

COURT FILE NUMBER

2501-01893

COURT

COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE

CALGARY

APPLICANT

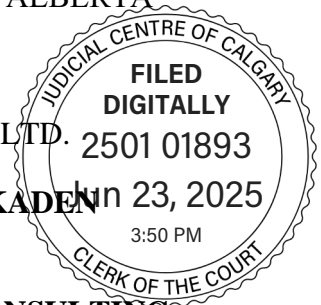
APEX OPPORTUNITIES FUND LTD.

RESPONDENT

**BETA ENERGY CORP. AND KADEN
ENERGY LTD.**

DOCUMENT

**SECOND REPORT OF FTI CONSULTING
CANADA INC., IN ITS CAPACITY AS
RECEIVER OF BETA ENERGY CORP. AND
KADEN ENERGY LTD.**



June 23, 2025

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
PARTY FILING THIS
DOCUMENT

RECEIVER

FTI Consulting Canada Inc.
Suite 1610, 520 Fifth Avenue S.W.
Calgary, AB T2P 3R7
Dustin Olver / Brett Wilson
Telephone: (403) 454-6032 / (403) 454-6033
Fax: (403) 232-6116
E-mail: dustin.olver@fticonsulting.com
brett.wilson@fticonsulting.com

COUNSEL

Fasken Martineau DuMoulin LLP
Suite 3400, 350 – 7th Avenue S.W.
Calgary, AB T2P 3N9
Robyn Gurofsky / Tiffany Bennett
Telephone: (403) 261-9469 / (403) 261-5355
Fax: (403) 261-9469
E-mail: rgurofsky@fasken.com
tbennett@fasken.com

TABLE OF CONTENTS

Introduction	2
Purpose.....	3
Terms of Reference	4
Background	5
Receiver’s Activities	6
Interim Statement of Receipts and Disbursements	7
Sale and Investment Solicitation Process	8
The Transaction	12
Receiver’s Comments on the Transaction	15
The Receiver’s Recommendations	21

Appendix “A” – Redacted Subscription Agreement

Confidential Appendix “B” – Subscription Agreement

Confidential Appendix “C” – Qualified Phase 2 Bid Summary

INTRODUCTION

1. On February 13, 2025 (the “**Date of Appointment**”), FTI Consulting Canada Inc. was appointed receiver and manager (the “**Receiver**”), without security, of all the assets, undertakings and properties (the “**Property**”) of Beta Energy Corp. (“**Beta**”) and Kaden Energy Ltd. (“**Kaden**” and together with Beta, the “**Debtors**”) pursuant to an Order of the Honourable Justice Harris (the “**Receivership Order**”) of the Alberta Court of King’s Bench (the “**Court**”).
2. The Receivership Order authorized the Receiver, among other things, to manage, operate and carry on the business of the Debtors, to market any or all of the Property including advertising and soliciting offers to purchase the Property, and to make such arrangements or agreements as deemed necessary by the Receiver.
3. Electronic copies of all materials filed in respect of these proceedings (the “**Receivership Proceedings**”) and other statutory materials are available on the Receiver’s website at: <http://cfcanada.fticonsulting.com/kadenenergy> (the “**Receiver’s Website**”).
4. On April 2, 2025, the Court granted an Order which, among other things:
 - (a) approved the Receiver’s activities and conduct as set out in the first report dated March 18, 2025 (the “**First Report**”);
 - (b) approved a sale and investment solicitation process (the “**SISP**”) and authorized and directed the Receiver, with assistance of Alcedio Capital Ltd. (“**Alcedio**” or the “**Sales Agent**”) to implement the SISP (the “**SISP Approval Order**”); and

- (c) approved the key employee retention plan up to an aggregate amount of \$225,000, provided that the net sales proceeds from the sale of the Debtors' assets are sufficient to repay the indebtedness owing by the Debtors to Apex Opportunities Funds Ltd. in full.

PURPOSE

- 5. The purpose of this report (the “**Second Report**”) is to inform the Court of the following:
 - (a) the activities of the Receiver since the date of the First Report;
 - (b) the Receiver's interim statement of receipts and disbursements from the Date of Appointment to June 17, 2025;
 - (c) a summary of the implementation and results of the SISP;
 - (d) a summary of the proposed reverse vesting transaction contemplated by the subscription agreement (“**Subscription Agreement**”) between the Receiver and New West Data Acquisition Corp. (“**New West**” or the “**Purchaser**”) dated June 20, 2025 (the “**Transaction**”); and
 - (e) the Receiver's recommendations with respect to the above.
- 6. The Receiver is requesting orders from this Honourable Court granting the following relief at the Application scheduled for July 2, 2025 (the “**July 2 Application**”):
 - (a) approving the Receiver's activities since the date of the First Report, including its interim statement of receipts and disbursements;

- (b) authorizing and approving the Receiver to complete the Transaction contemplated by the Subscription Agreement and granting an approval and reverse vesting order (“**RVO**”) in respect of the Transaction; and
- (c) temporarily sealing Confidential Appendix “**A**” and Confidential Appendix “**B**” (together, the “**Confidential Appendices**”) to the Second Report.

TERMS OF REFERENCE

- 7. In preparing this Second Report, the Receiver has relied upon unaudited financial information, other information available to the Receiver and, where appropriate, the Debtors’ books and records, and discussions with various parties (collectively, the “**Information**”).
- 8. Except as described in this Second Report:
 - (a) the Receiver has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would comply with Generally Accepted Assurance Standards pursuant to the *Chartered Professional Accountants Handbook*; and
 - (b) the Receiver has not examined or reviewed financial forecasts and projections referred to in this First Report in a manner that would comply with the procedures described in the *Chartered Professional Accountants Handbook*.
- 9. Future-oriented financial information reported or relied on in preparing this Second Report is based on assumptions regarding future events. Actual results may vary from forecasts and such variations may be material.

10. Information and advice described in this Second Report that has been provided to the Receiver by its legal counsel, Fasken Martineau DuMoulin LLP (the “**Receiver’s Counsel**”) and was provided to assist the Receiver in considering its course of action, is not intended as legal or other advice to, and may not be relied upon by, any other person.
11. Unless otherwise stated, all monetary amounts contained herein are expressed in Canadian Dollars.
12. Capitalized terms not defined herein shall have the meanings ascribed to them in the First Report.

BACKGROUND

13. 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.
14. Kaden is a private entity incorporated pursuant to the laws of the Province of Alberta. Kaden is headquartered in Calgary, Alberta and its principal line of business is the acquisition, development and production of petroleum and natural gas reserves in northwest Alberta (the “**P&NG Assets**”).
15. The P&NG Assets consist of nineteen wells, twelve of which are currently producing, with average daily production of approximately 946 barrels of oil equivalent per day. The remaining seven wells have been abandoned and are awaiting reclamation certificates from the Alberta Energy Regulator (the “**AER**”).
16. On the Date of Appointment, Kaden had five employees. All employees of the Debtors, pursuant to paragraph 14 of the Receivership Order, have remained employees of the Debtors to assist the Receiver during the Receivership Proceedings.

RECEIVER'S ACTIVITIES

17. The Receiver's activities since the date of the First Report have included the following:

- (a) managing the Debtors' finances (including cash flows) and operations;
- (b) reviewing the Debtors' financial information, including aged accounts receivables, and attending to recovery of the same;
- (c) working with the Debtors' management to gather and acquire the necessary information for provision to potential bidders in the VDR, and to determine the economic viability of various contracts;
- (d) as more particularly described at paragraphs 20 to 31 below, administering the SISP, with the assistance of the Sales Agent, including but not limited to:
 - (i) evaluating Phase 1 Bids and Phase 2 Bids;
 - (ii) participating in management presentations and discussions with Qualified Bidders; and
 - (iii) attending to due diligence questions;
- (e) consulting with the AER to discuss the status of the P&NG Assets and the results of the SISP, including the relief being sought at the July 2 Application;
- (f) negotiating the Subscription Agreement and the RVO;
- (g) responding to enquiries from the Debtors' creditors and other stakeholders; and

- (h) preparing this Second Report.

INTERIM STATEMENT OF RECEIPTS AND DISBURSEMENTS

18. The figure below presents the Receiver's interim statement of receipts and disbursements from the Date of Appointment to June 17, 2025:

Interim Statement of Receipts and Disbursements for the period of February 13, 2025 to June 17, 2025 \$CAD	
Receipts	
Accounts Receivable Collections	\$ 3,733,890
Transfer from Pre-receivership Account	174,939
GST Collected	176,100
Other Receipts	25,526
Total Receipts	4,110,455
Disbursements	
Operating Expenses	2,235,763
Payroll and Benefits	316,223
Royalties	248,877
Professional Fees	216,103
GST Paid / Remitted	168,561
Consultants & Contractors	49,076
Insurance	25,992
Rent and utilities	20,055
Bank Fees and Other	120
Total Disbursements	3,280,768
Net Cash on Hand	\$ 829,687

- (a) Accounts receivable collections relate to revenue received in connection with the operation of the P&NG Assets (net of crown royalties paid in kind);
- (b) Transfer from pre-receivership accounts includes amounts transferred from the Debtors' existing bank accounts to the Receiver's trust account;
- (c) Operating expenses includes amounts disbursed to trade creditors in connection with the operation of the P&NG Assets;

- (d) Payroll and benefits disbursed by the Receiver relating to payroll and remittances and employee benefits;
 - (e) Royalties paid in respect of gross overriding royalties;
 - (f) Professional fees paid to the Receiver and the Receiver's Counsel from the Date of Appointment to May 31, 2025;
 - (g) Consultants including contract operators for the operation of the P&NG Assets;
 - (h) Group insurance premiums for employee benefits; and
 - (i) Occupation rent for the Debtors' leased premise.
19. As at June 17, 2025, the Receiver held \$829,687 in cash on hand in its trust account.

SALE AND INVESTMENT SOLICITATION PROCESS

20. A copy of the SISP Procedure was attached to the First Report as Appendix "B".
21. Pursuant to the SISP Approval Order, the Receiver, in consultation with the Sales Agent, administered the SISP to solicit interest in, and opportunities for, a sale of, or investment in, all or part of the Debtors' assets and business operations.
22. The SISP was comprised of two phases intended to broadly canvas potential purchasers and investors in a structured manner to maximize value for the benefit of the Debtors' creditors and stakeholders.

23. The key dates, as initially set out in the SISP Procedure, are as follows:

Milestone	Deadline
The Receiver and Sales Agent to create list of Known Potential Bidders and distribute Teaser Letters and NDAs to Known Potential Bidders	March 13, 2025
The Receiver and Sales Agent to prepare and have available for Potential Bidders access to the VDR	March 13, 2025
Phase 1 Bid Deadline	April 24, 2025
Phase 2 Bid Deadline	May 27, 2025
Transaction Approval Application Hearing	On or before June 16, 2025
Closing Date Deadline	On or before June 30, 2025

24. The Receiver notes that all milestones identified above, to up to the Phase 1 Bid Deadline, were met.
25. At the request of certain Phase 2 Qualified Bidders, the Phase 2 Bid Deadline was extended by one week to June 3, 2025, and therefore the Transaction Approval Application Hearing was deferred to July 2, 2025, and outside date for closing in the proposed transaction is July 15, 2025.
26. The Receiver, in consultation with the Sales Agent, commenced the SISP on March 13, 2025, the initial steps of which included:
- (a) preparing a list of Known Potential Bidders;
 - (b) distributing the Teaser Letter to the Known Potential Bidders, as well as approximately 211 industry contacts, and targeted phone calls to industry contacts and virtual meetings with prospective counterparties;

- (c) publishing notice of the SISP in the BOE Report, the DOB Energy and the Insolvency Insider;
 - (d) posting a copy of the Teaser Letter along with corresponding summary information on the Receiver's Website; and
 - (e) establishing a VDR (containing detailed information about Kaden, its business, assets and operations, including but not limited to information regarding its P&NG assets and tax pools) and making it available for review upon a potential bidder executing a non-disclosure agreement ("NDA").
27. A total of 30 parties executed NDAs and were provided with access to the VDR.
28. A total of 14 non-binding letters of intent (each an "**LOI**") were received by the Phase 1 Bid Deadline for all or individual properties, including 13 *en bloc* offers for all of the P&NG Assets.
29. The Receiver, in consultation with the Sales Agent, reviewed the LOIs to determine if they met the requirements of a Qualified LOI in accordance with the SISP. 12 of the 14 LOIs received were determined to be Qualified LOIs and were advanced to Phase 2.
30. A total of 6 Phase 2 Bids were received by the Phase 2 Bid Deadline for all or individual properties, including 5 *en bloc* offers for the corporation and all of the P&NG Assets. A summary of Phase 2 Bids received is provided in **Confidential Appendix "C"**.
31. The Receiver, in consultation with the Sales Agent, determined the Phase 2 Bid submitted by New West to be the Successful Bid based on, among other things, the following:

- (a) the offer provided for the highest purchase price (including receipt of a 10% deposit);
 - (b) the bidder had completed a satisfactory level of due diligence;
 - (c) the offer contemplated the retention of all the P&NG Assets (in this instance, through New West's acquisition of Kaden); and
 - (d) the bidder had sufficiently demonstrated the ability to close in a timely manner.
32. The Receiver has the following comments regarding its administration of the SISP:
- (a) throughout the course of the SISP, the Receiver routinely consulted with and engaged the assistance of the Sales Agent, which had been previously engaged by Beta to solicit interest in Kaden during prior proposal proceedings. Accordingly, the Sales Agent has significant familiarity with the Property and ensured that the market was thoroughly canvassed;
 - (b) the SISP provided for fairness and transparency in the process;
 - (c) the timelines to market and solicit a transaction in the SISP were appropriate in light of, among other things, (i) the size and nature of the Debtors' operations, (ii) the Debtors' financial position, and (iii) the fact that the assets were previously marketed;
 - (d) the bidding requirements, as described in the SISP, were reasonable in the circumstances as they provided sufficient hurdles to ensure that interested parties were real, had the willingness and ability to consummate a transaction, but were not unduly burdensome so as to discourage participation by potential bidders;

- (e) in the Receiver's experience, the SISP timelines permitted a sufficient level of market exposure and are consistent with other similar insolvency processes involving oil and gas assets;
 - (f) the SISP successfully exposed the P&NG Assets to the market in an effective manner, as demonstrated by the number of interested bidders who participated, and number of offers received at each phase of the process;
 - (g) the SISP allowed a dual track to solicit either a sale or an investment proposal; and
 - (h) the Debtors' senior secured creditor, Apex, was supportive of the SISP Procedure and the Receiver's implementation thereof.
33. Overall, in the Receiver's view, the SISP terms and timelines were reasonable in the circumstances and afforded the Debtors with a reasonable opportunity to achieve a successful transaction. Further, the Receiver is not aware of any unfairness in the process that culminated in the negotiation of the Subscription Agreement.

THE TRANSACTION

34. In this section of the Second Report, capitalized terms not otherwise defined have the meanings ascribed to them in the Subscription Agreement.
35. The Transaction contemplated in the Subscription Agreement is a "reverse vesting" transaction which involves the Purchaser's purchase and subscription, and the Receiver's sale, of common shares in Kaden. A redacted copy of the Subscription Agreement is attached as **Appendix "A"** and an unredacted copy of the Subscription Agreement has been provided to the Court as **Confidential Appendix "B"**.

36. The key terms of the Subscription Agreement and the Transaction are as follows:
- (a) the total aggregate cash consideration paid by the Purchaser for the Transaction is the Base Purchase Price, subject to adjustments for Cure Costs and the Property Tax Adjustment (the “**Purchase Price**”);
 - (b) additional consideration includes Kaden’s retention of the Retained Assets, the Retained Contracts, and the Retained Liabilities;
 - (c) the Purchaser will purchase and subscribe for 100 Common Shares of Kaden, for a subscription amount equal to the Purchase Price;
 - (d) the Purchaser’s purchase and subscription of the Kaden shares, and retention of the Retained Assets, the Retained Contracts, and the Retained Liabilities, will be on an “as is, where is” basis;
 - (e) all of the presently issued and outstanding common shares of Kaden will be cancelled for nominal consideration;
 - (f) the purchase of the Kaden shares, and retention of the Retained Assets, the Retained Contracts, and the Retained Liabilities, will be on an “as is, where is” basis; and
 - (g) the Subscription Agreement is conditional upon Court approval of the RVO.
37. The Transaction contemplates the creation of the Creditor Trust through the RVO, which is proposed to be administered by the Receiver in its capacity as trustee of the Creditor Trust (the “**Trustee**”). Pursuant to the proposed RVO, certain assets and liabilities of Kaden will be transferred to the Creditor Trust upon closing the Transaction (the “**Transferred Assets**” and the “**Transferred Liabilities**”, respectively), including the Purchase Price and the Deposit.

38. The Creditor Trust will come into existence upon closing the Transaction and the beneficiaries of the Creditor Trust will retain the same priorities, rights and entitlements against the Transferred Assets as they had against Kaden immediately prior to the closing of the Transaction. Unless extended, the Creditor Trust will terminate upon the earlier of the expiry of five months from the date on which the RVO was issued, or the date on which the Trustee otherwise terminates the Creditor Trust after the performance of its duties.
39. The effect of the Transaction and the RVO, if so approved by the Court, will be that Kaden will be cleansed of certain existing liabilities, and the Purchaser (as new ownership of Kaden) will assume the Retained Liabilities and the Retained Assets. The Creditor Trust will then replace Kaden in the receivership proceedings.
40. Additional commercial terms of the Subscription Agreement include:
- (a) the sale of Kaden's business and corporate attributes, including tax deductions of approximately \$83.9 million including non-capital losses of approximately \$37.8 million (estimated as of December 31, 2023);
 - (b) the Transaction is expected to close on or before the Outside Date of July 15, 2025; and
 - (c) there are no material conditions to closing remaining, other than Court approval of the RVO.
41. The Receiver expects to bring an application after closing the Transaction for approval of a claims process to ultimately facilitate the distribution of proceeds transferred to the Creditor Trust.

RECEIVER'S COMMENTS ON THE TRANSACTION

42. When analyzing the Transaction, the Receiver considered the following:
- (a) Whether the proposed Transaction represents the best outcome and recovery to the Debtors' creditors and stakeholders; and
 - (b) Whether the proposed structure is appropriate in the circumstances and when considering appropriateness, further considering whether:
 - (i) the RVO is necessary in the circumstances;
 - (ii) the RVO structure proposed produces an economic results at least as favourable as any other viable alternative;
 - (iii) any stakeholder is worse off under the RVO structure proposed than they would have been under any other viable alternative; and
 - (iv) the consideration proposed in the Transaction reflects the importance and value of the licenses and permits being preserved under the structure.

Recoveries to Stakeholders

43. The Receiver is of the view that the Transaction is the best option available to maximize recovery for all stakeholders. In making this determination, the Receiver compared the potential recoveries to creditors under the Subscription Agreement to a sale or disposition under a bankruptcy. The Receiver concluded the following:
- (a) the Receiver thoroughly marketed the P&NG Assets and business through the SISP in an effort to maximize the potential return to all stakeholders;

- (b) there was no viable alternative to the Transaction identified through the SISP that would provide better returns to stakeholders. The Transaction represents the highest available recovery to creditors. Alternatives to the Transaction include either a lower value transaction or a bankruptcy. The Receiver is of the view that a bankruptcy would significantly erode value being offered to creditors by the Transaction, if any value could be achieved at all as a bankruptcy would likely involve a shut down of operations;
 - (c) the Transaction provides benefit to the general public given that Kaden will retain responsibility for the ongoing environmental obligations associated with the P&NG Assets; and
 - (d) the Transaction also provides benefit to stakeholders in the community as Kaden will continue to honour certain contracts and obligations identified as Retained Assets or Retained Liabilities.
44. For the reasons outlined above, the Receiver is of the view that the Transaction offers fair value in the circumstances and therefore, from an economic standpoint, the Receiver recommends that this Honourable Court approve the Transaction.

The RVO is Appropriate in the Circumstances

45. As outlined above, the Receiver considered the following to assess the appropriateness of the RVO:
- (a) why an RVO is necessary;
 - (b) whether the RVO structure produced an economic result at least as favourable as another viable alternative;
 - (c) whether any stakeholder is worse off under the RVO structure than they would have been under another viable alternative; and

- (d) whether the consideration paid for the debtor's business is reflective of the importance and value of the intangible assets being preserved under the RVO structure?

The RVO Structure is Necessary

- 46. The RVO is necessary to provide additional value to the estate and its stakeholders that would not be possible without the use of an RVO structure. In particular:
 - (a) the RVO structure allows the parties to forego applications for the AER's approval of various license transfers, which could take a significant amount of time, and would add additional risk and cost to the Transaction; and
 - (b) certain of Kaden's tax attributes as outlined above will be preserved. Although the value of these tax attributes is not certain, they may create potential future value to the business and stakeholders.
- 47. The result of the Transaction will be that Kaden will carry on business with a new sole shareholder (New West), with ownership of the Retained Assets and Retained Liabilities, and a restructured balance sheet, free of all indebtedness other than the Retained Liabilities (such expunged indebtedness having been cleansed by the RVO or paid or assumed as a cure cost).
- 48. In addition, New West has advised the Receiver that it is not prepared to proceed with a traditional asset purchase transaction, as New West expressly contemplated the preservation of (a) the applicable licensing and permitting for the P&NG Assets, and (b) Kaden's tax attributes, in proposing to proceed by way of an RVO structure.

The RVO Structure Produces an Economic Result More Favourable Than Any Other Viable Alternative

49. As described above, the Subscription Agreement currently provides the best transaction available to Kaden's stakeholders in the circumstances. The alternative is a bankruptcy or sale to an alternative bidder at a lower price which would erode substantial value for stakeholders including amounts owing for cure costs payable to counterparties that may not otherwise be available.

No Stakeholders are Worse Off Under the RVO Structure than They Would Have Been Under Another Viable Alternative

50. The Receiver is not aware of any stakeholders that would be worse off because of the RVO structure. As outlined above, there is no viable alternative to the Transaction. It is also worth noting that the vast majority of the Phase 2 bids received in the SISP contemplated a reverse vesting transaction.
51. Following closing of the Transaction, the Trustee of the Creditor Trust expects to undertake a claims process, following which unsecured creditors are expected to receive a distribution from the Creditor Trust. Therefore, no creditors are worse off under the RVO structure. Conversely, it is anticipated that many of Kaden's stakeholders, including Apex, would be worse off in an alternative sale at a lower value or in a bankruptcy, where any realizations are questionable.

The Consideration Being Paid for the Debtor's Business Reflects the Importance and Value of the Intangible Assets Being Preserved under the RVO Structure

52. As described above, the Transaction is the best viable alternative in the circumstances. New West has not expressed a willingness to complete the Transaction by way of an asset purchase with a traditional approval and vesting order. The RVO structure was selected with a view to (a) being efficient in closing, including by eliminating the risks associated with seeking licence transfers, and (b)

salvaging tax losses to preserve future tax value, which potentially enhances the Purchaser's ability to recover proceeds from future operations.

53. Accordingly, in the Receiver's view, the RVO does reflect the importance of the value of intangibles. In particular:

- (a) the regulatory licences associated with the P&NG Assets were available for review by potential bidders in the VDR. Kaden's various regulatory licences carry environmental liabilities, and the assumption and retention of these liabilities as contemplated in the Transaction provide value to the stakeholders overall, and reduce uncertainties, costs, and delays which risk erosion to stakeholder returns;
- (b) similarly, information regarding Kaden's tax attributes were available for review by potential bidders in the VDR. The Receiver notes, however, that these attributes may only be utilized post-acquisition in very limited circumstances. For example, when a company that is not in a similar type of business stream acquires a company, it must rely on the target company itself to generate profits in order to use the pools. In addition, to the extent there is any debt forgiveness, the amount of that debt forgiveness further reduces the amount of losses available for potential use. Put another way, the Receiver is of the view that the consideration being paid under the Transaction takes into account the relative value of the corporation and its business, including its associated tax attributes.

The Releases

54. The form of RVO sought by the Receiver contains a release in favour of Kaden, the Purchaser and the Creditor Trust (and their respective directors, officers, employees, legal counsel and advisors), as well as the Receiver and its legal counsel (the "**Released Parties**"), from all claims in respect of the entrance and

commencement of the Receivership Proceedings, the entering into and execution of the Subscription Agreement or the implementation of the Transaction.

55. The Receiver is of the view that:

- (a) the Released Parties are necessary and essential to the realization of the value of the Property in favour of the Debtors' stakeholders, and have all contributed to the development of the Subscription Agreement and the proposed Transaction;
- (b) the claims being released by the RVO are rationally connected to the Transaction and the RVO;
- (c) there is no real prejudice to stakeholders in the proposed release, as parties with claims released under the RVO may seek recourse against the Creditor Trust and any claims in fraud, gross negligence and wilful misconduct are exempted from the release; and
- (d) the Transaction could not succeed in its current form in the absence of the proposed releases as no purchaser would be prepared to acquire the Property or any portion of it without certainty that the subject of the acquisition would be free and clear of encumbrances or liabilities.

Confidential Appendices

56. The Confidential Appendices contain an unredacted copy of the Subscription Agreement (which includes details of the Purchase Price) and a summary of the Qualified Phase 2 Bids submitted to the Receiver during in the SISP.
57. The Receiver is of the view that the Confidential Appendices contain commercially sensitive information in respect of the Property and the Transaction. In the event the Transaction does not close, the dissemination of this information could

negatively impact the Receiver's ability to remarket the Property. As a result, the Receiver is of the view that the stakeholders' interests are protected through the issuance of a temporary sealing order.

THE RECEIVER'S RECOMMENDATIONS

58. In summary, the Subscription Agreement and the Transaction result from a robust and thorough sale process, which was previously approved by the Court. The Transaction, including the contemplated "reverse vesting" structure, represents the best outcome for stakeholders generally and should be approved.
59. As a result, the Receiver respectfully requests that this Honourable Court grant the following relief:
- (a) an order approving the Receiver's actions, conduct and activities, including its interim statement of receipts and disbursements since the date of the First Report; and
 - (b) an order approving the Subscription Agreement and the Transaction, and granting the RVO sought; and

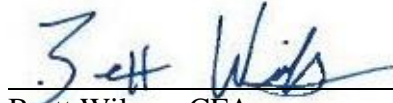
- (c) an order temporarily restricting access to the Confidential Appendices to the Second Report.

All of which is respectfully submitted this 23rd day of June 2025.

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



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



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

Appendix “A” – Redacted Subscription Agreement

SUBSCRIPTION AGREEMENT

BETWEEN:

**FTI CONSULTING CANADA INC. IN ITS CAPACITY
AS COURT APPOINTED RECEIVER AND MANAGER OF KADEN ENERGY LTD.
AND NOT IN ITS PERSONAL OR CORPORATE CAPACITY**

- and -

NEW WEST DATA ACQUISITION CORP.

Dated:

June 20, 2025

TABLE OF CONTENTS

	Page No.
ARTICLE 1 INTERPRETATION.....	2
1.1 Definitions	2
1.2 Headings	13
1.3 Interpretation Not Affected by Headings.....	13
1.4 Plurals and Gender.....	13
1.5 Schedules	13
1.6 Damages.....	14
1.7 Derivatives	14
1.8 Interpretation if Closing Does Not Occur	14
1.9 Conflicts.....	14
1.10 Currency.....	14
ARTICLE 2 SUBSCRIPTION OF PURCHASED SHARES	14
2.1 Subscription for Purchased Shares	14
2.2 Purchase Price	14
2.3 Closing Payments	15
2.4 Purchase Price Adjustment – Cure Costs	15
2.5 Purchase Price Adjustment – Property Tax	15
2.6 Implementation of Reorganization; Retained Assets, Retained Contracts and Retained Liabilities; Transfer of Transferred Assets, Transferred Contracts and Transferred Liabilities to Creditor Trust	16
2.7 Form of Payment	16
2.8 Deposit.....	16
2.9 Damages.....	17
ARTICLE 3 CLOSING	17
3.1 Date, Time and Place of Closing	17
3.2 Effectiveness of Vesting Order	17
3.3 Closing Deliveries.....	17
3.4 Adjustments to Schedule “B” by the Purchaser – Exclusion of Assets and Liabilities	18
3.5 Adjustments to Schedule “B” by the Purchaser – Addition of Assets and Liabilities..	19
ARTICLE 4 CONDITIONS OF CLOSING.....	19
4.1 Required Consents	19

4.2	Mutual Conditions	20
4.3	Purchaser's Conditions	20
4.4	Company's Conditions	21
4.5	Efforts to Fulfil Conditions Precedent	21
ARTICLE 5 REPRESENTATIONS AND WARRANTIES		22
5.1	Representations and Warranties of the Company	22
5.2	Representations and Warranties of the Purchaser	22
5.3	Limitation of Representations by Company	23
ARTICLE 6 INDEMNITIES		24
6.1	The Purchaser's Indemnities for Representations and Warranties	24
6.2	Post Closing Date Indemnity	24
ARTICLE 7 MAINTENANCE OF RETAINED ASSETS		25
7.1	Maintenance of Retained Assets	25
7.2	Consent of the Purchaser	25
7.3	Proposed Actions	26
7.4	Licence Transfers	26
7.5	Payments in Respect of Transferred Assets	27
7.6	Agreement Regarding Fees	27
ARTICLE 8 PURCHASER'S REVIEW AND ACCESS TO BOOKS AND RECORDS		27
8.1	Company to Provide Access	27
8.2	Access to Information	27
8.3	Maintenance of Information	28
ARTICLE 9 GENERAL		28
9.1	Further Assurances	28
9.2	Receiver	28
9.3	Entire Agreement	28
9.4	Governing Law	29
9.5	Assignment and Enurement	29
9.6	Time of Essence	29
9.7	Notices	29
9.8	Invalidity of Provisions	30
9.9	Waiver	30
9.10	Amendment	31
9.11	Confidentiality and Public Announcements	31

9.12	Sealing Order	31
9.13	Termination.....	31
9.14	Personal Information.....	32
9.15	Directors.....	32
9.16	Counterpart Execution	33

Schedules

<i>Schedule "A" -</i>	<i>Vesting Order</i>
<i>Schedule "B" -</i>	<i>Transferred Assets</i>
	<i>Transferred Liabilities</i>
	<i>Retained Assets</i>
	<i>Retained Liabilities</i>
<i>Schedule "C" -</i>	<i>Current Cure Cost Estimates</i>

SUBSCRIPTION AGREEMENT

THIS SUBSCRIPTION AGREEMENT made as of June 20, 2025.

BETWEEN:

**FTI CONSULTING CANADA INC. in its capacity as
Court appointed receiver and manager (“Receiver”) of KADEN ENERGY LTD. (the
“Company”)
and not in its personal or corporate capacity**

- and-

NEW WEST DATA ACQUISITION CORP. (the “Purchaser”)

WHEREAS:

- A. Receiver was appointed as receiver and manager of the Company and Beta Energy Corp. (“**Beta**” and, together with the Company, the “**Beta Entities**”) pursuant to a court order dated February 13, 2025 (the “**Receivership Order**”) granted by the Court of King’s Bench of Alberta in the Judicial District of Calgary, Alberta (the “**Court**”) under Court File No. 2501-01893 (the “**Receivership Proceedings**”);
- B. on March 27, 2025, the Beta Entities obtained an order from the Court, which, among other things, approved the procedure for the Beta Entities’ sale and investment solicitation process (the “**SISP Order**”);
- C. further to the SISP Order, the Receiver and the Purchaser entered into negotiations for the subscription for and purchase of the Purchased Shares by the Purchaser, to be completed through a series of transactions between the Company and the Purchaser to proceed by way of the Vesting Order;
- D. pursuant to the contemplated transactions, the Company shall effect a reorganization pursuant to the statutory procedure set out in Section 192 of the *Business Corporations Act* (Alberta) whereby, among other things, all existing Equity Interests shall be redeemed for nominal consideration and then extinguished, immediately prior to the subscription for and purchase of the Purchased Shares by the Purchaser pursuant to this Agreement (the “**Reorganization**”);
- E. at Closing, the Purchased Shares shall represent the sole issued and outstanding Equity Interests of the Company; and
- F. subject to the conditions set forth in this Subscription Agreement and the issuance by the Court of the Vesting Order, the Company wishes to issue from treasury to the Purchaser, and the Purchaser has agreed to subscribe for and purchase from the Company, the Purchased Shares, upon the terms and conditions set forth herein.

NOW THEREFORE, THIS SUBSCRIPTION AGREEMENT WITNESSETH that in consideration of the premises and the mutual covenants and agreements hereinafter set forth, the Parties have agreed as follows:

ARTICLE 1 INTERPRETATION

1.1 Definitions

In this Subscription Agreement, unless the context otherwise requires:

- (a) **“Abandonment and Reclamation Obligations”** means all past, present and future obligations to:
 - (i) abandon, shut-down, close, decommission, dismantle or remove any and all Wells and Tangibles, including all structures, foundations, buildings, pipelines, equipment and other facilities forming part of the Wells and Tangibles or otherwise located on the Lands or used or previously used in respect of Petroleum Substances produced or previously produced from the Lands; and
 - (ii) restore, remediate and reclaim the surface and subsurface locations of the Wells and the Tangibles and any lands used to gain access thereto, including such obligations relating to wells, pipelines and facilities which were abandoned or decommissioned prior to the Closing Date that were located on the Lands or that were located on other lands and used in respect of Petroleum Substances produced or previously produced from the Lands, and including the remediation, restoration and reclamation of any other surface and sub-surface lands affected by any environmental damage, contamination or other environmental issues emanating from or relating to the sites for the Wells or the Tangibles;

all in accordance with generally accepted oil and gas industry practices and in compliance with all Applicable Laws, excluding all obligations and liabilities that are Transferred Liabilities or are related to the Transferred Assets;
- (b) **“AER”** means the Alberta Energy Regulator, or any successor thereto having jurisdiction over the Retained Assets or certain of them or the operation thereof;
- (c) **“Affiliate”** means, with respect to any Person, any other Person or group of Persons acting in concert, directly or indirectly, that controls, is controlled by or is under common control with such Person. The term **“control”** as used in the preceding sentence means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person whether through ownership or more than 50% of the voting securities of such Person, by contract or otherwise;
- (d) **“Applicable Law”** means, in relation to any Person, property or circumstance, all laws, statutes, rules, regulations, official directives and orders of Governmental

Authorities (whether administrative, legislative, executive or otherwise), including judgments, orders and decrees of courts, commissions or bodies exercising similar functions, as amended, and includes the provisions and conditions of any permit, licence or other governmental or regulatory authorization, that are in effect as at the relevant time and are applicable to such person, property or circumstance;

- (e) **“Associated Infrastructure”** means the Company’s right, title and interest in all infrastructure and facilities related to the surface of any lands, other than Surface Rights, used in connection with the Wells, facilities, or pipelines, including access roads, temporary access roads, airstrips, communication towers, temporary workspace, borrow sites, campsites, remote sumps, remote cement return pits, storages areas, disposal sites, or land treatment areas;
- (f) **“Base Purchase Price”** means [REDACTED];
- (g) **“Beta”** has the meaning set out in the Recitals;
- (h) **“Beta Entities”** has the meaning set out in the Recitals;
- (i) **“Buildings and Fixtures”** means all plants, buildings, structures, erections, improvements, appurtenances and fixtures (including fixed machinery and fixed equipment) situate on or under or forming part of the Lands, other than the Tangibles;
- (j) **“Business Day”** means a day other than a Saturday, a Sunday or a statutory holiday in Calgary, Alberta;
- (k) **“Claim”** means any claim, demand, lawsuit, proceeding or arbitration, or any investigation by a Third Party or a Governmental Authority (whether pertaining to the Retained Assets or otherwise) in each case whether asserted, threatened, pending or existing;
- (l) **“Closing”** means the completion of the Transactions pursuant to this Subscription Agreement;
- (m) **“Closing Date”** the date on which Closing occurs, which date shall be no later than five Business Days from the date on which all conditions set out in Article 4 (other than those conditions that by their nature can only be satisfied on the Closing Date) have been satisfied or waived, or such other date as may be agreed upon by the Parties;
- (n) **“Closing Place”** means the office of the Company, Receiver or its counsel, or such other place as may be agreed upon in writing by the Parties;
- (o) **“Common Shares”** means common shares in the capital of the Company;
- (p) **“Confidential Report”** has the meaning set out in Section 9.12;

- (q) **“Confidentiality Agreement”** means the Confidentiality Agreement dated effective April 8, 2025 entered into between the Receiver, in its capacity as the court-appointed receiver and manager of the Company, and the Purchaser in connection with the Transactions;
- (r) **“Court”** has the meaning set out in the Recitals;
- (s) **“Creditor Trust”** means the trust to be formed pursuant to the Vesting Order, which shall hold the Transferred Assets and the Transferred Liabilities for the benefit of the creditors of the Beta Entities, and subject to the claims under the Vesting Order, all in the manner specified herein and set forth in the Vesting Order;
- (t) **“Creditor Trust Settlement”** means the Creditor Trust Settlement attached as a schedule to the Vesting Order;
- (u) **“Cure Costs”** means, in respect of any Retained Contract, all amounts required to be paid, to remedy all of the Company’s monetary defaults under such Retained Contract or required to secure a counterparty’s or any other necessary Person’s consent to the assignment of such Retained Contract pursuant to its terms or as may be required pursuant to the Vesting Order, currently estimated in the amounts set out in Schedule “C” hereto;
- (v) **“Cure Cost Holdback Amount”** means [REDACTED];
- (w) **“Deposit”** has the meaning as defined in Section 2.8;
- (x) **“Employees”** means all individuals who are employed by the Company, whether on a full-time or part-time basis, whether unionized or non-unionized, including all individuals who are on an approved and unexpired leave of absence, all individuals who have been placed on temporary lay-off which has not expired, and **“Employee”** means any one of them.
- (y) **“Encumbrances”** means all security interests (whether contractual, statutory, or otherwise), hypothecs, pledges, mortgages, liens, trusts or deemed trusts (whether contractual, statutory or otherwise), reservations of ownership, royalties, options, rights of pre-emption, privileges, interests, assignments, actions, judgements, executions, levies, Taxes, writs of enforcement, charges, or other Claims, whether contractual, statutory, financial, monetary or otherwise, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise, including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Receivership Order or any other Order of this Court; (ii) all charges, security interests or Claims evidenced by registrations pursuant to the *Personal Property Security Act* of Alberta or British Columbia or any other personal property registry system or pursuant to the *Land Titles Act* (Alberta), the *Land Title Act* (British Columbia) or any other land titles or similar registry system; and (iii) all security interests evidenced by a security notice or otherwise pursuant to the *Mines and Minerals Act* (Alberta);

- (z) **“Environment”** means the components of the earth and includes the air, the surface and subsurface of the earth, bodies of water (including rivers, streams, lakes and aquifers) and plant and animal life (including humans);
- (aa) **“Environmental Laws”** means all Applicable Laws relating to pollution or protection of human health or the Environment (including ambient air, water, surface water, groundwater, land surface, soil, or subsurface) or natural resources, including Applicable Laws relating to the storage, transfer, transportation, investigation, cleanup, treatment, or use of, or release or threatened release into the Environment of, any Hazardous Substances;
- (bb) **“Environmental Liabilities”** means all past, present and future Losses, Claims and other duties and obligations, whether arising under contract, Applicable Law or otherwise, arising from, relating to or associated with:
 - (i) Abandonment and Reclamation Obligations;
 - (ii) any damage, pollution, contamination or other adverse situations pertaining to the Environment howsoever and by whomsoever caused and regardless of whether such damage, pollution, contamination or other adverse situations occur or arise in whole or in part prior to, at or subsequent to the date of this Subscription Agreement;
 - (iii) the presence, storage, use, holding, collection, accumulation, assessment, generation, manufacture, processing, treatment, stabilization, disposition, handling, transportation, release, emission or discharge of Petroleum Substances, oilfield wastes, water, Hazardous Substances, environmental contaminants and all other substances and materials regulated under any Applicable Law, including any forms of energy, or any corrosion to or deterioration of any structures or other property;
 - (iv) compliance with or the consequences of any non-compliance with, or violation or breach of, any Environmental Law;
 - (v) any seismic programs conducted on or in respect of the Lands, or any lands pooled or unitized therewith;
 - (vi) sampling, monitoring or assessing the Environment or any potential impacts thereon from any past, present or future activities or operations; or
 - (vii) the protection, reclamation, remediation or restoration of the Environment, including related human health and safety;

that relate to or arise by virtue of the Retained Assets or the ownership thereof or any past, present or future operations and activities conducted in connection with the Retained Assets or on or in respect of the Lands or any lands pooled or unitized therewith, but excluding all obligations and liabilities that are Transferred Liabilities or are related to the Transferred Assets;

- (cc) **“Equity Interests”** includes (i) any shares, interests, participations or other equivalents (however designated) of capital stock or share capital; (ii) any phantom stock, phantom stock rights, stock appreciation rights or stock-based performance securities; (iii) any warrants, options, convertible, exchangeable or exercisable securities, subscriptions, rights (including any pre-emptive or similar rights), calls or other rights to purchase or acquire any of the foregoing; and (iv) any interest that constitutes an “equity interest” as such term is defined in the *Bankruptcy and Insolvency Act* (Canada);
- (dd) **“Estimated Cure Costs”** means the Receiver’s good faith estimate of the Cure Costs at Closing;
- (ee) **“Facilities”** means all of the Company’s right, title and interest in and to all field facilities whether or not solely located on or under the surface of the Lands (or lands with which the Lands are pooled) and that are, or have been, used for production, gathering, treatment, compression, transportation, injection, water disposal, measurement, processing, storage or other operations respecting the Petroleum Substances, including any applicable battery, separator, compressor station, gathering system, pipeline, production storage facility or warehouse;
- (ff) **“Final Cure Costs”** means the total Cure Costs, calculated following the completion of the Receiver’s claims process.
- (gg) **“Governmental Authority”** means any federal, national, provincial, territorial, state, municipal or other government, any political subdivision thereof, and any ministry, sub-ministry, agency or sub-agency, court, board, bureau, office, commission or department, as well as any government-owned entity, any regulatory authority and any public authority, including any public utility, having jurisdiction over a Party, the Retained Assets or the Transactions, including for greater certainty the AER;
- (hh) **“Hazardous Substances”** means any substance, material or waste defined, regulated, listed or prohibited by Environmental Laws, including pollutants, contaminants, chemicals, deleterious substances, dangerous goods, hazardous or industrial toxic wastes or substances, radioactive materials, flammable substances, explosives, Petroleum Substances and products of Petroleum Substances, polychlorinated biphenyls, chlorinated solvents and asbestos;
- (ii) **“Holdback Account”** means the account maintained by the Receiver to hold the Cure Cost Holdback Amount.
- (jj) **“Lands”** means all lands and formations in or to which the Company has right, title or interest, subject to the available Title and Operating Documents, including the Petroleum Substances within, upon or under such lands, or any lands pooled or unitized therewith;
- (kk) **“Leases”** means he leases, licenses, permits, reservations and other documents of title and agreements by virtue of which the Company is entitled to explore for,

recover, remove or dispose of Petroleum Substances within, upon or under the Lands or lands with which the Lands are pooled or unitized including those leases, licenses, permits, reservations and other documents of title and agreements, but only to the extent they pertain to the Lands, and includes, if applicable, all renewals and extensions of those documents and all documents issued in substitution therefor;

- (ll) **“Liabilities”** means any and all past, present, and future debts, claims, suits, actions, liabilities, duties, responsibilities, obligations, commitments, assessments, costs, expenses, losses, disbursements, damages, judgments, expenditures, charges, fees, penalties, fines, contributions or premiums, of any kind or nature whatsoever, whether known or unknown, secured or unsecured, asserted or unasserted, absolute or contingent, direct or indirect, or due or to become due and regardless of when sustained, incurred, or asserted or when any corresponding relevant events occurred or circumstances existed;
- (mm) **“Losses”** means all actions, causes of action, losses, costs, Claims, damages, penalties, assessments, charges, expenses, and other liabilities and obligations which a Party suffers, sustains, pays or incurs, including reasonable legal fees and other professional fees and disbursements on a full-indemnity basis;
- (nn) **“Miscellaneous Interests”** means, subject to any and all limitations and exclusions provided for in this definition, all of the Company’s right, title and interest in and to all property, assets, interests and rights pertaining to the Petroleum and Natural Gas Rights, the Lands, the Wells and the Tangibles (other than the Petroleum and Natural Gas Rights, the Lands, the Wells or the Tangibles themselves), or any of them, but only to the extent that such property, assets, interests and rights pertain to the Petroleum and Natural Gas Rights, the Lands, the Wells and the Tangibles, or any of them, including any and all of the following:
 - (i) all contracts relating to the Petroleum and Natural Gas Rights, the Lands, the Wells and the Tangibles, or any of them (including the Title and Operating Documents);
 - (ii) all warranties, guarantees and similar rights relating to the Petroleum and Natural Gas Rights, the Lands, the Wells and the Tangibles, or any of them, including warranties and guarantees made by suppliers, manufacturers and contractors under the Assets, and claims against other Third Parties in connection with the contracts relating to the Petroleum and Natural Gas Rights, the Lands, the Wells and the Tangibles;
 - (iii) all subsisting rights to carry out operations relating to the Lands, the Tangibles or the Wells, and without limitation, all easements and other permits, licenses and authorizations pertaining to the Tangibles or the Wells;

- (iv) rights to enter upon, use, occupy and enjoy the surface of any lands which are used or may be used to gain access to or otherwise use the Petroleum and Natural Gas Rights, the Lands, the Wells and the Tangibles, or any of them;
- (v) all records, books, documents, licences, reports and data which relate to the Petroleum and Natural Gas Rights, the Lands, the Wells and the Tangibles, or any of them including any of the foregoing that pertain to geological or geophysical matters and, including plats, surveys, maps, cross-sections, production records, electric logs, cuttings, cores, core data, pressure data, decline and production curves, well files, and related matters, division of interest records, lease files, title opinions, abstracts of title, title curative documents, lease operating statements and all other accounting information, marketing reports, statements, gas balancing information, and all other documents relating to customers, sales information, supplier lists, records, literature and correspondence, physical maps, geologic or geophysical interpretation, electronic and physical project files; and
- (vi) the Wells, including the wellbores and any and all casing and down-hole monitoring and pumping equipment;

however, the Miscellaneous Interests shall not include: (x) the Transferred Assets or the Transferred Contracts, (y) agreements, documents or data to the extent that they solely consist of the Transferred Assets or the Transferred Contracts;

- (oo) “**O&G Assets**” means the Petroleum and Natural Gas Rights, Tangibles and Miscellaneous Interests (including for certainty, the Company’s interest in the Wells), but excluding for greater certainty, the Transferred Assets;
- (pp) “**Order**” means any order, directive, judgment, decree, injunction, decision, ruling, award or writ of any Governmental Authority;
- (qq) “**Outside Date**” means July 15, 2025, or such other date as may be agreed upon between the Parties in writing;
- (rr) “**Party**” means a party to this Subscription Agreement;
- (ss) “**Pembina Contract**” has the meaning as defined in Schedule “B” hereto;
- (tt) “**Permits**” means all licences, permits, approvals and authorizations granted or issued by any Governmental Authorities and relating to the construction, installation, ownership, use or operation of the Retained Assets;
- (uu) “**Person**” means any individual, corporation, limited or unlimited liability company, joint venture, partnership (limited or general), trust, trustee, executor, Governmental Authority or other entity;

(vv) **“Petroleum and Natural Gas Rights”** means all of the Company’s right, title and interest in and to:

- (i) rights in, or right to explore or drill for and to recover, produce, save and market, Petroleum Substances;
- (ii) rights to a share of production of Petroleum Substances therefrom;
- (iii) fee simple interests and other estates in Petroleum Substances in situ;
- (iv) working interests, carried working interests, royalty and overriding royalty interests, revenue interests, net profit interests, and similar interests in petroleum Substances or the proceeds of the sale of Petroleum Substances or other encumbrance accruing to the Company or to payments calculated by reference thereto; and
- (v) rights to acquire or earn any of the foregoing in paragraphs (i), (ii), (iii) and (iv);

but, in each case, only insofar as the foregoing relate to the Lands or any lands pooled or unitized therewith and only insofar as such rights are granted by the leases (and for clarity, (i) and (ii) above include all rights arising from unit allocations);

(ww) **“Petroleum Substances”** means bitumen, crude oil, natural gas, natural gas liquids and other related hydrocarbons and all other substances related to any of the foregoing, whether liquid, solid or gaseous, and whether hydrocarbons or not, including sulphur and coalbed methane;

(xx) **“Property Tax Adjustment”** has the meaning set out in Section 2.5(b);

(yy) **“Purchase Price”** has the meaning set out in Section 2.2;

(zz) **“Purchased Shares”** means 100 Common Shares subscribed for by the Purchaser and sold by the Company hereunder;

(aaa) **“Purchaser”** has the meaning set out in the Recitals;

(bbb) **“Real Property”** means all of the Company’s right, title and interest in and to all real property, if any, including the Lands and all Buildings and Fixtures;

(ccc) **“Receiver”** has the meaning set out in the Recitals;

(ddd) **“Receivership Order”** has the meaning set out in the Recitals;

(eee) **“Receivership Proceedings”** has the meaning set out in the Recitals;

(fff) **“Reorganization”** has the meaning set out in the Recitals;

- (ggg) “**Representative**” means, with respect to any Party, its Affiliates, and its and their respective directors, officers, agents, advisors, employees and consultants and, with respect to the Company, includes its employees and consultants, and its and their respective directors, officers, agents, advisors, employees and consultants;
- (hhh) “**Retained Assets**” means all of the Company’s right, title and interest in and to the assets described under the heading “Retained Assets” and “Retained Contracts” in Schedule “B” hereto, excluding, for greater certainty, the Transferred Assets;
- (iii) “**Retained Contracts**” means those contracts, agreements and commitments described under the heading “Retained Contracts” in Schedule “B” hereto, excluding for greater certainty, the Transferred Contracts;
- (jjj) “**Retained Liabilities**” means those Liabilities described under the heading “Retained Liabilities” in Schedule “B” hereto, excluding, for greater certainty, the Transferred Liabilities;
- (kkk) “**SISP Order**” has the meaning set out in the Recitals;
- (lll) “**Subscription Agreement**” means this subscription agreement between the Company and the Purchaser, including all recitals and schedules attached hereto, and “**this Agreement**”, this “**Subscription Agreement**” “**herein**”, “**hereto**”, “**hereof**” and similar expressions mean and refer to this subscription agreement;
- (mmm) “**Surface Rights**” means all rights to occupy, cross or otherwise use or enjoy the surface of the Lands and any lands pooled or unitized therewith or any other lands:
 - (i) upon which the Tangibles are situate, (ii) used in connection with the ownership or operation of the Petroleum and Natural Gas Rights, the Tangibles or the Wells, or (iii) used to gain access to any of the Lands (or any lands pooled or unitized therewith), the Tangibles or the Wells, whether the same are fee simple, held by right of way or otherwise;
- (nnn) “**Tangibles**” means all of the Company’s right, title and interest in and to all tangible depreciable property, apparatus, plant, equipment, machinery, field inventory and facilities, if any, which are located within, upon or in the vicinity of the Lands (or any lands pooled or unitized therewith), and which are used or are intended to be used to produce, process, gather, treat, measure, store, transport, make marketable or inject or otherwise useful in exploiting any Petroleum Substances from or within the Lands (whether the Petroleum and Natural Gas Rights to which such Petroleum Substances are allocated are owned by the Company or by others or both), including all gas plants, oil batteries, buildings, production equipment, pipelines, pipeline connections, meters, generators, motors, compressors, treaters, dehydrators, separators, pumps, tanks, boilers, communication equipment, all salvageable equipment pertaining to any Wells and all Facilities and all Associated Infrastructure;
- (ooo) “**Taxes**” means taxes, duties, fees, premiums, assessments, imposts, levies and other similar charges imposed by any Governmental Authority under Applicable

Law, including all interest, penalties, fines, additions to tax or other additional amounts imposed by any Governmental Authority in respect thereof, and including those levied on, or measured by, or referred to as, income, gross receipts, profits, capital, transfer, land transfer, sales, goods and services, harmonized sales, use, value-added, excise, stamp, withholding, business, franchising, property, development, occupancy, employer health, payroll, employment, health, social services, education and social security taxes, all surtaxes, all customs duties and import and export taxes, countervail and anti-dumping, and all employment insurance, health insurance and governmental pension plan premiums or contributions;

- (ppp) **“Tax Refund”** means all payments, subsidies, claims with respect to subsidies, credits or refunds (including payments and refunds in respect of Taxes) to which the Company is entitled that arose or relate to the period prior to Closing, including but not limited to: (i) any refund of goods and services taxes or harmonized sales taxes; (ii) any refund of federal or provincial income taxes; and (iii) any refund of premiums or payments relating to any provincial or federal workers’ compensation fund or program;
- (qqq) **“Third Party”** means any individual or entity other than a Beta Entity, Receiver and the Purchaser, including any partnership, corporation, trust, unincorporated organization, union, government and any department and agency thereof and any heir, executor, administrator or other legal representative of an individual;
- (rrr) **“Title and Operating Documents”** mean:
 - (i) The Leases;
 - (ii) agreements relating to the acquisition, ownership, operation or exploitation of the Petroleum and Natural Gas Rights, Tangibles or the Wells, including:
 - (A) operating agreements, royalty agreements, farm-out or farm-in agreements, option agreements, participation agreements, pooling agreements, unit agreements, unit operating agreements, sale and purchase agreements and asset exchange agreements;
 - (B) agreements for the sale of Petroleum Substances that are terminable on 31 days’ notice or less without early termination penalty or other cost;
 - (C) agreements pertaining to the Surface Rights;
 - (D) agreements for the construction, ownership and operation of gas plants, gathering systems and other tangible depreciable property and assets;
 - (E) service agreements for the treating, gathering, storage, transportation or processing of Petroleum Substances or other

substances, the injection or subsurface disposal of other substances, the use of well bores or the operation of any Tangibles or Wells by a Third Party;

- (F) the Transportation, Sale and Handling Agreements; and
- (G) the Permits and other approvals, authorizations or licences required under Applicable Law;

but only if the foregoing pertain in whole or in part to Petroleum Substances within, upon or under the Lands;

- (sss) **“Transactions”** means the issuance by the Company to the Purchaser, and the subscription for and purchase by the Purchaser, of the Purchased Shares in consideration of the Purchase Price and all matters related or ancillary to the foregoing contemplated by or in the manner provided for in this Subscription Agreement or the Vesting Order, including the Reorganization;
- (ttt) **“Transferred Assets”** means those assets described under the heading “Transferred Assets” and “Transferred Contracts” in Schedule “B” hereto, excluding, for greater certainty, the Retained Assets;
- (uuu) **“Transferred Contracts”** means those contracts, agreements and commitments under the heading “Transferred Contracts” in Schedule “B” hereto, excluding, for greater certainty, the Retained Contracts;
- (vvv) **“Transferred Liabilities”** means those Liabilities described under the heading “Transferred Liabilities” in Schedule “B” hereto, excluding, for greater certainty, the Retained Liabilities;
- (www) **“Transportation, Sale and Handling Agreements”** means agreements providing for the processing, compression, treatment, gathering, storage, transportation or sale of Petroleum Substances produced from the Lands or lands pooled or unitized therewith or obligations for processing, compression, treatment, gathering, storage, transportation or sale of Petroleum Substances on behalf of Third Parties, but does not include any construction, ownership and operation agreements for similar agreements for the co-ownership of facilities;
- (xxx) **“Vesting Order”** means an Order of the Court, in substantially the form attached as Schedule “A” hereto, or in such other form as may be agreed to by the Parties in writing, that, among other things: (a) approves this Subscription Agreement and the Transactions contemplated by this Subscription Agreement (including the redemption for nominal consideration, and subsequent cancellation, of all of the issued and outstanding Equity Interests of the Company, other than the Purchased Shares); and (b) upon the delivery of a copy of the Receiver’s certificate to each of the Company and the Purchaser, among other things, (i) transfers all of the Company’s right, title and interest in and to the Transferred Assets to the Creditor Trust; (ii) transfers all Transferred Liabilities to the Creditor Trust; (iii) releases

and discharges the Company from all of the Transferred Liabilities; and (iv) releases the Company from the purview of the Receivership Proceedings and adds the Creditor Trust as an entity in the Receivership Proceedings; and

(yyy) “Wells” means all producing, shut-in, water source, observation, disposal, injection, abandoned, suspended and similar wells located on or within the Lands or any lands pooled or unitized therewith, whether or not completed, but specifically excluding the Transferred Assets.

1.2 Headings

The words “Article”, “Section”, “subsection” and “Schedule” followed by a number or letter or combination thereof mean and refer to the specified Article, Section, subsection and Schedule of or to this Subscription Agreement.

1.3 Interpretation Not Affected by Headings

The division of this Subscription Agreement into Articles, Sections and subsections and the provision of headings for all or any thereof are for convenience and reference only and shall not affect the construction or interpretation of this Subscription Agreement.

1.4 Plurals and Gender

When the context reasonably permits, words suggesting the singular shall be construed as suggesting the plural and *vice versa*, and words suggesting gender or gender neutrality shall be construed as suggesting the masculine, feminine and neutral genders.

1.5 Schedules

There are appended to this Subscription Agreement the following Schedules pertaining to the following matters:

Schedule “A” –	Form of Vesting Order
Schedule “B” –	Transferred Assets
	Transferred Contracts
	Transferred Liabilities
	Retained Assets
	Retained Contracts
	Retained Liabilities
Schedule “C” -	Cure Costs (estimated as at June 16, 2025)

Such Schedules are incorporated herein by reference as though contained in the body hereof. Wherever any term or condition of such Schedules conflicts or is at variance with any term or condition in the body of this Subscription Agreement, such term or condition in the body of this Subscription Agreement shall prevail.

1.6 Damages

All Losses, costs, Claims, damages, expenses and liabilities in respect of which a Party has a Claim pursuant to this Subscription Agreement shall include reasonable legal fees and disbursements on a full indemnity basis.

1.7 Derivatives

Where a term is defined in the body of this Subscription Agreement, a capitalized derivative of such term shall have a corresponding meaning unless the context otherwise requires. The word “include” and derivatives thereof shall be read as if followed by the phrase “without limitation”.

1.8 Interpretation if Closing Does Not Occur

In the event that Closing does not occur, each provision of this Subscription Agreement which presumes that the Purchaser has acquired the Purchased Shares or the Retained Assets hereunder shall be construed as having been contingent upon Closing having occurred.

1.9 Conflicts

If there is any conflict or inconsistency between a provision of the body of this Subscription Agreement and that of a schedule, the provision of the body of this Subscription Agreement shall prevail. If any term or condition of this Subscription Agreement conflicts with a term or condition of any Applicable Law or the Vesting Order, the term or condition of such Applicable Law or the Vesting Order, as applicable, shall prevail, and this Subscription Agreement shall be deemed to be amended to the extent required to eliminate any such conflict.

1.10 Currency

All dollar (\$) amounts referenced in this Subscription Agreement are expressed in the lawful currency of Canada.

ARTICLE 2 SUBSCRIPTION OF PURCHASED SHARES

2.1 Subscription for Purchased Shares

Subject to the provisions of this Subscription Agreement and the Vesting Order, on the Closing Date, in consideration for the Purchase Price, the Purchaser shall subscribe for and purchase from the Company, and the Company shall issue to the Purchaser, the Purchased Shares, free and clear of all Encumbrances, which Purchased Shares shall, immediately following the implementation of the Reorganization, represent 100% of the then issued and outstanding shares in the capital of the Company.

2.2 Purchase Price

The aggregate consideration payable by the Purchaser for the Purchased Shares (the “**Purchase Price**”) is an amount equal to:

- (a) the Base Purchase Price;
- (b) plus, the Property Tax Adjustment as set out in Section 2.5;
- (c) minus, any Cure Costs for the Retained Contracts.

2.3 Closing Payments

At Closing, Purchase Price shall be satisfied as follows:

- (a) the retention of the Deposit by the Receiver;
- (b) the payment of the Estimated Cure Costs to the Receiver to be used to satisfy the Cure Costs;
- (c) the payment of the Cure Cost Holdback Amount to the Receiver into the Holdback Account, to hold in escrow in accordance with Section 2.4.
- (d) the payment to the Receiver on behalf of the Company of an amount equal to the balance of the Purchase Price.

2.4 Purchase Price Adjustment – Cure Costs

If the Final Cure Costs is greater than the Estimated Cure Costs, then the amount of such overage shall be paid by the Receiver from the Holdback Account, up to the total amount of the Cure Cost Holdback Amount; and (ii) to release the balance of the Cure Cost Holdback Amount, if any, to Creditor Trust.

2.5 Purchase Price Adjustment – Property Tax

- (a) The Parties acknowledge that the Receiver shall pay the full amount of the Company's property tax owing for the 2025 tax year on or about June 30, 2025.
- (b) At Closing, the Purchase Price shall be increased by an amount equal to the portion of the 2025 property tax paid by the Receiver that is attributable to the period from (but excluding) the Closing Date to the end of the 2025 property tax year, calculated on a daily basis (the “**Property Tax Adjustment**”).
- (c) The Parties agree to co-operate and provide all necessary information and documentation to effect the adjustment contemplated by this Section 2.5, both at Closing and, if necessary, for a period of up to three (3) months following the Closing Date, should any reassessment or adjustment of property taxes occur. Any further adjustments required as a result of a subsequent reassessment or change in the amount of property taxes for the relevant period shall be made between the Parties as soon as practicable after such reassessment or change becomes known, provided that any such adjustments are identified within three (3) months after the Closing Date.

2.6 Implementation of Reorganization; Retained Assets, Retained Contracts and Retained Liabilities; Transfer of Transferred Assets, Transferred Contracts and Transferred Liabilities to Creditor Trust

Pursuant to and without limiting the Vesting Order, on the Closing Date:

- (a) All Employees, consultants and independent contractors shall be terminated;
- (b) the Company shall, pursuant to the Reorganization, amend its articles to alter the provisions of all Equity Interests issued and outstanding immediately prior to the Closing Date, making the same redeemable and retractable, at the nominal redemption price of \$0.00001 per each such Equity Interest;
- (c) each Equity Interest issued and outstanding immediately prior to the Closing Date shall be redeemed at the nominal redemption price of \$0.00001 each, and all such redeemed Equity Interests, together with any agreement, contract, plan, indenture, deed, certificate, subscription rights, conversion rights, pre-emptive rights, options (including stock options or share purchase or equivalent plans), or other documents or instruments governing or having been created or granted in connection with the share capital of the Company, shall be deemed terminated and cancelled in accordance with and pursuant to the Vesting Order;
- (d) the Company shall (i) retain all of the Retained Assets, (ii) retain all of the Retained Contracts, and (iii) retain all of the Retained Liabilities and remain liable in respect of the Retained Liabilities;
- (e) all Transferred Assets and Transferred Contracts shall be transferred to and vested in the Creditor Trust, and all Transferred Liabilities shall be transferred to and assumed by the Creditor Trust; and
- (f) all Claims, Liabilities and Encumbrances shall be expunged, discharged and released as against the Company and the Retained Assets, other than the Retained Liabilities.

2.7 Form of Payment

All payments to be made pursuant to this Subscription Agreement shall be in Canadian funds. All payments to be made pursuant to this Subscription Agreement shall be made by wire transfer.

2.8 Deposit

The Parties acknowledge that a deposit in the amount of [REDACTED] has already been delivered by the Purchaser to Receiver, pending execution of this Subscription Agreement, and released only in accordance with the provisions of this Section 2.8 (the “**Deposit**”). The Deposit shall be held by Receiver in a non-interest bearing account until one of the following events occurs:

- (a) if Closing occurs, the Deposit shall be paid to Receiver on behalf of the Company at Closing for, and be applied as partial payment of, the Purchase Price;

- (b) if Closing does not occur due to: (i) a failure to fulfill the conditions set forth in Section 4.2 or 4.3; or (ii) a material breach of a material term of this Subscription Agreement by the Company, and the Purchaser is not in breach of any of its representations, warranties and covenants herein, the Deposit shall be returned to the Purchaser for the account of the Purchaser absolutely; and
- (c) if Closing does not occur due to any reason other than as addressed by Section 2.8(b), the Deposit shall be forfeited to Receiver for the account of the Company absolutely.

2.9 Damages

The Parties agree that the amount of the Deposit constitutes their genuine estimate of all damages that will be suffered by the Company as a result of Closing not occurring and, if the Company is entitled to retain the Deposit pursuant to Section 2.8(c), the Deposit shall constitute liquidated damages to the Company and shall not be construed as a penalty of Closing not having occurred as a result of the circumstances set forth in Section 2.8(c).

ARTICLE 3 CLOSING

3.1 Date, Time and Place of Closing

Closing shall take place at the Closing Place on the Closing Date if there has been satisfaction or waiver of the conditions of Closing herein contained prior to the Outside Date.

3.2 Effectiveness of Vesting Order

Subject to the other terms of this Subscription Agreement and the Vesting Order, to the extent such further action is required to give effectiveness thereto, the Company, Receiver and the Creditor Trust, as applicable, shall effect the steps set forth in the Vesting Order, in the sequence and at the times specified therein, as such steps, transactions, sequence and/or times may be amended by written agreement of the Parties.

3.3 Closing Deliveries

- (a) On the Closing Date, the Company shall deliver to the Purchaser:
 - (i) an entered copy of the Vesting Order;
 - (ii) resignations of all remaining directors and officers of the Company immediately prior to the Closing, and where such resignations are not available, those directors and officers shall be deemed to have resigned, and the Company shall be deemed to appoint Sean McDonough and Chase Gavin as the directors of the Company in accordance with the Vesting Order;

- (iii) one or more share certificates duly executed by the Company, or other satisfactory evidence such as a notice of uncertified securities, representing, in aggregate, the Purchased Shares registered in the name of the Purchaser or as otherwise directed by the Purchaser;
 - (iv) if applicable, an updated version of Schedule “B” which addresses any changes made in accordance with Sections 3.4 and 3.5; and
 - (v) all such other assurances, consents, agreements, documents and instruments as may be reasonably required by the Purchaser to complete the Transactions.
- (b) On the Closing Date, the Purchaser shall deliver to Receiver, on behalf of the Company:
 - (i) a written direction to Receiver to retain the Deposit as partial payment of the Purchase Price;
 - (ii) the balance of the Purchase Price pursuant to Section 2.2;
 - (iii) if applicable, an updated version of Schedule “B” which addresses any changes made in accordance with Sections 3.4 and 3.5; and
 - (iv) all such other assurances, consents, agreements, documents and instruments as may be reasonably required by Receiver or the Company to complete the Transactions.

3.4 Adjustments to Schedule “B” by the Purchaser – Exclusion of Assets and Liabilities

- (a) At any time prior to the day that is two (2) Business Days prior to the hearing date for the Vesting Order, the Purchaser may, by giving written notice to the Receiver, elect to:
 - (i) Exclude any assets or properties of the Company from the Retained Assets, and add such assets or properties to the Transferred Assets;
 - (ii) exclude any contract from the Retained Contracts, and add such contracts to the Transferred Contracts; and
 - (iii) exclude any Liability from the Retained Liabilities and add such Liability to the Transferred Liabilities.
- (b) No change to the Purchase Price shall result from the exclusion of any assets, properties, contracts or Liabilities from the Retained Contracts or Retained Liabilities pursuant to this Section 3.4.
- (c) Notwithstanding the foregoing, the Purchaser may not designate any of the O&G Assets, any of the Abandonment and Reclamation Obligations, Environmental

Liabilities or for greater certainty any liabilities arising from or in connection to the Permits issued in connection with the Company's Petroleum and Natural Gas Rights or compliance with, or the consequences of any non-compliance with, or violation or breach of Applicable Laws or any orders issued by any Governmental Authority (including the AER) as Transferred Liabilities, Transferred Assets or Transferred Contracts, as applicable.

3.5 Adjustments to Schedule "B" by the Purchaser – Addition of Assets and Liabilities

- (a) At any time prior to the day that is two (2) Business Days prior to the hearing date for the Vesting Order, the Purchaser may, by giving written notice to the Receiver, elect to:
 - (i) exclude any assets or properties of the Company from the Transferred Assets, and add such assets or properties to the Retained Assets;
 - (ii) exclude any contract from the Transferred Contracts, and add such contracts to the Retained Contracts;
 - (iii) exclude any Liability from the Transferred Liabilities and add such Liability to the Retained Liabilities.
- (b) No change to the Purchase Price shall result from the addition of any assets, properties, contracts or Liabilities to the Retained Contracts or Retained Liabilities pursuant to this Section 3.5.

ARTICLE 4 CONDITIONS OF CLOSING

4.1 Required Consents

- (a) Before Closing, each of the Parties shall use all reasonable efforts to obtain any and all approvals required under Applicable Law to permit closing of the Transactions. The Parties acknowledge that, except for the Vesting Order, the acquisition of such consents shall not be a condition precedent to Closing. It shall be the sole obligation of the Purchaser, at the Purchaser's sole cost and expense, to provide any and all financial assurances, remedial work or other documentation required by Governmental Authorities to permit the transfer to the Purchaser, and registration of the Purchaser as owner and/or operator, of any of the Retained Assets, if any.
- (b) Notwithstanding anything to the contrary herein, except for the Vesting Order, it is the sole obligation of the Purchaser to obtain any Third Party consents, permissions or approvals that are required in connection with the Transactions, including remedying any deficiencies under any assumed contracts and agreements, at the Purchaser's sole cost and expense. Upon providing prior written notice and sufficient documentary support, all reasonable and necessary costs, fees, expenses, penalties or levies that are incurred by the Company in order to effect the Transactions pursuant to the Vesting Order shall be the sole responsibility of the

Purchaser, and the Purchaser agrees to pay on behalf of the Company any such reasonable and necessary costs, fees, expenses, penalties or levies on a timely basis.

4.2 Mutual Conditions

The obligation of the Purchaser to complete the Transactions, and of the Company to sell the Purchased Shares to the Purchaser, is subject to the following conditions precedent:

- (a) the Vesting Order being obtained;
- (b) no stay or appeal or application to vary the Vesting Order shall have been filed with the Court at any time by the Company or any other Person on or before Closing; and
- (c) no Applicable Law or Order will have been enacted, issued, promulgated, enforced, made, entered, issued or applied and no Proceeding will otherwise have been taken under any Applicable Laws or by any Governmental Authority (Whether temporary, preliminary or permanent) that makes or which would reasonably be expected to make the transactions contemplated by this Subscription Agreement illegal or to otherwise directly or indirectly cease trade, enjoin, restrain or otherwise prohibit completion of the transaction contemplated by this Subscription Agreement.

Unless otherwise agreed to by the Parties, if the conditions contained in this Section 4.2 have not been performed, satisfied or waived before the Outside Date, this Subscription Agreement and the obligations of the Company and the Purchaser under this Subscription Agreement (other than under Sections 9.11 and 9.14) shall automatically terminate without any further action on the part of either the Company or the Purchaser and the Deposit shall be addressed in accordance with Section 2.8.

4.3 Purchaser's Conditions

The obligation of the Purchaser to purchase the Purchased Shares is subject to the following conditions precedent, which are inserted herein and made part hereof for the exclusive benefit of the Purchaser and may be waived by the Purchaser:

- (a) the representations and warranties of the Company herein contained shall be true in all material respects when made and shall remain true as of the Closing Date;
- (b) the Reorganization shall have been completed to the satisfaction of the Purchaser;
- (c) the Company shall have terminated the employment of all Employees, consultants and independent contractors, and all Liabilities owing to any such terminated Employees in respect of such termination, including all amounts owing on account of statutory notice, termination payments, severance, vacation pay, benefits, bonuses or other compensation or entitlements, shall be and shall constitute Transferred Liabilities which, pursuant to the Vesting Order and the

Reorganization, shall be discharged as against the Company and transferred to Creditor Trust; and

- (d) all obligations of the Company contained in this Subscription Agreement to be performed prior to or at Closing shall have been timely performed in all material respects.

If any one or more of the foregoing conditions precedent has or have not been satisfied, complied with, or waived by the Purchaser, at or before the Outside Date, the Purchaser may rescind this Subscription Agreement by written notice to the Company. If the Purchaser rescinds this Subscription Agreement, the Company and the Purchaser shall be released and discharged from all obligations hereunder, except as provided in Sections 9.11 and 9.14, and the Deposit shall be addressed in accordance with Section 2.8.

4.4 Company's Conditions

The obligation of the Company to sell the Purchased Shares is subject to the following conditions precedent, which are inserted herein and made part hereof for the exclusive benefit of the Company and may be waived by the Company:

- (a) the representations and warranties of the Purchaser herein contained shall be true in all material respects when made and shall remain true as of the Closing Date;
- (b) all obligations of the Purchaser contained in this Subscription Agreement to be performed prior to or at Closing shall have been timely performed in all material respects; and
- (c) all amounts to be paid by the Purchaser to the Company or Receiver at Closing, including the Purchase Price, shall have been paid to the Company or Receiver in the form stipulated in this Subscription Agreement.

If any one or more of the foregoing conditions precedent has or have not been satisfied, complied with, or waived by the Company, at or before the Outside Date, the Company may rescind this Subscription Agreement by written notice to the Purchaser. If the Company rescinds this Subscription Agreement, the Company and the Purchaser shall be released and discharged from all obligations hereunder, except as provided in Sections 9.11 and 9.14, and the Deposit shall be addressed in accordance with Section 2.8.

4.5 Efforts to Fulfil Conditions Precedent

The Purchaser and the Company shall proceed diligently and in good faith and use all reasonable efforts to satisfy and comply with and assist in the satisfaction and compliance with the foregoing conditions precedent.

ARTICLE 5 REPRESENTATIONS AND WARRANTIES

5.1 Representations and Warranties of the Company

The Company makes the following representations to the Purchaser, which representations shall not survive Closing:

- (a) subject to obtaining the Vesting Order, the Company has the right to enter into this Subscription Agreement and to complete the Transactions; and
- (b) subject to obtaining the Vesting Order, this Subscription Agreement is, and all documents executed and delivered pursuant to this Subscription Agreement will be, legal, valid and binding obligations of the Company enforceable against it in accordance with their terms.

5.2 Representations and Warranties of the Purchaser

The Purchaser makes the following representations and warranties to the Company and agrees that the Company is relying on such representations and warranties for the purposes of entering into this Subscription Agreement:

- (a) the Purchaser has good right, full power and absolute authority to purchase and acquire the Purchased Shares according to the true intent and meaning of this Subscription Agreement;
- (b) the execution, delivery and performance of this Subscription Agreement has been duly and validly authorized by any and all requisite corporate, shareholders', directors' or equivalent actions and will not result in any violation of, be in conflict with, or constitute a default under, any articles, charter, bylaw or other governing document to which the Purchaser is bound;
- (c) the execution, delivery and performance of this Subscription Agreement will not result in any violation of, be in conflict with, or constitute a default under, any term or provision of any agreement or document to which the Purchaser is party or by which the Purchaser is bound, nor under any judgement, decree, Order, statute, regulation, rule or licence applicable to the Purchaser;
- (d) this Subscription Agreement and any other agreements delivered in connection herewith constitute valid and binding obligations of the Purchaser enforceable against the Purchaser in accordance with their terms;
- (e) no authorization or approval or other action by, and no notice to or filing with, any Governmental Authority or regulatory body exercising jurisdiction over the Retained Assets is required for the due execution, delivery and performance by the Purchaser of this Subscription Agreement, other than authorizations, approvals or exemptions from requirements previously obtained and currently in force or to be obtained prior to or after Closing;

- (f) the Purchaser has adequate funds available in an aggregate amount sufficient to pay: (i) all amounts required to be paid by the Purchaser under this Subscription Agreement; and (ii) all expenses which have been or will be incurred by the Purchaser in connection with this Subscription Agreement and the Transactions;
- (g) the Purchaser has not incurred any obligation or liability, contingent or otherwise, for brokers' or finders' fees in respect of this Subscription Agreement or the Transactions for which the Company shall have any obligation or liability;
- (h) the Purchaser is acquiring the Purchased Shares in its capacity as principal and is not purchasing the Purchased Shares for the purpose of resale or distribution to a Third Party, and is dealing at arm's length with the Company;
- (i) the Purchaser is an informed and sophisticated buyer, it has engaged expert advisors and is experienced in the evaluation and purchase of property and assets and assumption of certain Liabilities such as the Purchased Shares, the Retained Assets and the Retained Liabilities, and has undertaken such investigations and has been provided with and has evaluated such documents and information as it has deemed necessary to enable it to make an informed and intelligent decision with respect to the execution, delivery and performance of this Subscription Agreement;
- (j) the Purchaser understands that the Purchased Shares are being issued to it upon an exemption from the prospectus requirements applicable under applicable Canadian securities laws and that there are restrictions imposed on the Purchaser and the Purchased Shares which limit the Purchaser's ability to resell the Purchased Shares in Canada. Without limiting the foregoing, the Purchaser further acknowledges and agrees that any proposed transfer, resale or other disposition of the Purchased Shares shall be subject to Applicable Laws, including any restrictions and requirements under Canadian securities laws;
- (k) the Purchaser is in compliance with all the requirements of all Governmental Authorities; and
- (l) the Purchaser is not a non-Canadian person for the purposes of the *Investment Canada Act*.

5.3 Limitation of Representations by Company

Notwithstanding any other provision of this Subscription Agreement, the Purchaser acknowledges, agrees and confirms that:

- (a) except for the representations and warranties of the Company set forth in Section 5.1, it is entering into this Subscription Agreement, acquiring the Purchased Shares (and the underlying Retained Assets and Retained Liabilities), in each case on an "as is, where is" basis as they exist as of Closing;
- (b) except as expressly stated in Section 5.1, none of the Company, Receiver or the Creditor Trust or their respective Representatives is making, and the Purchaser is

not relying on, any written or oral representations, warranties, statements, information, promises or guarantees, express or implied, statutory or otherwise, concerning the Transactions, the Company, the business of the Company, the Purchased Shares, the Retained Assets, the Retained Liabilities, the Transferred Assets or the Transferred Liabilities, including the right, title or interest of the Company in and to any of the foregoing, and any and all conditions, warranties or representations expressed or implied pursuant to any Applicable Law in any jurisdiction, which the Purchaser confirms do not apply to this Subscription Agreement, are hereby waived in their entirety by the Purchaser;

- (c) none of the Company, Receiver, the Creditor Trust or any of their respective Representatives has made any representation or warranty as to any regulatory approvals, permits, licences, consents, registrations, filings or authorizations that may be needed to complete the Transactions or to obtain the benefit of the Retained Assets or any portion thereof, and the Purchaser is relying entirely on its own investigation, due diligence and inquiries in connection with such matters;
- (d) the obligations of the Purchaser under this Subscription Agreement are not conditional upon any additional due diligence;
- (e) except for the representations and warranties of the Company set forth in Section 5.1, any information regarding or describing the Purchased Shares, the Retained Assets or the Retained Liabilities, or in any other agreement or instrument contemplated hereby, is for identification purposes only, is not relied upon by the Purchaser, and no representation, warranty or condition, express or implied, has or will be given by the Company, the Creditor Trust or Receiver or any of their respective Representatives concerning the completeness or accuracy of such information or descriptions; and
- (f) the provisions of Section 5.3 shall survive and not merge on Closing.

ARTICLE 6 INDEMNITIES

6.1 The Purchaser's Indemnities for Representations and Warranties

The representations and warranties of the Purchaser shall survive closing for a period of two years. The Purchaser shall be liable to the Company, the Creditor Trust and Receiver for and shall, in addition, indemnify the Company, the Creditor Trust, the Receiver and their respective Representatives from and against, all Losses suffered, sustained, paid or incurred by such Persons which would not have been suffered, sustained, paid or incurred had all of the representations and warranties contained in Section 5.2 been accurate and truthful. The Purchaser's indemnity obligations set forth in this Section 6.1 shall survive the Closing Date indefinitely.

6.2 Post Closing Date Indemnity

Provided that Closing has occurred, the Purchaser shall:

- (a) Be solely liable and responsible for any and all Losses which Receiver, the Creditor Trust and their respective Representatives may suffer, sustain, pay or incur; and
- (b) Indemnify, release and save harmless the Receiver, the Creditor Trust and their respective Representatives from any and all Losses, expenses, Claims, actions, proceedings and demands whatsoever which may be brought against or suffered by them or which they may sustain, pay or incur,

as a result of any matter or thing arising or accruing after Closing, resulting from, attributable to or connected with the Company, the Retained Assets or the Retained Liabilities.

ARTICLE 7

MAINTENANCE OF RETAINED ASSETS

7.1 Maintenance of Retained Assets

From the date hereof until the Closing Date, the Company shall use reasonable commercial efforts, to the extent that the nature of its interest permits, and subject to the Receivership Order, to:

- (a) maintain the Retained Assets in a proper and prudent manner in material compliance with all Applicable Laws and directions of Governmental Authorities; and
- (b) pay or cause to be paid all costs and expenses relating to the Retained Assets which become due from the date hereof to the Closing Date,

provided that nothing contained in the foregoing or elsewhere in this Subscription Agreement shall obligate the Company to post security, make any other financial contribution or file any undertaking with a Governmental Authority with respect to the any liability management program or other program.

7.2 Consent of the Purchaser

Notwithstanding Section 7.1, the Company shall not, from the date hereof to the Closing Date, without the written consent of the Purchaser, which consent shall not be unreasonably withheld, conditioned or delayed:

- (a) make any commitment or propose, initiate or authorize any capital expenditure with respect to the Retained Assets of which the Company's share is in excess of \$10,000.00, except: (i) in case of an emergency; (ii) as may be reasonably necessary to protect or ensure life and safety; (iii) to preserve the Retained Assets or title to the Retained Assets; or (iv) in respect of amounts which the Company may be committed to expend or be deemed to authorize for expenditure without its consent; provided, however, that should the Purchaser withhold its consent or fail to provide its consent in a timely manner and a reduction in the value of the Retained Assets results, there shall be no abatement or reduction in the Purchase Price;

- (b) other than pursuant to ordinary course expiries, surrender or abandon any of the Retained Assets, unless an expenditure of money is required to avoid the surrender or abandonment and the Purchaser does not provide same to the Company in a timely fashion, in which event the Retained Assets in question shall be surrendered or abandoned without abatement or reduction in the Purchase Price;
- (c) other than in ordinary course of business, materially amend or terminate any title document or enter into any new material agreement or commitment relating to the Retained Assets; or
- (d) sell, encumber or otherwise dispose of any of the Retained Assets or any part or portion thereof excepting: pursuant to preferential purchase rights; sales of non-material obsolete or surplus equipment; or sales of the leased substances in the normal course of business.

7.3 Proposed Actions

If an operation or the exercise of any right or option respecting the Retained Assets is proposed in circumstances in which such operation or the exercise of such right or option would result in the Purchaser incurring an obligation pursuant to Section 7.2, the following shall apply to such operation or the exercise of such right or option (hereinafter referred to as the “**Proposal**”):

- (a) the Company shall promptly give the Purchaser notice of the Proposal, describing the particulars in reasonable detail;
- (b) the Purchaser shall, not later than 48 hours prior to the time the Company is required to make its election with respect to the Proposal, advise the Company, by notice, whether the Purchaser wishes the Company to exercise the Company’s rights with respect to the Proposal on the Purchaser’s behalf, provided that the Purchaser’s failure to make such election within such period shall be deemed to be the Purchaser’s election to participate in the Proposal;
- (c) the Company shall make the election authorized (or deemed to be authorized) by the Purchaser with respect to the Proposal within the period during which the Company may respond to the Proposal; and
- (d) the Purchaser’s election (including its deemed election) to not participate in any Proposal required to preserve the existence of any of the Retained Assets shall not entitle the Purchaser to any reduction of the Purchase Price if the Company’s interest therein is terminated as a result of such election and such termination shall not constitute a failure of the Company’s representations and warranties relating to such Retained Assets.

7.4 Licence Transfers

If for any reason, after Closing, a Governmental Authority requires the Purchaser or the Company or its nominee to make a deposit or furnish any other form of security, or undertake any corrective action or remedial work including inspections, tests or engineering assessments, the Purchaser

shall make such deposit or furnish such other form of security or undertake such corrective or remedial work as may be required, at the Purchaser's sole expense. All processing fees (including any fees required to be paid for expedited service) shall be for the Purchaser's account.

7.5 Payments in Respect of Transferred Assets

If at any time after Closing, the Company, the Purchaser or any of their respective Affiliates receives a payment or other consideration in respect of or relating to a Transferred Asset (including a Tax Refund), the recipient of such payment or other consideration shall promptly notify Receiver and promptly pay and transfer such payment or other consideration to Receiver, on behalf of the Creditor Trust. From and after Closing, the Company and the Purchaser shall provide reasonable cooperation to the Creditor Trust and Receiver to enable the Creditor Trust and Receiver to obtain the benefit of any Transferred Asset.

7.6 Agreement Regarding Fees

The Purchaser hereby acknowledges and agrees that it will be responsible for any and all fees incurred by the Purchaser in connection with the formulation, negotiation, submission, and pursuit of its bid.

ARTICLE 8 PURCHASER'S REVIEW AND ACCESS TO BOOKS AND RECORDS

8.1 Company to Provide Access

Prior to Closing, the Company shall, subject to all contractual and fiduciary obligations, at the Calgary offices of the Company during normal business hours, provide reasonable access for the Purchaser and its Representatives to the records, books, accounts, documents, files, reports, information, materials, filings, and data, to the extent they relate directly to the Retained Assets and are in possession of Receiver, as well as physical access to the Retained Assets (insofar as the Company can reasonably provide such access, with such access to be at the Purchaser's sole risk, expense and liability) to facilitate the Purchaser's review of the Retained Assets and title thereto for the purpose of completing these Transactions. The Purchaser shall indemnify and save harmless the Company, Receiver and the Creditor Trust from and against all Liabilities, Claims and causes of action for personal injury, death or property damage occurring on or to such property as a result of such entry onto the premises. The Purchaser shall comply fully with all rules, regulations and instructions issued by the Company regarding the Purchaser's actions while upon, entering or leaving such properties. The Purchaser's obligations set forth in this Section 8.1 shall survive the Closing Date indefinitely.

8.2 Access to Information

After Closing and subject to contractual restrictions in favour of Third Parties relative to disclosure, the Purchaser shall, on request from Receiver or the Creditor Trust, provide reasonable access to their Representatives at the Purchaser's offices, during its normal business hours, to the agreements and documents to which the Retained Assets are subject and the contracts, agreements, records, books, documents, licences, reports and data which are then in the possession or control

of the Purchaser and to make copies thereof, as they may reasonably require, including for purposes relating to:

- (a) the Creditor Trust's ownership of the Transferred Assets (including taxation matters and Liabilities and Claims that arise from or relate to acts, omissions, events, circumstances or operations on or before the Closing Date);
- (b) enforcing its rights under this Subscription Agreement;
- (c) compliance with Applicable Law; or
- (d) any Claim commenced or threatened by any Third Party against the Creditor Trust, Receiver or any of them.

8.3 Maintenance of Information

All of the information, materials and other records delivered to the Purchaser pursuant to the terms hereof shall be maintained by the Purchaser in good order and good condition and kept in a reasonably accessible location by the Purchaser for a period of two years from the Closing Date.

ARTICLE 9 GENERAL

9.1 Further Assurances

Each Party will, from time to time and at all times after Closing, without further consideration, do such further acts and deliver all such further assurances, deeds and documents as shall be reasonably required to fully perform and carry out the terms of this Subscription Agreement.

9.2 Receiver

The Purchaser acknowledges that Receiver is acting solely in its capacity as the Court-appointed receiver and manager of the Company, and not in its personal or corporate capacity. Under no circumstances shall the Receiver or the Creditor Trust or any of their Representatives have any liability pursuant to this Subscription Agreement, or in relation to the Transactions, whether such liability be in contract, tort or otherwise.

9.3 Entire Agreement

Except for the Receivership Order and the Vesting Order, the provisions contained in any and all documents and agreements collateral hereto shall at all times be read subject to the provisions of this Subscription Agreement and, in the event of conflict, except for the Receivership Order and the Vesting Order, the provisions of this Subscription Agreement shall prevail. In the event that Closing occurs, except for the Receivership Order and the Vesting Order, this Subscription Agreement supersedes all other agreements (other than the Confidentiality Agreement), documents, writings and verbal understandings between the Parties relating to the subject matter hereof and expresses the entire agreement of the Parties with respect to the Transactions herein.

9.4 Governing Law

This Subscription Agreement shall, in all respects, be subject to, interpreted, construed and enforced in accordance with and under the laws of the Province of Alberta and the laws of Canada applicable therein and shall, in every regard, be treated as a contract made in the Province of Alberta and all disputes shall be determined within the proceedings bearing Alberta Court of King's Bench Court Action: 2501-01893. The Parties irrevocably attorn and submit to the jurisdiction of the courts of the Province of Alberta and courts of appeal therefrom in respect of all matters arising out of this Subscription Agreement.

9.5 Assignment and Enurement

This Subscription Agreement shall not be assigned by the Purchaser without the prior written consent of the Company, which consent may be unreasonably and arbitrarily withheld. This Subscription Agreement shall be binding upon and shall enure to the benefit of the Parties and their respective administrators, trustees, receivers, successors and permitted assigns.

9.6 Time of Essence

Time is of the essence in this Subscription Agreement.

9.7 Notices

The addresses and fax numbers of the Parties for delivery of notices hereunder shall be as follows:

Receiver - FTI Consulting Canada Inc.

Suite 1610, 520 5th Avenue SW
Calgary, AB T2P 3R7

Attention: Dustin Olver / Brett Wilson
Email: dustin.olver@fticonsulting.com
brett.wilson@fticonsulting.com

With a copy to its legal counsel at:

Fasken Martineau DuMoulin LLP
Suite 3400, 350 7th Avenue SW
Calgary, AB T2P 3N9

Attention: Robyn Gurofsky / Gabriel Lam
Email: rgurofsky@fasken.com / glam@fasken.com

Purchaser - New West Data Acquisition Corp.

Suite 1105, 550 11 Avenue SW
Calgary, Alberta T2R 1M7

Attention: Sean McDonough
Email: smcdonough@newwestdata.com

With a copy to its legal counsel at:

Dentons Canada LLP
15th Floor, Bankers Court
850 2nd St SW
Calgary, AB T2P 0R8

Attention: Ty Buhler / Afshan Naveed
Email: ty.buhler@dentons.com / Afshan.naveed@dentons.com

All notices, communications and statements required, permitted or contemplated hereunder shall be in writing, and shall be delivered as follows:

- (a) by delivery to a Party between 8:00 a.m. and 4:00 p.m. on a Business Day at the address of such Party for notices, in which case, the notice shall be deemed to have been received by that Party when it is delivered;
- (b) by email to a Party to the email address of such Party for notices, in which case, if the notice was emailed prior to 4:00 p.m. on a Business Day, the notice shall be deemed to have been received by that Party when it was emailed and if it is emailed on a day which is not a Business Day or is emailed after 4:00 p.m. on a Business Day, it shall be deemed to have been received on the next following Business Day; or
- (c) except in the event of an actual or threatened postal strike or other labour disruption that may affect mail service, by first class registered postage prepaid mail to a Party at the address of such Party for notices, in which case, the notice shall be deemed to have been received by that Party on the fourth Business Day following the date of mailing.

A Party may from time to time change its address for service, facsimile number for service or designated representative by giving written notice of such change to the other Party.

9.8 Invalidity of Provisions

In case any of the provisions of this Subscription Agreement should be invalid, illegal or unenforceable in any respect, the validity, legality or enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby.

9.9 Waiver

No failure on the part of any Party in exercising any right or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or remedy preclude any other or further exercise thereof or the exercise of any right or remedy in law or in equity or by statute or otherwise conferred. No waiver by any Party of any breach (whether actual or anticipated) of any of the terms, conditions, representations or warranties contained herein shall take effect or be binding upon that Party unless the waiver is expressed in writing under the authority of that Party and made in accordance with the Subscription Agreement. Any waiver so

given shall extend only to the particular breach so waived and shall not limit or affect any rights with respect to any other or future breach.

9.10 Amendment

This Subscription Agreement shall not be varied in its terms or amended by oral agreement or by representations or otherwise other than by an instrument in writing dated subsequent to the date hereof, executed by a duly authorized representative of each Party.

9.11 Confidentiality and Public Announcements

Until Closing has occurred, each Party shall keep confidential all information obtained from the other Party in connection with the Purchased Shares, the Retained Assets and this Subscription Agreement, and shall not release any information concerning this Subscription Agreement and the Transactions without the prior written consent of the other Party, which consent shall not be unreasonably withheld. Nothing contained herein shall prevent a Party at any time from furnishing information: (i) to any Governmental Authority or to the public if required by Applicable Law (provided that the Purchaser shall advise the Company in advance of the content of any such public statement); (ii) in connection with obtaining the Vesting Order; or (iii) as required by the Company's secured creditors, if any.

9.12 Sealing Order

The Company may, at its discretion, apply to the Court for a sealing order with respect to a report prepared by the Company containing the financial and other confidential details of these Transactions (the "**Confidential Report**"), such order sealing the Company's Confidential Report and the confidential information contained therein from the public court file for the period directed by the Court. Pursuant to the terms of such sealing order applied for by the Company, if granted, only the judge presiding over the Receivership Proceedings, the Company, the Purchaser, their respective Representatives and the secured creditors of the Company who have executed confidentiality agreements, and subject to the terms of those confidentiality agreements, shall have access to the Company's Confidential Report and the confidential information contained therein.

9.13 Termination

This Subscription Agreement may be terminated at any time prior to Closing:

- (a) by mutual written agreement of the Company and the Purchaser; or
- (b) by either the Company or the Purchaser pursuant to the provisions of Sections 4.2, 4.3 or 4.4, as applicable.

In the event of termination of this Subscription Agreement, the Deposit shall be addressed in accordance with Section 2.8.

9.14 Personal Information

The Purchaser covenants and agrees to use and disclose any personal information contained in any of the books, records or files transferred to the Purchaser or otherwise obtained or reviewed by the Purchaser in connection with the Transactions only for those purposes for which it was initially collected from or in respect of the individual to which such information relates, unless:

- (a) the Company or the Purchaser have first notified such individual of such additional purpose and, where required by the Applicable Laws, obtained the consent of such individual to such additional purpose; or
- (b) such use or disclosure is permitted or authorized by Applicable Laws, without notice to, or consent from, such individual

The Purchaser's obligations set forth in this Section 9.14 shall survive the Closing Date indefinitely.

9.15 Directors

At Closing, Sean McDonough and Chase Gavin shall be the directors of the Company and all other prior directors shall be deemed to have resigned effective at Closing.

(Remainder of page intentionally left blank)

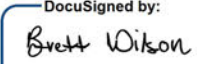
9.16 Counterpart Execution

This Subscription Agreement may be executed and delivered in counterpart and transmitted by facsimile or other electronic means and all such executed counterparts, including electronically transmitted copies of such counterparts, shall together constitute one and the same agreement.

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

**FTI CONSULTING CANADA INC. IN ITS
CAPACITY AS COURT APPOINTED
RECEIVER AND MANAGER OF KADEN
ENERGY LTD. AND NOT IN ITS
PERSONAL OR CORPORATE
CAPACITY**

**NEW WEST DATA ACQUISITION
CORP.**

By: 
2E646BCC39BB41E...
Name: Brett Wilson, CFA
Title: Managing Director

By: _____
Name: Sean McDonough
Title: President & CEO

9.16 Counterpart Execution

This Subscription Agreement may be executed and delivered in counterpart and transmitted by facsimile or other electronic means and all such executed counterparts, including electronically transmitted copies of such counterparts, shall together constitute one and the same agreement.

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

**FTI CONSULTING CANADA INC. IN ITS
CAPACITY AS COURT APPOINTED
RECEIVER AND MANAGER OF KADEN
ENERGY LTD. AND NOT IN ITS
PERSONAL OR CORPORATE
CAPACITY**

**NEW WEST DATA ACQUISITION
CORP.**

By: _____
Name:
Title:

Signed by:

By: _____
Name: Sean McDonough
Title: President & CEO

THE FOLLOWING COMPRISES SCHEDULE “A” ATTACHED TO AND FORMING PART OF A SUBSCRIPTION AGREEMENT DATED JUNE 20, 2025 BETWEEN FTI CONSULTING CANADA INC. IN ITS CAPACITY AS RECEIVER AND MANAGER OF KADEN ENERGY LTD. AND NOT IN ITS PERSONAL OR CORPORATE CAPACITY AND NEW WEST DATA ACQUISITION CORP.

Form of Reverse Vesting Order

(See attached)

THE FOLLOWING COMPRISES SCHEDULE “B” ATTACHED TO AND FORMING PART OF A SUBSCRIPTION AGREEMENT DATED JUNE 20, 2025 BETWEEN FTI CONSULTING CANADA INC. IN ITS CAPACITY AS RECEIVER AND MANAGER OF KADEN ENERGY LTD. AND NOT IN ITS PERSONAL OR CORPORATE CAPACITY AND NEW WEST DATA ACQUISITION CORP.

Transferred Assets

The Transferred Assets, being those assets proposed to be transferred to the Creditor Trust through operation of the Vesting Order, mean:

- The cash received as the Purchase Price, including the Deposit;
- the prepaid expenses or other security or collateral provided by the Company in relation to the Pembina Contract and the Transferred Contracts;
- all cash, bank balances, funds, deposits or monies owned or held by the Company or any other Person (including any bank, depository or Receiver) on behalf of the Company at Closing and all cash equivalents, securities and investments of the Company at Closing;
- all accounts receivable (other than unpaid joint venture partner amounts owed for which the Company is seeking recovery), bills receivable, trade accounts, holdbacks, retention, book debts, insurance claims and there amounts due or accruing to the Company and includes, for greater certainty, any and all Tax Refunds, and together with any unpaid interest accrued on such items and any security or collateral for such items, including recoverable deposits, which arise or accrue prior to Closing;
- all Tax Refunds which arise or relate to any period prior to Closing; and
- any other assets of the Company designated as a Transferred Asset upon the mutual agreement of the Purchaser and the receiver, in writing prior to Closing.

Transferred Liabilities

The Transferred Liabilities, being those Liabilities proposed to be transferred to the Creditor Trust through operation of the Vesting Order, mean:

- any and all unpaid funded indebtedness of the Company, including any and all claims from secured creditors;
- any and all promissory notes issued by the Company;
- any and all Liabilities in relation to or arising from any secured or unsecured claims, trade claims, trade payables, utility bills or other claims of the Company;
- any and all tax Liabilities owing to Canada Revenue Agency for the period prior to Closing, including income taxes, carbon taxes and G.S.T./H.S.T. amounts that are not subject to a deemed trust claim;

- any and all Liabilities in relation to or arising from any secured or unsecured indebtedness owing to Beta, or any other shareholder, by the Company;
- any and all Liabilities with respect to any Employees, consultants and independent contractors of the Company whose employment with the Company is terminated on or before Closing, including for wages or other work-related benefits, bonuses, fees, accrued vacation, workers' compensation, employee deferred compensation including stock option plans, equity grants, other grants and agreements, retention, or other payments relating to any employment agreements, severance payments and/or termination payments;
- any and all Liabilities pertaining to the Transferred Assets and/or arising under the Transferred Contracts except as otherwise set out herein; and
- subject to the prior written consent of the Receiver, any other Liabilities designated by the Purchaser as Transferred Liabilities, prior to the Closing Date.

Transferred Contracts

The Transferred Contracts, being those contracts proposed to be transferred to the Creditor Trust through the operation of the Vesting Order, mean:

- the Fuel Gas Supply Agreement dated October 21, 2021 between the Company and Plexus Technology Corporation; and
- those Contracts which may be designated as Transferred Contracts pursuant to Section 3.4(a)(ii).
- any and all other contracts of the Company other than the Retained Contracts.

Retained Assets

The Retained Assets, being those assets proposed to be retained by the Company, mean:

- the O&G Assets;
- the Real Property;
- all books and records of the Company, including minute books, books of account, ledgers, general, financial and accounting records, tax returns and other records in the possession and control of Receiver, but in each case excludes all books and records in respect of the Transferred Assets and Transferred Liabilities, and excludes any email correspondence of the Company (including any of its present and former, directors, officers, employees, contractors and other representatives) prior to Closing;
- the Company's bank accounts and all agreements related thereto (the Purchaser acknowledges that the balances in such accounts shall be \$0.00 at Closing);

- all regulatory and license attributes of the Company, including without limitation: business numbers; payroll numbers; and GST numbers;
- letters of intent, nondisclosure agreements, confidentiality agreements and noncompete/non-solicitation agreements (other than any employment agreements);
- all shares of capital stock or other Equity Interests in any other entity held by the Company;
- all organizational documents, corporate books and records, income tax returns and the corporate seal of the Company;
- any records that are required by law to be retained by the Company;
- all computer servers and websites;
- all office equipment;
- all leased or owned vehicles or equipment;
- all inventory;
- legal opinions and all other documents prepared by or on behalf of the Company in contemplation of acquisition or litigation and any other documents within the possession of the Company which are subject to solicitor-client privilege under the laws of the Province of Alberta or any other jurisdiction, except with respect to those matters, if any, in respect of which the Purchaser is assuming responsibility for and indemnifying either of the Company;
- all tax attributes (including for certainty all government credits of any nature), if any, of the Company inherent to it, including tax pools, all rights related to former tax returns, operating, non-operating, and capital loss balances or carry forwards and tax audits;
- all rights to payments and benefits under government support and subsidy programs;
- all existing insurance policies maintained by the Company with respect to the O&G Assets;
- all current and prior director and officer insurance policies of the Company and all rights of any nature with respect thereto running in favor of the Company;
- any and all rights of the Company under this Subscription Agreement and the Vesting Order;
- all rights, Claims or causes of action by or on behalf of the Company against any Person;
- all intellectual property;
- all goodwill and intangibles;

- the Facilities and Wells; and
- all prepaid expenses or other security or collateral provided by the Company relating to the Retained Contracts with the exception of the Pembina Contract;
- any and all other assets or interests of the Company other than the Transferred Assets.

Retained Liabilities

The Retained Liabilities, being those liabilities proposed to be retained by the Company, mean:

- all Liabilities and obligations arising from the possession, ownership and/or use of the Retained Assets and the business of the Company from and after Closing including for greater certainty, all Cure Costs;
- nondisclosure agreements, confidentiality agreements and non-compete/non-solicitation agreements;
- all new Liabilities incurred, assumed or accepted by the Company after Closing;
- all Environmental Liabilities relating to the Retained Assets but excluding, for greater certainty, the Transferred Liabilities;
- any and all regulatory, environmental and government Liabilities related to the oil and gas licenses and assets, other than those set out in the Transferred Liabilities;
- any other obligation designated as a Retained Liability by the Purchaser in writing to Receiver prior to Closing.

Retained Contracts

The Retained Contracts, being those contracts proposed to be retained by the Company through operation of the Vesting Order, mean:

- all Crown surface leases, mineral leases, PNG leases and PNG licenses;
- all Title and Operating Documents, other than those set out in the Transferred Contracts;
- all surface leases, mineral leases, PNG leases and PNG licenses related to freehold mineral lands;
- all gas-supply and gas-handling agreements, other than those set out in the Transferred Contracts;
- all equipment lease agreements required;
- all road-use agreements required;

- the Amended and Restated Gas Handling Agreement for Kakwa River dated April 1, 2023 between the Company and Pembina Gas Services Limited Partnership (the “**Pembina Contract**”); and
- those Contracts which may be designated as Retained Contracts pursuant to Section 3.5(a).

THE FOLLOWING COMPRISES SCHEDULE “C” ATTACHED TO AND FORMING PART OF A SUBSCRIPTION AGREEMENT DATED JUNE 20, 2025 BETWEEN FTI CONSULTING CANADA INC. IN ITS CAPACITY AS RECEIVER AND MANAGER OF KADEN ENERGY LTD. AND NOT IN ITS PERSONAL OR CORPORATE CAPACITY AND NEW WEST DATA ACQUISITION CORP.

Cure Cost Estimate As At June 16, 2025

Company Name	Amount Owed	Offsetting Deposit	Net Owed	Agreement	Comment
KEYERA ENERGY LTD.	\$ 39,221.70		\$ 39,221.70	Road Use Agreement	
ARC RESOURCES LTD.	\$ 7,577.22		\$ 7,577.22	Road Use Agreement	
			\$ -		
			\$ -		
CENOVUS ENERGY INC.	\$ 79,683.13		\$ 79,683.13	Road Use & Gas gathering	
PEMBINA GAS SERVICES LIMITED PARTNERSHIP	\$ 395,324.36	\$ 220,000.00	\$ 175,324.36	Natural Gas Processing Agreement	Pembina has a \$220,000 deposit
BIDELL GAS COMPRESSION LTD.	\$ 27,125.01	\$ 51,400.00	\$ (24,274.99)	Compressor Rental Agreements	Bidell has a \$51,400 deposit
	\$ 548,931.42	\$ 271,400.00	\$ 277,531.42		

It is currently estimated that \$277,531.42 will be paid towards rental agreements, road use, or processing to keep all agreements in good standing

Confidential Appendix “B” – Subscription Agreement

Confidential Appendix “C” – Phase 2 Bid Summary