIMUTH CAPITAL MANAGEMENT SUITE 3110, 520 - 3 AVENUE SW CALGARY, AB T2P 0R3 ATTN: DAVE PEARCE	Current

Search ID #: Z18312443

Business Debtor Search For:

KADEN ENERGY LTD.

Search ID #: Z18312443

Date of Search: 2025-Jan-28

Time of Search: 12:20:39

Registration Number: 24062606785

Registration Type: SECURITY AGREEMENT

Registration Date: 2024-Jun-26

Registration Status: Current

Expiry Date: 2029-Jun-26 23:59:59

Exact Match on:

Debtor

No: 1

Amendments to Registration

24062612798

Amendment

2024-Jun-26

Debtor(s)**Block****Status**

1 KADEN ENERGY LTD.
SUITE 800, 555 4TH AVENUE SW
CALGARY, AB T2P 3E7

Current

Secured Party / Parties**Block****Status**

1 BIDELL GAS COMPRESSION LTD.
6900 112TH AVE SE
CALGARY, AB T2C 4Z1
Email: TPallister@bidell.com

Current

Search ID #: Z18312443

Collateral: General

<u>Block</u>	<u>Description</u>	<u>Status</u>
1	<p>One (1) Bidell Equipment Compressor trailer mounted compressor unit number 17-1081, including, without limitation, (a) GEMINI MPD2/1 two stage compressor/frame and (b) G3304NA engine/driver, with (c) AXL C32-0425 cooler, and (d) panel/control system with serial number FG-4249, together with all parts, attachments, accessions, accessories, replacements, substitutions, additions, and improvements to the collateral described herein, and any and all other goods, equipment, inventory or other personal property of any kind or nature leased to the debtor pursuant to a Master Equipment Lease No. 2017-11 dated May 2, 2023, between Bidell Gas Compression Ltd. as lessor and Kaden Energy Ltd. as lessee. Without limiting the generality of the foregoing: (1) Enclosed in self-framing steel building. (2) Includes rig mats and hoses. (3) Together with compressor, all ancillary piping and accessories, system controls, instrumentation, valves, scrubbers, piping, hoses, mats, skids and other parts of any kind and equipment attached to or forming part of such compressor unit at any time, whether or not attached, together with the self framing metal building in which the foregoing is or may be contained and all components or other parts or equipment of any kind which may from time to time be incorporated or attached thereto. (4) All rights to money or other value payable under insurance policies in respect of any of the foregoing. Proceeds: goods, inventory, chattel paper, documents of title, instruments, money, intangibles, accounts and investment property (all as defined in the Personal Property Security Act) and insurance proceeds.</p>	Current
2	<p>One (1) Bidell trailer mounted compressor unit number 14-901, including, without limitation, (a) Waukesha L5794LT engine/driver and (b) Ariel JGK/4 four throw, three stage natural gas reciprocating compressor, with (c) Air-X-Hemphill 156EF-112-24 forced draft cooler assembly, and (d) REMVue-500 compressor control system, together with all parts, attachments, accessions, accessories, replacements, substitutions, additions, and improvements to the collateral described herein, and any and all other goods, equipment, inventory or other personal property of any kind or nature leased to the debtor pursuant to a Master Equipment Lease No. 2023-18 dated December 14, 2023, between Bidell Gas Compression Ltd. as lessor and Kaden Energy Ltd. as lessee. Without limiting the generality of the foregoing: (1) Together with compressor, all ancillary piping and accessories, system controls, instrumentation, valves, scrubbers, piping, hoses, mats, skids and other parts of any kind and equipment attached to or forming part of such compressor unit at any time, whether or not attached, together with any trailer or self framing metal building in which the foregoing is or may be contained and all components or other parts or equipment of any kind which may from time to time be incorporated or attached thereto. (2) All rights to money or other value payable under insurance policies in respect of any of the foregoing. Proceeds: goods, inventory, chattel paper, documents of title, instruments, money, intangibles, accounts and investment property (all as defined in the Personal Property Security Act) and insurance proceeds.</p>	Current

Search ID #: Z18312443

- 3 One (1) Bidell trailer mounted compressor unit number 20-1253, including, without limitation, (a) Caterpillar 3408TA natural gas engine/driver and (b) Ariel JGK/4 four throw, three stage natural gas reciprocating compressor, with (c) AXC 84BVI forced draft cooler assembly, and (d) Spartan REMVue 500S panel/control system, together with all parts, attachments, accessions, accessories, replacements, substitutions, additions, and improvements to the collateral described herein, and any and all other goods, equipment, inventory or other personal property of any kind or nature leased to the debtor pursuant to a Master Equipment Lease No. 2023-19 dated December 14, 2023, between Bidell Gas Compression Ltd. as lessor and Kaden Energy Ltd. as lessee. Without limiting the generality of the foregoing: (1) Together with compressor, all ancillary piping and accessories, system controls, instrumentation, valves, scrubbers, piping, hoses, mats, skids and other parts of any kind and equipment attached to or forming part of such compressor unit at any time, whether or not attached, together with any trailer or self framing metal building in which the foregoing is or may be contained and all components or other parts or equipment of any kind which may from time to time be incorporated or attached thereto. (2) All rights to money or other value payable under insurance policies in respect of any of the foregoing. Proceeds: goods, inventory, chattel paper, documents of title, instruments, money, intangibles, accounts and investment property (all as defined in the Personal Property Security Act) and insurance proceeds. Current
- 4 One (1) Bidell Equipment Compressor trailer mounted compressor unit number 13-776, including, without limitation, (a) Waukesha L5794LT engine/driver and (b) Ariel JGK/4 four throw, three stage natural gas reciprocating compressor/frame, together with all parts, attachments, accessions, accessories, replacements, substitutions, additions, and improvements to the collateral described herein. Without limiting the generality of the foregoing: (1) Enclosed in self-framing steel building. (2) Includes rig mats and hoses. (3) Together with compressor, all ancillary piping and accessories, system controls, instrumentation, valves, scrubbers, piping, hoses, mats, skids and other parts of any kind and equipment attached to or forming part of such compressor unit at any time, whether or not attached, together with the self framing metal building in which the foregoing is or may be contained and all components or other parts or equipment of any kind which may from time to time be incorporated or attached thereto. (4) All rights to money or other value payable under insurance policies in respect of any of the foregoing. Proceeds: goods, inventory, chattel paper, documents of title, instruments, money, intangibles, accounts and investment property (all as defined in the Personal Property Security Act) and insurance proceeds. Current By 24062612798

Search ID #: Z18312443

Business Debtor Search For:

KADEN ENERGY LTD.

Search ID #: Z18312443

Date of Search: 2025-Jan-28

Time of Search: 12:20:39

Registration Number: 24111921572

Registration Type: SECURITY AGREEMENT

Registration Date: 2024-Nov-19

Registration Status: Current

Expiry Date: 2031-Nov-19 23:59:59

Exact Match on: Debtor No: 2

Debtor(s)**Block****Status**
Current

1 BETA ENERGY CORP.
1450 - 789 WEST PENDER STREET
VANCOUVER, BC V6C 1H2

Block**Status**
Current

2 KADEN ENERGY LTD.
800 - 555 4TH AVENUE SW
CALGARY, AB T2P 3E7

Secured Party / Parties**Block****Status**
Current

1 APEX OPPORTUNITIES FUND LTD.
900 - 885 WEST GEORGIA STREET
VANCOUVER, BC V6C 3H1
Email: SCHARLAND@ZIMTU.COM

Collateral: General**Block****Description****Status**
Current

1 ALL OF THE PRESENT AND AFTER-ACQUIRED PERSONAL PROPERTY OF EACH DEBTOR INCLUDING WITHOUT LIMITATION FIXTURES AND CROPS, AND AN UNCRYSTALLIZED FLOATING CHARGE ON LAND (ALL TERMS USED HEREIN THAT ARE DEFINED IN THE PERSONAL PROPERTY SECURITY ACT OF BRITISH COLUMBIA OR THE REGULATIONS MADE THEREUNDER HAVE THOSE DEFINED MEANINGS).

Search ID #: Z18312443

Business Debtor Search For:

KADEN ENERGY LTD.

Search ID #: Z18312443

Date of Search: 2025-Jan-28

Time of Search: 12:20:39

Registration Number: 24111925544

Registration Date: 2024-Nov-19

Registration Type: SECURITY AGREEMENT

Registration Status: Current

Expiry Date: 2031-Nov-19 23:59:59

Exact Match on: Debtor No: 1

Debtor(s)**Block****Status**

1 KADEN ENERGY LTD.
800 - 555 4TH AVENUE SW
CALGARY, AB T2P 3E7

Current

Secured Party / Parties**Block****Status**

1 APEX OPPORTUNITIES FUND LTD.
900 - 885 WEST GEORGIA STREET
VANCOUVER, BC V6C 3H1
Email: SCHARLAND@ZIMTU.COM

Current

Collateral: General**Block****Description****Status**

1 ALL PRESENT AND AFTER-ACQUIRED INTANGIBLES (INCLUDING, WITHOUT LIMITATION, ACCOUNTS), INSTRUMENTS, GOODS, CHATTEL PAPER, DOCUMENTS OF TITLE, INVESTMENT PROPERTY AND MONEY REPRESENTING AMOUNTS NOW OR HEREAFTER OWED OR OWING TO EACH DEBTOR FROM BETA ENERGY CORP. (INC. NO. BC1305787). PROCEEDS: ALL PROCEEDS THAT ARE GOODS, CHATTEL PAPER, INTANGIBLES, INSTRUMENTS, DOCUMENTS OF TITLE, INVESTMENT PROPERTY OR MONEY. ALL TERMS USED IN THIS GENERAL COLLATERAL DESCRIPTION WHICH ARE DEFINED IN THE PERSONAL PROPERTY SECURITY ACT (BRITISH COLUMBIA) SHALL HAVE THE MEANINGS SPECIFIED IN THAT ACT, UNLESS THE CONTEXT OTHERWISE REQUIRES.

Current

Search ID #: Z18312443

Business Debtor Search For:

KADEN ENERGY LTD.

Search ID #: Z18312443

Date of Search: 2025-Jan-28

Time of Search: 12:20:39

Registration Number: 25012029734

Registration Date: 2025-Jan-20

Registration Type: SECURITY AGREEMENT

Registration Status: Current

Expiry Date: 2035-Jan-20 23:59:59

Exact Match on: Debtor No: 1

Debtor(s)**Block****Status**

1 KADEN ENERGY LTD.
SUITE 800, 555 4TH AVENUE S.W.
CALGARY, AB T2P 3E7

Current

Secured Party / Parties**Block****Status**

1 BETA ENERGY CORP.
SUITE 1450 789 W. PENDER ST.
VANCOUVER, BC V6C 1H2
Email: Brad@buckfive.ca

Current

Collateral: General**Block****Description****Status**

1 ALL PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY OF THE DEBTOR.

Current

Search ID #: Z18312443

Note:

The following is a list of matches closely approximating your Search Criteria,
which is included for your convenience and protection.

Debtor Name / Address

CAIDEN ENERGY SERVICES LTD
310 HAWK'S NEST HOLLOW
PRIDDIS GREENS, AB T0L1W3

Reg.#

21090332634

SECURITY AGREEMENT**Debtor Name / Address**

KADEN ENERGY
800, 555 - 4TH AVENUE SW
CALGARY, AB T2P 3E7

Reg.#

23011212974

SECURITY AGREEMENT**Debtor Name / Address**

KADEN ENERGY
800, 555 - 4TH AVENUE SW
CALGARY, AB T2P 3E7

Reg.#

24012322328

SECURITY AGREEMENT

Result Complete

This is **Exhibit "L"** referred to in the Affidavit of Sean Charland sworn before me this 4th day of February, 2025.



Notary Public and Commissioner of Oaths
in and for the Province of British Columbia

MICHAEL N. HANUMAN
BARRISTER & SOLICITOR
700 WEST GEORGIA STREET
SUITE 2200
VANCOUVER, B.C. V7Y 1K8
(604) 687-2242

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

Business Debtor - "Kaden Energy Ltd"

Search Date and Time: February 3, 2025 at 1:31:34 pm Pacific time
Account Name: MILLER THOMSON LLP
Folio Number: 0290077.0001

TABLE OF CONTENTS

3 Matches in 3 Registrations in Report

Exact Matches: 3 (*)

Total Search Report Pages: 8

	Base Registration	Base Registration Date	Debtor Name	Page
1	771423Q	November 18, 2024	* KADEN ENERGY LTD.	2
2	773079Q	November 19, 2024	* KADEN ENERGY LTD.	5
3	889621Q	January 20, 2025	* KADEN ENERGY LTD.	7

Base Registration Number: 771423Q

Registration Description:	PPSA SECURITY AGREEMENT
Act:	PERSONAL PROPERTY SECURITY ACT
Base Registration Date and Time:	November 18, 2024 at 7:04:17 pm Pacific time
Current Expiry Date and Time:	November 18, 2031 at 11:59:59 pm Pacific time Expiry date includes subsequent registered renewal(s)
Trust Indenture:	No

CURRENT REGISTRATION INFORMATION

(as of February 3, 2025 at 1:31:34 pm Pacific time)

Secured Party Information

APEX OPPORTUNITIES FUND LTD.

Address

900-885 GEORGIA ST W
VANCOUVER BC
V6C 3H1 Canada

Debtor Information

BETA ENERGY CORP.

Address

1450-789 PENDER ST W
VANCOUVER BC
V6C 1H2 Canada

KADEN ENERGY LTD.

Address

800-555 4 AVE SW
CALGARY AB
T2P 3E7 Canada

Vehicle Collateral

None

General Collateral

Base Registration General Collateral:

ALL OF THE PRESENT AND AFTER-ACQUIRED PERSONAL PROPERTY OF EACH DEBTOR INCLUDING WITHOUT LIMITATION FIXTURES AND CROPS, AND AN UNCRYSTALLIZED FLOATING CHARGE ON LAND (ALL TERMS USED HEREIN THAT ARE DEFINED IN THE PERSONAL PROPERTY SECURITY ACT OF BRITISH COLUMBIA OR THE REGULATIONS MADE THEREUNDER HAVE THOSE DEFINED MEANINGS).

Original Registering Party

CLARK WILSON LLP

Address

SUITE 900 885 WEST GEORGIA STREET
VANCOUVER BC
V6C 3H1 Canada

HISTORY

(Showing most recent first)

AMENDMENT

Registration Date and Time: November 19, 2024 at 11:03:16 am Pacific time
Registration Number: 773069Q
Description: Correction of debtor names

Debtor Information

BETA ENERGY CORP.

ADDED

Address

1450-789 PENDER ST W
VANCOUVER BC
V6C 1H2 Canada

KADEN ENERGY LTD.

ADDED

Address

800-555 4 AVE SW
CALGARY AB
T2P 3E7 Canada

BETA ENERGY LTD.

DELETED

Address

1450-789 PENDER ST W
VANCOUVER BC
V6C 1H2 Canada

KADEN ENERGY CORP.

DELETED

Address

800-555 4 AVE SW
CALGARY AB
T2P 3E7 Canada

Registering Party Information

**CLARK WILSON LLP ATT. PPSA
CLERK**

Address

800 - 885 WEST GEORGIA STREET
VANCOUVER BC
V6C 3H1 Canada

Base Registration Number: 773079Q

Registration Description:	PPSA SECURITY AGREEMENT
Act:	PERSONAL PROPERTY SECURITY ACT
Base Registration Date and Time:	November 19, 2024 at 11:08:18 am Pacific time
Current Expiry Date and Time:	November 19, 2031 at 11:59:59 pm Pacific time Expiry date includes subsequent registered renewal(s)
Trust Indenture:	No

CURRENT REGISTRATION INFORMATION

(as of February 3, 2025 at 1:31:34 pm Pacific time)

Secured Party Information

APEX OPPORTUNITIES FUND LTD.	Address
	900 - 885 WEST GEORGIA STREET VANCOUVER BC V6C 3H1 Canada

Debtor Information

KADEN ENERGY LTD.	Address
	800 - 555 4TH AVENUE SW CALGARY AB T2P 3E7 Canada

Vehicle Collateral

None

General Collateral

Base Registration General Collateral:

ALL PRESENT AND AFTER-ACQUIRED INTANGIBLES (INCLUDING, WITHOUT LIMITATION, ACCOUNTS), INSTRUMENTS, GOODS, CHATTEL PAPER, DOCUMENTS OF TITLE, INVESTMENT PROPERTY AND MONEY REPRESENTING AMOUNTS NOW OR HEREAFTER OWED OR OWING TO EACH DEBTOR FROM BETA ENERGY CORP. (INC. NO. BC1305787).

PROCEEDS: ALL PROCEEDS THAT ARE GOODS, CHATTEL PAPER, INTANGIBLES, INSTRUMENTS, DOCUMENTS OF TITLE, INVESTMENT PROPERTY OR MONEY.

ALL TERMS USED IN THIS GENERAL COLLATERAL DESCRIPTION WHICH ARE DEFINED IN THE PERSONAL PROPERTY SECURITY ACT (BRITISH COLUMBIA) SHALL HAVE THE MEANINGS SPECIFIED IN THAT ACT, UNLESS THE CONTEXT OTHERWISE REQUIRES.

Original Registering Party

**CLARK WILSON LLP ATT. PPSA
CLERK**

Address

800 - 885 WEST GEORGIA STREET
VANCOUVER BC
V6C 3H1 Canada

Base Registration Number: 889621Q

Registration Description:	PPSA SECURITY AGREEMENT
Act:	PERSONAL PROPERTY SECURITY ACT
Base Registration Date and Time:	January 20, 2025 at 1:41:18 pm Pacific time
Current Expiry Date and Time:	January 20, 2035 at 11:59:59 pm Pacific time Expiry date includes subsequent registered renewal(s)
Trust Indenture:	No

CURRENT REGISTRATION INFORMATION

(as of February 3, 2025 at 1:31:34 pm Pacific time)

Secured Party Information

BETA ENERGY CORP.	Address 1450-789 PENDER ST W VANCOUVER BC V6C 1H2 Canada
--------------------------	--

Debtor Information

KADEN ENERGY LTD.	Address SUITE 800, 555-4TH AVENUE SW CALGARY AB T2P 3E7 Canada
--------------------------	--

Vehicle Collateral

None

General Collateral

Base Registration General Collateral:

ALL PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY OF THE DEBTOR.

Original Registering Party

MLT AIKINS LLP

Address

2600 - 1066 HASTINGS ST W
VANCOUVER BC
V6E 3X1 Canada



This is **Exhibit "M"** referred to in the Affidavit of Sean Charland sworn before me this 4th day of February, 2025.



Notary Public and Commissioner of Oaths
in and for the Province of British Columbia

MICHAEL N. HANUMAN
BARRISTER & SOLICITOR
700 WEST GEORGIA STREET
SUITE 2200
VANCOUVER, B.C. V7Y 1K8
(604) 687-2242

Beta Energy Provides Update on Kaden Creditor Proposal and Financing Arrangements

NEWS PROVIDED BY

Beta Energy Corp. →

Jan 28, 2025, 08:00 ET

VANCOUVER, BC, Jan. 28, 2025 /CNW/ - Beta Energy Corp. ("**Beta**" or the "**Company**") today announces that it has determined that the results of the Kaden Strategic Review Process (as defined herein) constitutes an event of default under the terms of a drawdown loan agreement dated November 15, 2024 (the "**Drawdown Loan Agreement**") between the Company and Kaden Energy Ltd., a wholly-owned subsidiary of the Company ("**Kaden**"), and that the Company should therefore terminate the Drawdown Loan Agreement and refuse a request from Kaden to further draw down on the funds made available by the Company to Kaden pursuant to the Drawdown Loan Agreement.

On October 3, 2024, the board of directors of the Company (the "**Board**") established a special committee of independent directors (the "**Special Committee**") to conduct a strategic review of transactions available to the Company, generally in respect of the disposition of Kaden or its operating assets, and any alternative transactions that would protect and enhance shareholder value and allow Beta to continue to operate as a going concern (the "**Kaden Strategic Review Process**"). Today, based on a unanimous recommendation of the Special Committee, the Board determined that it would not be in the best interests of the Company to pursue any of the potential transactions identified during the Kaden Strategic Review Process.

After careful consideration of Kaden's cash position, scheduled and outstanding debt payments, forecast revenue and expenses, and comprehensive consultation with its financial and legal advisors, the Company further determined that the results of the Kaden Strategic Review Process constitutes an event of default

under the Drawdown Loan Agreement. As a result, the Board (on the recommendation of its independent directors) determined to terminate the Drawdown Loan Agreement and refuse Kaden's request for further advances. As a consequence of the Company's refusal to advance further funds to Kaden, the board of directors of Kaden expects that Kaden will be unable to make its January 31, 2025 payment to creditors, as required by Kaden's notice of intention to make a proposal proceedings under the *Bankruptcy and Insolvency Act* (Canada) (the "**Proposal**").

Additionally, the results of the Kaden Strategic Review Process and the Board's decision to cease advancing funds to Kaden under the Drawdown Loan Agreement may constitute an event of default under the terms of the convertible note funding agreement dated August 23, 2024 (the "**CSFA**") between the Company and Apex Opportunities Fund Ltd. ("**Apex**"), as guaranteed by Kaden pursuant to a guarantee of Kaden in favour of Apex dated November 15, 2025. Apex is the senior secured creditor of the Company and Kaden and holds a charge over all of the assets of Beta and Kaden to secure the repayment of funds advanced by Apex to the Company under the CSFA. If an event of default is deemed to have occurred under the CSFA, Apex will be entitled to enforce its security against each of the Company and Kaden.

About Beta Energy Corp.

Further information about the Company is available under its profile on the SEDAR+ website, www.sedarplus.ca.

ON BEHALF OF THE BOARD OF DIRECTORS

"Brad Nichol"

Brad Nichol
President and Chief Executive Officer

Forward-Looking Statements

This news release contains forward-looking statements and other statements that are not historical facts, including statements regarding a possible event of default under the CSFA and Kaden's failure to make its January 31, 2025 payment pursuant to the Proposal. Forward-looking statements are often identified by ⁸

terms such as "will", "may", "should", "anticipates", "expects" and similar expressions. All statements¹⁴² other than statements of historical fact, included in this news release are forward-looking statements that involve risks and uncertainties. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. The reader is cautioned that assumptions used in the preparation of any forward-looking information may prove to be incorrect. Events or circumstances may cause actual results to differ materially from those predicted, as a result of numerous known and unknown risks, uncertainties, and other factors, many of which are beyond the control of the Company. The reader is cautioned not to place undue reliance on any forward-looking information. Such information, although considered reasonable by management at the time of preparation, may prove to be incorrect and actual results may differ materially from those anticipated. Forward-looking statements contained in this news release are expressly qualified by this cautionary statement. The forward-looking statements contained in this news release are made as of the date of this news release and the Company will update or revise publicly any of the included forward-looking statements as expressly required by applicable law.

SOURCE Beta Energy Corp.

This is **Exhibit "N"** referred to in the Affidavit of Sean Charland sworn before me this 4th day of February, 2025.



Notary Public and Commissioner of Oaths
in and for the Province of British Columbia

MICHAEL N. HANUMAN
BARRISTER & SOLICITOR
700 WEST GEORGIA STREET
SUITE 2200
VANCOUVER, B.C. V7Y 1K8
(604) 687-2242



MILLER THOMSON LLP
 525 - 8TH AVENUE S.W., 43RD FLOOR
 EIGHTH AVENUE PLACE EAST
 CALGARY, AB T2P 1G1
 CANADA

T 403.298.2400
 F 403.262.0007

MILLERTHOMSON.COM

January 29, 2025

James W. Reid
 Direct Line: +1 403.298.2418
 jwreid@millerthomson.com

DELIVERED BY EMAIL TO:

Brad@buckfive.ca

Beta Energy Corp.
 1450 – 789 W. Pender Street
 Vancouver, BC V6C 1H2

Attention: Brad Nichol

Re: Notice of Default (the "Notice")

Dear Mr. Nichol,

We are counsel to Apex Opportunities Fund Ltd. ("**Apex**").

Reference is made herein to the Convertible Note Funding Agreement dated August 23, 2024 (the "**Funding Agreement**") between Beta Energy Corp. ("**Beta**") and Apex, and to the press release issued by Beta on January 28, 2025, in which Beta, among other things, advises that it may have committed an Event of Default under the Funding Agreement (the "**Press Release**"). Capitalized terms used but not defined herein shall take the meanings ascribed to them in the Funding Agreement.

The Press Release indicates that certain defaults (collectively, the "**Events of Default**") have occurred and continue to exist. We hereby provide you with notice in accordance with Section 13 of the Funding Agreement that the following Events of Default have occurred:

1. pursuant to Subsection 12.1(b) of the Agreement, Beta or its Subsidiaries have suffered an Insolvency Event that had not already occurred on or before the Execution Date;
2. pursuant to Subsection 12.1(c) of the Agreement, Beta or any of its Material Subsidiaries have ceased, suspended, or threatened to cease or suspend, the conduct of any part of their business which would be reasonably expected to result in a Material Adverse Effect; and
3. pursuant to Subsection 12.1(j) of the Agreement, an event, condition or development has occurred which could have a Material Adverse Effect.

Please be advised that because an Event of Default has occurred pursuant to Subsection 12.1(b), we are not required to provide you with a five-day period to cure the Events of Default prior to declaring all outstanding obligations of Beta in favour of Apex to be immediately due and payable. Beta is therefore immediately required to return all unused funding advanced by Apex to Beta pursuant to the Funding Agreement. In this regard, please see enclosed a Demand Letter and a Notice of Intention to Enforce Security.

Nothing contained in this Letter or any delay by Apex in exercising any rights, powers privileges and remedies under the Funding Agreement or any other document provided in respect thereof with respect to the Events of Default, or any other default thereunder now existing or hereafter arising under such documents shall be construed as a waiver or modification of such rights, powers, privileges and remedies. This Letter is not, and shall not be deemed to be, a waiver of, or a consent to, any noncompliance, default, the Events of Default, now existing or hereafter arising under the Transaction Documents or any other documents in respect thereto. Further, this letter confirms that Apex has not waived the Events of Default and expressly reserves all of its rights, powers, privileges and remedies under the Transaction Documents or any other documents in respect thereof, applicable law, or otherwise.

Yours truly,

MILLER THOMSON LLP

Per:

A handwritten signature in blue ink, appearing to read 'James W. Reid', with a stylized flourish at the end.

James W. Reid

JWR/kl

cc. Steven Weise

This is **Exhibit "O"** referred to in the Affidavit of Sean Charland sworn before me this 4th day of February, 2025.



Notary Public and Commissioner of Oaths
in and for the Province of British Columbia

MICHAEL N. HANUMAN
BARRISTER & SOLICITOR
700 WEST GEORGIA STREET
SUITE 2200
VANCOUVER, B.C. V7Y 1K8
(604) 687-2242



MILLER THOMSON LLP
 525 - 8TH AVENUE S.W., 43RD FLOOR
 EIGHTH AVENUE PLACE EAST
 CALGARY, AB T2P 1G1
 CANADA

T 403.298.2400
 F 403.262.0007

MILLERTHOMSON.COM

January 29, 2025

VIA REGISTERED MAIL AND E-MAIL

Brad@Buckfive.ca

Beta Energy Corp.

1450 – 789 W. Pender St.
 Vancouver, BC V6C 1H2

Attention: Brad Nichol, Chief Executive Officer

Dear Sir:

Re: Convertible Note Funding Agreement Dated August 23, 2024 – Demand for Payment

James Reid

Direct Line: 403.298.2418
 Direct Fax: 403.262.0007
jwreid@millerthomson.com

File: 0290077.0001

As counsel to Apex Opportunities Fund Ltd. (the “**Secured Party**”), we hereby advise Beta Energy Corp. (the “**Debtor**”), as follows:

1. Capitalized terms used herein have the meanings given to them in the Funding Agreement (defined below) unless otherwise noted.
2. Reference is made to the following:
 - (a) a Convertible Note Funding Agreement dated August 23, 2024 (the “**Funding Agreement**”), between the Secured Party and the Debtor wherein the Debtor has the right to issue and sell to the Secured Party, and the Secured Party has the obligation to purchase, a number of Convertible Notes having an aggregate principal amount up to \$12,000,000 CAD (the “**Funding Amount**”);
 - (b) a general security agreement dated November 15, 2024 between the Debtor and Kaden Energy Inc. (“**Kaden**”), as obligors, and the Secured Party, as secured creditor;
 - (c) a debenture dated November 15, 2024 made by Kaden for the benefit of the Secured Party; and
 - (d) an unlimited guarantee dated November 15, 2024 made by Kaden for the benefit of the Secured Party.
3. The documents referred to in paragraphs 2(a) to (d) above are collectively referred to as the “**Loan Documents**”.

- 2 -

4. Reference is also made to an Advance Notice dated November 15, 2024 made by the Debtor to the Secured Party, in which the Debtor requested payment of \$4,025,200 from the Secured Party pursuant to the Funding Agreement dated November 15, 2024.
5. The Debtor is in default of the Funding Agreement. As a result of the defaults, the Secured Party is entitled to enforce all of its rights and remedies set out in the Funding Agreement as it sees fit. Accordingly, the Secured Party hereby demands from the Debtor payment of all outstanding obligations owing by the Debtor under the Funding Agreement, which as at January 29, 2025, inclusive of interest, was in the amount of \$4,103,997.26 plus all accrued legal and professional fees, costs, charges, disbursements and expenses incurred by the Secured Party prior to the date of this demand, and hereafter, and any other amounts whatsoever which may be claimed by the Secured Party under the Loan Documents or any other document relating thereto, including, without limitation, all legal costs incurred on a solicitor-client basis in respect of enforcing the Secured Party's rights under the Loan Documents. For greater certainty, interest continues to accrue on the amounts owing under the Loan Documents and other indebtedness and costs, including as aforesaid, at the rates determined in accordance with the Funding Agreement and other Loan Documents (the "**Outstanding Indebtedness**").
6. If the Debtor fails to make payment of the Outstanding Indebtedness by way of certified cheque, bank draft or other immediately payable funds by no later than 5:00 p.m. Calgary time on February 10, 2025, the Secured Party will take such lawful steps to recover the Outstanding Indebtedness owing to it as it considers appropriate, including, but not limited to, pursuing all of the Secured Party's rights and remedies against the Debtor under the Loan Documents.



- 3 -

7. We enclose a Notice of Intention to Enforce Security delivered pursuant to Section 244 of the *Bankruptcy and Insolvency Act* (Canada) together with a form to facilitate the Debtor's waiver of the notice period referred to therein if it chooses to permit the same.

Yours truly,

MILLER THOMSON LLP

Per:



James Reid
Partner
AS/kl

- c. B. Fast (Cozen O'Connor LLP)
S. Weisz (Cozen O'Connor LLP)
R. Zahara (MLT Aikins LLP)



Form 86
NOTICE OF INTENTION TO ENFORCE SECURITY
(Section 244 of the Bankruptcy and Insolvency Act)

TO: BETA ENERGY CORP., an insolvent person (the "Debtor")

Take notice that:

1. Apex Opportunities Fund Ltd. (the "**Secured Creditor**"), pursuant to the Convertible Note Funding Agreement dated August 23, 2024 among the Debtor and the Secured Creditor (the "**Convertible Note**"), intends to enforce its security on all of the Debtor's present and after-acquired personal property and undertakings, as more particularly described in the Security (as defined below).
2. The security that is to be enforced is in the form of a general security agreement dated November 15, 2024 between the Debtor and Kaden Energy Inc. ("**Kaden**"), as obligors, and the Secured Creditor, as secured creditor (the "**Security**").
3. The total amount of indebtedness secured by the Security is \$ 4,103,997.26 as at January 29, 2025, plus all accrued interest and all legal and professional fees, costs, charges, disbursements and expenses incurred by the Secured Creditor, and any other amounts whatsoever, which may be claimed by the Secured Creditor under the Convertible Note, the Security, or any other document relating thereto, including without limitation all legal costs incurred on a solicitor-client basis in respect of enforcing the Secured Creditor's rights under the Convertible Note and the Security.
4. The Secured Creditor will not have the right to enforce the Security until after the expiry of the 10-day period after this notice is sent unless the Debtor consents to an earlier enforcement.

THIS NOTICE OF INTENTION TO ENFORCE SECURITY DATED at Calgary, Alberta,
 this 29th day of January, 2025.

**MILLER THOMSON LLP, Solicitors for the
 Secured Creditor**

Per: _____

Name: James Reid

Title: Barrister and Solicitor

CONSENT AND WAIVER

TO: APEX OPPORTUNITIES FUND LTD. (the "**Secured Party**")

BETA ENERGY CORP. (the "**Debtor**"), hereby acknowledges receipt from the solicitors to the Secured Party of a Notice of Intention to Enforce Security (the "**Notice**") given under subsection 244(1) of the *Bankruptcy and Insolvency Act* (Canada) (the "**Act**") dated January 29, 2025, pursuant to which the Secured Party gave notice that it intended to enforce its security in all of the property and assets of the Debtor set out in the Notice (collectively, the "**Collateral**"), after the expiry of the 10-day period following the sending of the Notice unless the Debtor consented to an earlier enforcement. In accordance with subsection 244(2) of the Act, the Debtor hereby waives its rights to the 10-day notice period and consents to the immediate enforcement by the Secured Party of its security in all of the Collateral.

DATED at Calgary, Alberta this ___ day of _____, 2025.

BETA ENERGY CORP.

Per: _____

Name:

Title:



MILLER THOMSON LLP
 525 - 8TH AVENUE S.W., 43RD FLOOR
 EIGHTH AVENUE PLACE EAST
 CALGARY, AB T2P 1G1
 CANADA

T 403.298.2400
F 403.262.0007

MILLERTHOMSON.COM

January 29, 2025

VIA REGISTERED MAIL AND E-MAIL

wessiemens1@gmail.com

Kaden Energy Ltd.

Suite 800, 555 – 4th Avenue S.W.
 Calgary, Alberta T2P 3E7

Attention: Wes Siemens

Dear Sir:

James Reid

Direct Line: 403.298.2418
 Direct Fax: 403.262.0007
jwreid@millertthomson.com

File: 0290077.0001

Re: Guarantee Dated November 15, 2024 – Demand for Payment

As counsel to Apex Opportunities Fund Ltd. (the "**Secured Creditor**"), we hereby advise Kaden Energy Ltd. (the "**Guarantor**"), as follows:

1. Capitalized terms used herein have the meanings given to them in the Guarantee (defined below) unless otherwise noted.
2. Reference is made to the following:
 - (a) a Convertible Note Funding Agreement dated August 23, 2024 (the "**Funding Agreement**"), between the Secured Creditor and Beta Energy Corp. (the "**Company**") wherein the Company has the right to issue and sell to the Secured Creditor and the Secured Creditor has the obligation to purchase from the Company, such number of Convertible Notes having an aggregate principal amount up to \$12,000,000 (the "**Funding Amount**");
 - (b) a general security agreement dated November 15, 2024 between the Company and Guarantor, as obligors, and the Secured Creditor, as secured creditor;
 - (c) a debenture dated November 15, 2024 made by the Guarantor for the benefit of the Secured Creditor; and
 - (d) an unlimited guarantee dated November 15, 2024 made by the Guarantor for the benefit of the Secured Creditor (the "**Guarantee**").
3. The documents referred to in paragraphs 2 (a) to (d) above are collectively referred to as the "**Loan Documents**".

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4. Reference is also made to an Advance Notice dated November 15, 2024 made by the Company to the Secured Creditor, in which the Company requested payment of \$4,025,200 from the Secured Creditor pursuant to the Funding Agreement.
5. The Company is in default of the Funding Agreement. As a result of the defaults, the Secured Creditor is entitled to enforce all of its rights and remedies set out in the Funding Agreement as it sees fit. Accordingly, the Secured Creditor hereby demands from the Guarantor, payment of all amounts owing under the Funding Agreement and Guarantee, which as at January 29, 2025, inclusive of interest, was in the amount of \$4,103,997.26 plus all accrued legal and professional fees, costs, charges, disbursements and expenses incurred by the Secured Creditor prior to the date of this demand, and hereafter, and any other amounts whatsoever which may be claimed by the Secured Creditor under the Loan Documents or any other document relating thereto, including, without limitation, all legal costs incurred on a solicitor-client basis in respect of enforcing the Secured Creditor's rights under the Loan Documents. For greater certainty, interest continues to accrue on the amounts owing under the Loan Documents and other indebtedness and costs, including as aforesaid, at the rates determined in accordance with the Funding Agreement, the Guarantee and other Loan Documents (the "**Outstanding Indebtedness**").
6. If the Guarantor fails to make payment of the Outstanding Indebtedness by way of certified cheque, bank draft or other immediately payable funds by no later than 5:00 p.m. Calgary time on February 10, 2025, the Secured Creditor will take such lawful steps to recover the Outstanding Indebtedness owing to it as it considers appropriate, including, but not limited to, pursuing all of the Secured Creditor's rights and remedies against the Guarantor under the Loan Documents.



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7. We enclose a Notice of Intention to Enforce Security delivered pursuant to Section 244 of the *Bankruptcy and Insolvency Act* (Canada) together with a form to facilitate the Guarantor's waiver of the notice period referred to therein if it chooses to permit the same.

Yours truly,

MILLER THOMSON LLP

Per:



James Reid
Partner
AS/kl

- c. B. Fast (Cozen O'Connor LLP)
S. Weisz (Cozen O'Connor LLP)
R. Zahara (MLT Aikins LLP)



Form 86
NOTICE OF INTENTION TO ENFORCE SECURITY
(Section 244 of the Bankruptcy and Insolvency Act)

TO: KADEN ENERGY LTD., an insolvent person (the “Debtor”)

Take notice that:

1. Apex Opportunities Fund Ltd. (the “**Secured Creditor**”), pursuant to the Convertible Note Funding Agreement dated August 23, 2024 among Beta Energy Corp. (“**Beta**”) and the Secured Creditor (the “**Convertible Note**”) intends to enforce its security on all of the Debtor’s present and after-acquired personal and real property and undertakings, including the Debtor’s right, title, estate and interest in certain petroleum exploration and production lands, leases, proceeds, rights, royalties, permits, wells, injection sites, operations, petroleum substances, and assets used to produce, gather, store, treat, process, compress, transport, inject, or remove petroleum and natural gas products, as more particularly described in the Security (as defined below).
2. The security that is to be enforced is in the form of the following:
 - (a) a general security agreement dated November 15, 2024 between the Debtor and Beta, as obligors, and the Secured Creditor, as secured creditor;
 - (b) a debenture dated November 15, 2024 made by the Debtor for the benefit of the Secured Creditor; and
 - (c) an unlimited guarantee dated November 15, 2024 made by the Debtor for the benefit of the Secured Creditor.
3. The documents referred to in paragraphs 2 (a) to (c) above are together referred to as the “**Security**”.
4. The total amount of indebtedness secured by the Security is \$ 4,103,997.26 as at January 29, 2025, plus all accrued interest and all legal and professional fees, costs, charges, disbursements and expenses incurred by the Secured Creditor, and any other amounts whatsoever, which may be claimed by the Secured Creditor under the Convertible Note, the Security, or any other document relating thereto, including without limitation all legal costs incurred on a solicitor-client basis in respect of enforcing the Secured Creditor’s rights under the Convertible Note and the Security.
5. The Secured Creditor will not have the right to enforce the Security until after the expiry of the 10-day period after this notice is sent unless the Debtor consents to an earlier enforcement.

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THIS NOTICE OF INTENTION TO ENFORCE SECURITY DATED at Calgary, Alberta,
this 29th day of January, 2025.

**MILLER THOMSON LLP, Solicitors for the
Secured Creditor**

Per:  _____

Name: James Reid

Title: Barrister and Solicitor

CONSENT AND WAIVER

TO: APEX OPPORTUNITIES FUND LTD. (the “**Secured Party**”)

KADEN ENERGY LTD. (the “**Debtor**”), hereby acknowledges receipt from the solicitors to the Secured Party of a Notice of Intention to Enforce Security (the “**Notice**”) given under subsection 244(1) of the *Bankruptcy and Insolvency Act* (Canada) (the “**Act**”) dated January 29, 2025, pursuant to which the Secured Party gave notice that it intended to enforce its security in all of the property and assets of the Debtor set out in the Notice (collectively, the “**Collateral**”), after the expiry of the 10-day period following the sending of the Notice unless the Debtor consented to an earlier enforcement. In accordance with subsection 244(2) of the Act, the Debtor hereby waives its rights to the 10-day notice period and consents to the immediate enforcement by the Secured Party of its security in all of the Collateral.

DATED at Calgary, Alberta this ___ day of _____, 2025.

KADEN ENERGY LTD.

Per: _____

Name:

Title:

This is **Exhibit "P"** referred to in the Affidavit of Sean Charland sworn before me this 4th day of February, 2025.



Notary Public and Commissioner of Oaths
in and for the Province of British Columbia

MICHAEL N. HANUMAN
BARRISTER & SOLICITOR
700 WEST GEORGIA STREET
SUITE 2200
VANCOUVER, B.C. V7Y 1K8
(604) 687-2242

CONSENT AND WAIVER

TO: APEX OPPORTUNITIES FUND LTD. (the "Secured Party")

KADEN ENERGY LTD. (the "Debtor"), hereby acknowledges receipt from the solicitors to the Secured Party of a Notice of Intention to Enforce Security (the "Notice") given under subsection 244(1) of the *Bankruptcy and Insolvency Act* (Canada) (the "Act") dated January 29, 2025, pursuant to which the Secured Party gave notice that it intended to enforce its security in all of the property and assets of the Debtor set out in the Notice (collectively, the "Collateral"), after the expiry of the 10-day period following the sending of the Notice unless the Debtor consented to an earlier enforcement. In accordance with subsection 244(2) of the Act, the Debtor hereby waives its rights to the 10-day notice period and consents to the immediate enforcement by the Secured Party of its security in all of the Collateral.

DATED at Calgary, Alberta this 29th day of January, 2025.

KADEN ENERGY LTD.

Per: Wes Siemens

Name: Wes Siemens
Title: President & CEO

This is **Exhibit "Q"** referred to in the Affidavit of Sean Charland sworn before me this 4th day of February, 2025.



Notary Public and Commissioner of Oaths
in and for the Province of British Columbia

MICHAEL N. HANUMAN
BARRISTER & SOLICITOR
700 WEST GEORGIA STREET
SUITE 2200
VANCOUVER, B.C. V7Y 1K8
(604) 687-2242

COURT FILE NUMBER 2501-

COURT COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

APPLICANT APEX OPPORTUNITIES FUND LTD.

RESPONDENTS BETA ENERGY CORP. AND KADEN ENERGY LTD.

DOCUMENT **CONSENT TO ACT AS RECEIVER**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT MILLER THOMSON LLP
43rd Floor, 525 - 8th Avenue S.W.
Calgary, AB, Canada T2P 3V4

Attention: James W. Reid / Kira Lagadin
Telephone: 403.298.2401
416.206.6355
Fax: 403.262.0007
E-mail: jwreid@millerthomson.com
klagadin@millerthomson.com

File No.: 0290077.0001

CONSENT TO ACT AS RECEIVER

FTI CONSULTING CANADA INC. hereby consents to act as the court appointed receiver and receiver-manager, without security, of the assets, undertakings and properties of BETA ENERGY CORP. and KADEN ENERGY LTD.

DATED at CALGARY, ALBERTA, this 4th day of February, 2025

FTI CONSULTING CANADA INC.

Per:

