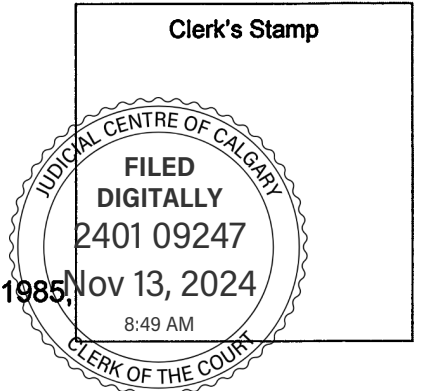


COURT FILE NUMBER 2401-09247  
COURT COURT OF KING'S BENCH OF ALBERTA  
JUDICIAL CENTRE CALGARY  
PROCEEDINGS IN THE MATTER OF THE COMPANIES'  
CREDITORS ARRANGEMENT ACT, RSC 1985,  
c C-36, as amended



AND IN THE MATTER OF A PLAN OF  
COMPROMISE OR  
ARRANGEMENT OF LONG RUN  
EXPLORATION LTD. AND  
CALGARY SINOENERGY INVESTMENT CORP.

**DOCUMENT AFFIDAVIT OF SHANNON DONALDSON**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT  
KMSC Law LLP  
#401, 10514 – 67 Avenue  
Grande Prairie, Alberta  
P. 780.532.7771 F: 780.532.1158  
E: KristianT@kmsc.ca  
Attn: Kristian Toivonen  
File No. 129572OAL

---

**AFFIDAVIT OF SHANNON DONALDSON**  
**Affirmed on November 12, 2024**

---

I, Shannon Donaldson, of Grande Prairie, Alberta, AFFIRM THAT:


1. I am a legal assistant in the law offices of KMSC Law LLP ("KMSC"), solicitors for Abe Neufeld as Representative Plaintiff ("Neufeld"), and as such, have knowledge of the following information, except where I state that it is based on information from another person, in which case, I have stated the source of the information and believe that information to be true.
2. Attached hereto and marked as Exhibit "A" is a copy of the Statement of Claim against Long Run Exploration Ltd. ("Long Run"), filed June 6, 2022.

3. Attached hereto and marked as **Exhibit "B"** is a copy of the Amended Statement of Claim of Neufeld, filed August 10, 2022 (the "**Neufeld Claim**").
4. Attached hereto and marked as **Exhibit "C"** is a copy of the Affidavit of Service of the Neufeld Claim against Long Run, filed September 8, 2022.
5. Attached hereto and marked as **Exhibit "D"** is a copy of a letter correspondence received by a client of KMSC, 1589205 Alberta Corp between October 22, 2024 to October 31, 2024. I am informed by Kristian Toivonen that Ernie Warkentin, instructing officer of 1589205 Alberta Corp delivered the letter to our office on or about November 1, 2024.

**AFFIRMED BEFORE ME**

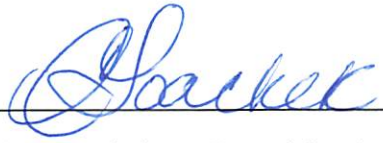
on November 12, 20 24  
at Grande Prairie, Alberta.

  
\_\_\_\_\_  
Commissioner for Oaths  
in and for the Province of Alberta

}   
\_\_\_\_\_  
Shannon Donaldson

Claudette A. Goacher  
A COMMISSIONER FOR OATHS  
in and for Alberta  
EXPIRES: September 28, 2026

This is Exhibit "A" referred to in the Affidavit  
of Shannon Donaldson, sworn before me on the  
12<sup>th</sup> day of November, A.D. 2024



---

A Commissioner In and for the Province of Alberta

Claudette A. Goacher  
A COMMISSIONER FOR OATHS  
in and for Alberta  
EXPIRES: September 28, 2026

Form 10  
[Rule 3.25]

COURT FILE NUMBER 2204 00354  
COURT COURT OF QUEEN'S BENCH OF ALBERTA  
JUDICIAL CENTRE GRANDE PRAIRIE  
PLAINTIFF(S) ANDRE BERUBE as REPRESENTATIVE PLAINTIFF  
DEFENDANT(S) LONG RUN EXPLORATION LTD.  
DOCUMENT **STATEMENT OF CLAIM**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT  
KMSC Law LLP  
#401, 10514 – 67 Avenue, Grande Prairie, Alberta T8W 0K8  
T: 780-532-7771 F: 780-532-1158  
Email: Owen@kmsc.ca  
Attn: Owen Lewis  
File No. 129572OAL



**A Class Proceeding pursuant to the *Class Proceedings Act*, SA 2003, c-16.5**

**NOTICE TO DEFENDANT**

You are being sued. You are a defendant.

Go to the end of this document to see what you can do and when you must do it.

**Statement of facts relied on:**

**A. PARTIES**

**a. PLAINTIFF**

1. The Proposed Representative Plaintiff, Andre Berube ("Berube"), is a resident of the Town of Falher in the Province of Alberta and at all material times hereto was a registered owner of five pieces of lands relevant to this action (collectively, the "Lands").
2. Berube owns all the Lands in joint tenancy with his wife, Olive Berube, who has consented to Berube commencing this action.
3. Berube is the lessor of seven Alberta Surface Lease Agreements or Right of Entry Orders (collectively, the "Surface Agreements"), each of which is attached to and registered against one of the Lands.

4. Each Surface Agreement grants the Defendant a lease or right of entry in each of the Lands (collectively, “the Surface Leases”).

5. The legal description of each of the Lands, along with the dates of their respective attached Surface Agreements, are as follows:

(1) Legal Description: 5;21;77;17;SW

Surface Agreements Dates: October 18, 1993; July 18, 1994; December 2, 2000

(2) Legal Description: 5;21;78;15;SE

Surface Agreement Dates: March 2, 2007

(3) Legal Description: 5;21;78;15;SW

Surface Agreement Dates: April 30, 2007.

(4) Legal Description: 5;21;78;22;NW

5;21;78;22;NE

Surface Agreement Dates: December 2, 2000; June 2, 2005

**b. DEFENDANT**

6. The Defendant, Long Run Exploration Ltd., is a corporation registered pursuant to the Law of the Province of Alberta that carries on the business of oil and gas extraction in Alberta and elsewhere.

7. The Defendant is the successor in interest to each of the Surface Agreements and Surface Leases.

**c. CLASS**

8. The Plaintiff sues on its own behalf, and on behalf of all individual residents in Alberta who entered into a Surface Agreement with the Defendant and who have not received annual compensation from the Defendant in accordance with the terms of their Surface Agreement, to be further defined in the Plaintiff’s application for class certification.

**B. FACTS AND BACKGROUND**

**a. THE SURFACE LEASES**

9. The Defendant was not the original owner of some of the Surface Leases, but ownership of the Surface Leases was ultimately transferred to the Defendant.

10. At all relevant times, the Surface Leases were owned by the Defendant and the Defendant was a party by assignment or transfer to the Surface Agreements.

11. The Surface Leases were provided by Berube and the Class Members (collectively, the “Lessors”) for, “any and all purposes and uses as may be necessary for the exploration, development and production of oil, gas, related hydrocarbons or substances produced in association therewith, remediation and reclamation,” and grant the Defendant right of access to the respective Land attached to the respective Surface Agreement.

**b. ANNUAL COMPENSATION**

12. Each of the Surface Agreements grants the Lessors the right to annual compensation for each year subsequent to the first year (“Annual Compensation”), payable in advance of the anniversary of the date of the respective Surface Agreement. The amount of Annual Compensation varies with each Surface Agreement, but each provides compensation for loss of use of the respective land, adverse effects to the land, severance, and nuisance or disturbance to the landowner.
13. The Annual Compensation payable on each individual Alberta Surface Lease is negotiated between the Lessor and the Lessee upon the execution of the respective Surface Agreements, and is increased from time to time pursuant to Section 27 of the *Surface Rights Act*, RSA 2000, c S-24 and the terms of the subject Surface Agreement.
14. The Surface Agreements do not provide any way for the Defendant to unilaterally terminate or reduce Annual Compensation.

**c. DENIAL OF SURFACE RIGHTS PAYMENTS**

15. During the year 2020, Berube did not receive any Annual Compensation for any of the Surface Agreements, putting the Defendant in breach of the terms of the Surface Agreements.
16. It is not unusual, within the agricultural industry, for the Lessee of Surface Leases to pay the Annual Compensation due to the Lessor weeks or even months after the anniversary date of the respective Surface Lease, though the Surface Agreements dictate such compensation is to be paid in advance of the anniversary date. For this reason, Berube did not think it noteworthy when the Defendant failed to pay in advance of the respective anniversary dates of the Surface Agreements.
17. On or about June 8, 2020, Berube received correspondence from the Defendant indicating that it would immediately cease paying the Annual Compensation it owed to the Berube under the Surface Agreements, stating in part:

*We have also made the difficult decision to defer certain surface land payments. Long Run understands this is not the news any one wants to hear. We anticipate this deferral is short lived and once industry recovers we will be able to settle all our outstanding obligations.*

18. It is anticipated that the Defendant sent similar letters to the Lessors of its estimated 6,415 public and private Surface Leases.

19. Berube has demanded payment of the rental income coverage payable under the Surface Agreements, and the Defendant has refused and/or neglected to make such payments.
20. To date, the Defendant wrongfully and in breach of the Surface Agreements has refused and/or neglected to pay Annual Compensation to Berube and has not advised that they will be making payments to Berube or the Class Members for the Annual Compensation owing on the Surface Agreements.

**C. THE CLAIM**

21. To date, and despite the demand, the Defendant has wrongly denied Berube and the Class Members the Annual Compensation they are due without any reasonable justification for doing so.
22. The Defendant failed to pay benefits contractually owing to the Plaintiff and Class Members pursuant to the Surface Agreements.
23. Berube proposes that this action be tried in the City of Grande Prairie in the Province of Alberta.

**D. DAMAGES**

24. As a result of the Defendant's breach of the Surface Agreements and/or acts and omissions, Berube and the Class Members have suffered a loss of Annual Compensation payable by the Defendant as contemplated by the Surface Agreements and have not been compensated for this loss.
25. Further, Berube and the Class Members say that the Defendant's failure, refusal, or neglect to pay Annual Compensation occurred as a result of deliberate or reckless corporate strategy to deny Berube and the Class Members' claims improperly.

**E. REMEDY SOUGHT**

26. As against the Defendant, Berube and the Class Members claim the following awards, on the basis specified or such other basis as this Honourable Court may deem fit, in such amounts, to be allocated amongst the Class Members, as this Honourable Court may deem fit, namely:
  - (a) an Order for certification pursuant to the *Class Proceedings Act*, SA 2003, c-16.5;
  - (b) an Order appointing Andre Berube as the representative Plaintiff for the Class Members;
  - (c) a declaration that the denial of the Plaintiff's and Class Members' Annual Compensation was a breach of the Surface Agreements;
  - (d) an Order that the Defendant pay the Plaintiff and Class Members' the full amount of Annual Compensation owing according to the Surface Agreements;

- (e) judgment for damages as outlined under the above heading “Damages,” including general and special damages, in an amount to be proven at trial but estimated to be not less than \$30,000,000.00;
- (f) judgment for punitive damages in an amount to be prove at the trial of the action as counsel may advise and this Honourable Court may accept;
- (g) interest on the amount of the Judgment pursuant to the terms of the *Judgment Interest Act*, RSA 2000, c J-1, and the regulations thereunder and the amendments thereto;
- (h) any applicable Goods and Services Tax pursuant to the terms of the *Excise Tax Act*, SC 1985, c E-14, Part IX, the regulations thereunder and the amendments thereto, including a gross-up sufficient to satisfy any Goods and Service Tax levy (GST), which the Plaintiff and Class Members may be obliged to pay on any amounts awarded;
- (i) an Order for distribution amongst the Plaintiff and Class Members of the aggregate assessment of monetary relief as this Honourable Court deems appropriate;
- (j) costs of this action on a solicitor/client basis or on such other basis as this Honourable Court may see fit; and
- (k) such further and other relief as this Honourable Court may allow or counsel may advise.

**NOTICE TO THE DEFENDANT(S)**

You only have a short time to do something to defend yourself against this claim:

20 days if you are served in Alberta

1 month if you are served outside Alberta but in Canada

2 months if you are served outside Canada.

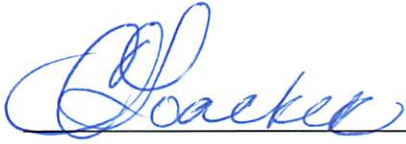
You can respond by filing a statement of defence or a demand for notice in the office of the clerk of the Court of Queen’s Bench at Grande Prairie, Alberta, AND serving your statement of defence or a demand for notice on the plaintiff’s(s’) address for service.

**WARNING**

If you do not file and serve a statement of defence or a demand for notice within your time period, you risk losing the law suit automatically. If you do not file, or do not serve, or are late in doing either of these things, a court may give a judgment to the plaintiff(s) against you.



This is Exhibit "B" referred to in the Affidavit  
of Shannon Donaldson, sworn before me on the  
12<sup>th</sup> day of November, A.D. 2024



---

A Commissioner In and for the Province of Alberta

Claudette A. Goacher  
A COMMISSIONER FOR OATHS  
in and for Alberta  
EXPIRES: September 28 , 2026

COURT FILE NUMBER 2204 00354  
COURT COURT OF QUEEN'S BENCH OF ALBERTA  
JUDICIAL CENTRE GRANDE PRAIRIE  
PLAINTIFF(S) ABE NEUFELD as REPRESENTATIVE PLAINTIFF  
DEFENDANT(S) LONG RUN EXPLORATION LTD.  
DOCUMENT **AMENDED STATEMENT OF CLAIM**  
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT KMSC Law LLP  
#401, 10514 – 67 Avenue, Grande Prairie, Alberta T8W 0K8  
T: 780-532-7771 F: 780-532-1158  
Email: Owen@kmsc.ca  
Attn: Owen Lewis  
File No. 129572OAL



AMENDED this 10th day of August 2022 Pursuant to Rule 3.62(1)(a) dated the 10th day of August, 2022.

**A Class Proceeding pursuant to the *Class Proceedings Act*, SA 2003, c-16.5**

**NOTICE TO DEFENDANT**

You are being sued. You are a defendant.

Go to the end of this document to see what you can do and when you must do it.

**Statement of facts relied on:**

**A. PARTIES**

**a. PLAINTIFF**

1. The Proposed Representative Plaintiff, Abe Neufeld (the "Representative Plaintiff"), is a resident of the City of Grande Prairie in the Province of Alberta and at all material times hereto was a registered owner of one parcel of land relevant to this action (~~^^~~ the "Land").
2. The Representative Plaintiff is the lessor of one Alberta surface lease agreement ~~^^~~ (~~^^~~ the "Plaintiff's Surface Agreement"). The Plaintiff's Surface Agreement is attached to and registered against ~~^^~~ the Land.
3. The Surface Agreement grants the Defendant a lease or right of entry in ~~^^~~ the Land (~~^^~~ the "Plaintiff's Surface Lease").

4. The legal description <sup>^^</sup> of the Land, along with the date of the attached Plaintiff's Surface Agreement, is as follows:

(1) Legal Description: 6;4;73;35;NW  
Surface Agreement Date: October 20, 2006

^^

^^

^^

**b. CLASS**

5. The Representative Plaintiff sues on his own behalf, and on behalf of all individual residents in Alberta who entered into a Surface Agreement with the Defendant and who have not received annual compensation from the Defendant in accordance with the terms of their Surface Agreements and/or have not received interest on said late payments, as is to be further defined in the Representative Plaintiff's application for class certification (collectively, the "Class Members").

6. The term "Surface Agreements" throughout this claim shall refer to all Alberta surface lease agreements or Right of Entry Orders of which one or more of the Class Members are lessors and the Defendant is a lessee.

7. The term "Surface Leases" throughout this claim shall refer to all leases or rights of entry granted to the Defendant by the Surface Agreements and respecting the land of the Class Members.

**c. DEFENDANT**

8. The Defendant, Long Run Exploration Ltd., is a corporation registered pursuant to the Law of the Province of Alberta that carries on the business of oil and gas extraction in Alberta and elsewhere.

9. The Defendant is the successor in interest to each of the Surface Agreements and Surface Leases of the Representative Plaintiff and Class Members.

**B. FACTS AND BACKGROUND**

**a. THE SURFACE LEASES**

10. The Defendant was not the original owner of some of the Surface Leases, but ownership of the Surface Leases was ultimately transferred to the Defendant.

11. At all relevant times, the Surface Leases were owned by the Defendant and the Defendant was a party by assignment or transfer to the Surface Agreements.

12. The Surface Leases were provided by the Representative Plaintiff and the Class Members (collectively, the “Lessors”) for, “any and all purposes and uses as may be necessary for the exploration, development and production of oil, gas, related hydrocarbons or substances produced in association therewith, remediation and reclamation,” and grant the Defendant right of access to the respective lands attached to the respective Surface Agreements.

#### **b. ANNUAL COMPENSATION**

13. Each of the Surface Agreements grants the Lessors the right to annual compensation for each year subsequent to the first year (“Annual Compensation”), payable in advance of the anniversary of the date of the respective Surface Agreements. The amount of Annual Compensation varies with each of the Surface Agreements, but each provides compensation for loss of use of the respective land, adverse effects to the land, severance, and nuisance or disturbance to the Lessor.

14. The Annual Compensation payable on ^^^ individual ^^ Surface Agreements ^^ is amended from time to time pursuant to Section 27 of the *Surface Rights Act*, RSA 2000, c S-24 and the terms of the subject Surface Agreement.

15. The Surface Agreements do not provide any way for the Defendant to unilaterally terminate or reduce Annual Compensation.

#### **c. DENIAL OF SURFACE RIGHTS PAYMENTS**

16. During the years 2019, 2020, 2021, and 2022, the Representative Plaintiff did not receive any Annual Compensation for ^^^ the Plaintiff’s Surface Agreement, putting the Defendant in breach of the terms of the Plaintiff’s Surface Agreement.

17. It is not unusual, within the agricultural industry, for the Lessee of Surface Leases to pay the Annual Compensation due to the Lessor weeks or even months after the anniversary date of the respective Surface Lease, though the Surface Agreements dictate such compensation is to be paid in advance of the anniversary date. For this reason, the Representative Plaintiff did not think it noteworthy when the Defendant failed to pay in advance of the respective anniversary dates of the Plaintiff’s Surface Agreement.

18. On or about August 4, 2020, several Class Members received correspondence from the Defendant indicating that it would immediately cease paying the Annual Compensation it owed to the Class Members under the relevant Surface Agreements, stating in part:

*We have also made the difficult decision to defer certain surface land payments. Long Run understands this is not the news any one wants to hear. We anticipate this deferral is short lived and once industry recovers we will be able to settle all our outstanding obligations.*

19. It is anticipated that the Defendant sent similar letters to the Lessors of its estimated 6,415 public and private Surface Leases.

20. The Representative Plaintiff has demanded payment of the rental income coverage payable under the Plaintiff's Surface Agreement, and the Defendant has refused and/or neglected to make such payments.
21. To date, the Defendant wrongfully and in breach of the Plaintiff's Surface Agreement has refused and/or neglected to pay Annual Compensation to the Representative Plaintiff and has not advised that they will be making payments to the Representative Plaintiff <sup>^^</sup> for the Annual Compensation owing on the Plaintiff's Surface Agreements.

### **C. THE CLAIM**

22. To date, and despite <sup>^^</sup> demands, the Defendant has wrongly denied the Representative Plaintiff and the Class Members the Annual Compensation they are due without any reasonable justification for doing so.
23. The Defendant failed to pay sums contractually owing to the Representative Plaintiff and Class Members pursuant to the Surface Agreements.
24. By failing to pay said sums, the Defendant has denied the Representative Plaintiff and Class Members the benefit of the use of such sums and the interest they would have earned on their prudent and reasonable investment. Correspondingly, the Defendant unjustly enriched itself by the use of those funds contractually owed to the Representative Plaintiff and Class Members, or, in the alternative, by avoiding the necessity of borrowing money to pay the Representative Plaintiff and Class Members those amounts contractually owed to them.
25. Additionally, and/or in the alternative, the Defendant's late payment of the principal sums owed pursuant to the Surface Agreements to certain Class Members did not compensate said Class Members for the interest they would have earned on such sums by their prudent and reasonable investment and/or for the benefit the Defendant derived from its failure to pay or its late payment.
26. The Representative Plaintiff proposes that this action be tried in the City of Grande Prairie in the Province of Alberta.

### **D. DAMAGES**

27. As a result of the Defendant's breach of the Surface Agreements and/or acts and omissions, the Representative Plaintiff and the Class Members have suffered a loss of Annual Compensation payable by the Defendant as contemplated by the Surface Agreements and/or the interest they would have earned by the prudent and reasonable investment of such compensation. The Representative Plaintiff and Class Members have not been compensated for this loss.
28. Further, the Representative Plaintiff and the Class Members say that the Defendant's failure, refusal, or neglect to pay Annual Compensation and/or interest occurred as a result of deliberate or reckless corporate strategy to deny the Representative Plaintiff and the Class Members' claims improperly.

## E. REMEDY SOUGHT

29. As against the Defendant, the Representative Plaintiff and the Class Members claim the following awards, on the basis specified or such other basis as this Honourable Court may deem fit, in such amounts, to be allocated amongst the Class Members, as this Honourable Court may deem fit, namely:

- (a) an Order for certification pursuant to the *Class Proceedings Act*, SA 2003, c-16.5;
- (b) an Order appointing Abe Neufeld as the representative Plaintiff for the Class Members;
- (c) a declaration that the denial of the Representative Plaintiff's and Class Members' Annual Compensation was a breach of the Surface Agreements;
- (d) an Order that the Defendant pay the Representative Plaintiff and Class Members' the full amount of Annual Compensation owing according to the Surface Agreements;
- (e) judgment for damages as outlined under the above heading "Damages," including general and special damages, in an amount to be proven at trial but estimated to be not less than \$30,000,000.00;
- (f) judgment for punitive damages in an amount to be proven at the trial of the action as counsel may advise and this Honourable Court may accept;
- (g) interest on the amount of the Judgment pursuant to the terms of the *Judgment Interest Act*, RSA 2000, c J-1, and the regulations thereunder and the amendments thereto, enhanced according to the discretion of this Honourable Court to reflect:
  - i. the benefit the Defendant has unjustly taken by the use of those funds it has or had failed to pay in accordance with the anniversary dates of the Surface Agreements to the Representative Plaintiff and Class Members; and/or
  - ii. the interest the Class Members would have earned by the prudent and reasonable investment of such funds had they been paid and/or had they been paid on time;
  - iii. and/or the benefit the Defendant has unjustly taken by avoiding the necessity of borrowing money to pay the Representative Plaintiff and Class Members those amounts contractually owed to them;
- (h) any applicable Goods and Services Tax pursuant to the terms of the *Excise Tax Act*, SC 1985, c E-14, Part IX, the regulations thereunder and the amendments thereto, including a gross-up sufficient to satisfy any Goods and Service Tax levy (GST), which the Representative Plaintiff and Class Members may be obliged to pay on any amounts awarded;

- (i) an Order for distribution amongst the Representative Plaintiff and Class Members of the aggregate assessment of monetary relief as this Honourable Court deems appropriate;
- (j) costs of this action on a solicitor/client basis or on such other basis as this Honourable Court may see fit; and
- (k) such further and other relief as this Honourable Court may allow or counsel may advise.

**NOTICE TO THE DEFENDANT(S)**

You only have a short time to do something to defend yourself against this claim:

20 days if you are served in Alberta

1 month if you are served outside Alberta but in Canada

2 months if you are served outside Canada.

You can respond by filing a statement of defence or a demand for notice in the office of the clerk of the Court of Queen's Bench at Grande Prairie, Alberta, AND serving your statement of defence or a demand for notice on the plaintiff's(s') address for service.

**WARNING**

If you do not file and serve a statement of defence or a demand for notice within your time period, you risk losing the law suit automatically. If you do not file, or do not serve, or are late in doing either of these things, a court may give a judgment to the plaintiff(s) against you.

This is Exhibit "C" referred to in the Affidavit  
of Shannon Donaldson, sworn before me on the  
12<sup>th</sup> day of November, A.D. 2024



---

A Commissioner In and for the Province of Alberta

Claudette A. Goacher  
A COMMISSIONER FOR OATHS  
in and for Alberta  
EXPIRES: September 28, 2026



COURT FILE NUMBER 2204 00354

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE GRANDE PRAIRIE

PLAINTIFF ABE NEUFELD as REPRESENTATIVE  
PLAINTIFF

DEFENDANT LONG RUN EXPLORATION LTD.

DOCUMENT **AFFIDAVIT OF SERVICE**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT  
KMSC Law LLP  
401, 10514 – 67 Avenue, Grande Prairie, AB T8W 0K8  
P: 780-532-7771 F: 780-532-1158  
Email: Owen@kmsc.ca  
ATTN: OWEN A. LEWIS  
File No. 129572OAL



---

**AFFIDAVIT OF KELSEY O'CONNOR**

**Sworn on September 8, 2022**

---

I, Kelsey O'Connor, of Sexsmith, Alberta, **SWEAR THAT:**


1. I have personal knowledge of the following information, except where I state that it is based on information from another person, in which case, I believe that information to be true.
2. I am 18 years of age or older.
3. On September 1, 2022, I served Long Run Exploration Ltd., with a copy of:
  - the following document, which is filed with the Court:
    - Amended Statement of Claim, filed August 10, 2022.

4. I served the document listed above using the following method of service:

- by causing a copy of the document to be sent by recorded mail to Long Run Exploration Ltd. at 1900, 520 – 3 Avenue SW, Calgary, Alberta T2P 0R3. This is the address for service as listed at corporate registry; a copy of the corporate registry search is attached and marked as Exhibit "A" to this Affidavit. Service was effected on September 7, 2022, as is evidenced by the acknowledgment of receipt, signed by the individual to whom it is addressed, which is attached and marked as Exhibit "B" to this Affidavit.

**SWORN BEFORE ME**

on September 8, 20 22  
at Grande Prairie, Alberta.

  
\_\_\_\_\_  
Commissioner for Oaths  
in and for the Province of Alberta

}   
\_\_\_\_\_  
Signature of document server

NICOLE L. RONNING  
A Commissioner for Oaths  
in and for the Province of Alberta  
My Commission Expires January 27, 2024

# Review Legal Entity History

## LONG RUN EXPLORATION LTD.

Not For Resale

**Service Request Number:** 37165620  
**Legal Entity Type:** Alberta Business Corporation  
**Alberta Corporation Type:** Named Alberta Corporation  
**Corporate Access Number:** 2018396933  
**Legal Entity Name:** LONG RUN EXPLORATION LTD.  
**Business Number:** 868176942  
**Legal Entity Status:** Active

### REGISTERED ADDRESS

**Street/Box Number:** 1900, 520 - 3RD AVENUE SW  
**City:** CALGARY  
**Province:** ALBERTA  
**Postal Code:** T2P0R3

### RECORDS ADDRESS

**Street/Box Number:** 1900, 520 - 3RD AVENUE SW  
**City:** CALGARY  
**Province:** ALBERTA  
**Postal Code:** T2P0R3  
**Email Address:** CORPCGY@BLG.COM

**The information in this legal entity table supersedes equivalent electronic attachments**

**Share Structure:** SEE SCHEDULE A ATTACHED HERETO.  
**Share Transfers Restrictions:** NONE  
**Min Number Of Directors:** 3  
**Max Number Of Directors:** 20  
**Business Restricted To:** NONE  
**Business Restricted From:** NONE  
**Other Provisions:** SEE SCHEDULE B ATTACHED HERETO.  
**Registration Date:** 2014/08/07 (YYYY/MM/DD)

This is Exhibit " A " referred to in  
this Affidavit of

Kelsey O'Connor

Sworn before me this 8<sup>th</sup> day

of September A.D., 2022

Nicole L. Ronning  
A Commissioner in and for Alberta

NICOLE L. RONNING  
 A Commissioner for Oaths  
 in and for the Province of Alberta  
 My Commission Expires January 27, 2024

## Continuance

No Records returned

## Director / Shareholder / Liquidator

--	--	--

Tracking number

RN636344738CA

Delivered

Shipping service: Registered Mail

Delivery standard: Sept. 7

This is Exhibit "B" referred to in

this Affidavit of

Kelsey O'Connor

Sworn before me this 8<sup>th</sup> day

of September A.D., 2022

[Signature]

A Commissioner in and for Alberta

NICOLE L. RONNING

A Commissioner for Oaths

in and for the Province of Alberta

My Commission Expires January 27, 2024

Latest updates

Date	Time	Location	Progress	Post office
Sept. 7	9:29 am		Signature available	
Sept. 7	9:29 am	CALGARY, AB	Delivered	
Sept. 6	10:57 am	CALGARY, AB	Item available for pick-up	
Sept. 6	9:38 am	CALGARY, AB	Out for delivery	
Sept. 6	5:59 am	CALGARY, AB	Item processed	
Sept. 2	7:35 am	EDMONTON, AB	Item processed	
Sept. 2	5:46 am	EDMONTON, AB	Item in transit	
Sept. 2	2:46 am	EDMONTON, AB	Item processed	
Sept. 1	8:51 pm	GRANDE PRAIRIE, AB	Item in transit	
Sept. 1	5:51 pm	GRANDE PRAIRIE, AB	Item processed	
Sept. 1	4:39 pm	GRANDE PRAIRIE, AB	Item accepted at the Post Office	

Features and options

Signature Required

#129572 15/140 09-01-22  
**REGISTERED DOMESTIC** **RECOMMANDE R**  
**RÉGIME INTÉRIEUR**  
 CUSTOMER RECEIPT REÇU DU CLIENT

To: Long Run Exploration Ltd.  
 Name: 1900, 520-3AVE SW  
 Address: Calgary, AB T2P 0R3  
 City / Prov. / Postal Code: Calgary, AB T2P 0R3

FOR DELIVERY CONFIRMATION CONFIRMATION DE LA LIVRAISON  
 canadapost.ca or/ou postescanada.ca  
 1 888 550-6333

Declared Value: \$ 11.05  
 CPC Tracking Number: **RN 636 344 738 CA**

CANADA POST POSTES CANADA  
 102790  
 2022-09-01  
 GRANDE PRAIRIE SHOPPERS-WAPITI  
 GRANDE PRAIRIE, ALBERTA  
 T8W 2L0



Date: 2022/09/08

Dear Sir or Madam

Please find below the scanned delivery date and signature of the recipient of the item identified below:

Item Number RN636344738CA

Product Name Registered Mail

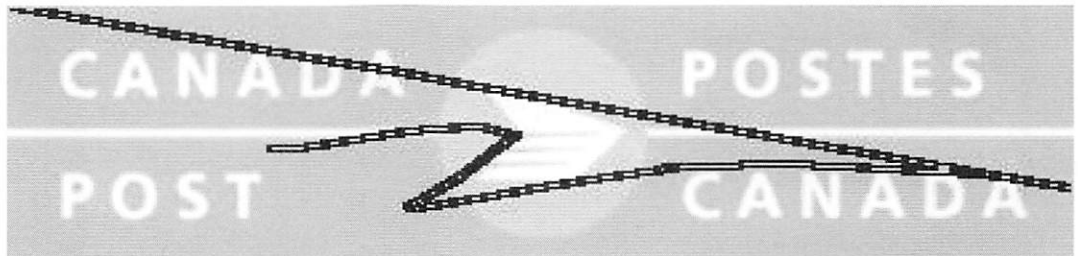
Reference Number 1 Not Applicable

Reference Number 2 Not Applicable

Delivery Date (yyyy/mm/dd) 2022-09-07

Signatory Name I M

Signature



Yours sincerely,

Customer Relationship Network

1-888-550-6333.

(From outside Canada 1 416 979-3033)

*This copy confirms to the delivery date and signature of the individual who accepted and signed for the item in question. This information has been extracted from the Canadapost data warehouse*



This is Exhibit "D" referred to in the Affidavit  
of Shannon Donaldson, sworn before me on the  
12<sup>th</sup> day of November, A.D. 2024



---

A Commissioner In and for the Province of Alberta

Claudette A. Goacher  
A COMMISSIONER FOR OATHS  
in and for Alberta  
EXPIRES: September 28, 2026



October 22, 2024

1589205 ALBERTA CORP  
RR1  
DEBOLT AB T0H 1B0

Dear Sir/Madam:

**Re: Settlement of Rental Arrears – as per attached Schedule “A”**

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As you may be aware, on July 4, 2024 (the “Filing Date”), China Construction Bank, Toronto Branch, in its capacity as collateral agent, sought and obtained an initial order (the “Initial Order”) from the Court of King's Bench of Alberta (the “Court”) to commence proceedings under the Companies' Creditors Arrangement Act, RSC 1985, c C-36, as amended (the “CCAA”) in respect of Long Run Exploration Ltd. (“Long Run”) and Calgary Sinoenergy Investment Corp. (the “Guarantor” and collectively with Long Run, the “Debtors”). The Initial Order has been amended and restated from time to time, and further amendments and extensions may be sought.

The CCAA proceedings approved a sales and investment solicitation process based upon a stalking horse bid (the “Proposed Transaction”) from Hiking Group Shandong Jinyue Int't Trading Corporation or its nominee (the “Stalking Horse Bidder”) to acquire Long Run. The sales and investment solicitation process has concluded, and it is presently anticipated that the Proposed Transaction will be brought forward for Court approval in November, 2024 with a closing of the sale of Long Run as soon as practicable thereafter (the “Closing”).

Information about the CCAA Proceedings and the Proposed Transaction is available on the Monitor's website: <http://cfcanda.fticonsulting.com/longrun/default.htm>.

The Proposed Transaction (if approved by the Court) contemplates that arrears of surface lease rental payments will be treated as retained liabilities of Long Run (meaning that the Stalking Horse Bidder will acquire those liabilities as part of its acquisition of Long Run). If the Proposed Transaction is approved by the Court, with the Stalking Horse Bidder buying Long Run, Long Run will, provided Closing has occurred, offer a settlement proposal of outstanding rental payments with its surface lessors, including yourself under the Lease, which will give surface lessors the option to receive a cash payment for the outstanding rental payments, at a discounted rate, within ten business days of Closing, without further steps required on the part of the lessors (rather than waiting to receive payment of these outstanding rental payments from the Stalking Horse Bidder after Closing at a future date). In this regard our review of Lease (s) referred to in the attached “Schedule A” shows that the amount of annual surface lease rentals owed to you under the Lease (s) is in the amount of **\$6,550.00** (the “Arrears”). Accordingly, provided the Proposed Transaction is approved by the Court and Closing has occurred, Long Run will pay to you 50% of the Arrears, or the sum of **\$3,275.00** (the “Settlement Amount”) in full and final satisfaction of the Arrears and any and all existing or potential actions, causes of action, damages, suits, debts, dues, sums of

money, claims, liabilities, obligations, rights, demands and set-offs related to the Arrears (collectively, the "Released Claims"). It is proposed that such sum will be paid within ten business days of Closing in the manner, and at the address for payment, as set out in the Lease.

If you are in agreement with the proposal for full and final settlement of the Arrears, please sign a copy of this letter and, either mail a copy of such signed letter to my attention at the address set out above for Long Run, or email it back to my attention at wbarber@longrunexploration.com by no later than November 25, 2024.

Thank you for your patience during this difficult period for Long Run.

Yours truly,  
**LONG RUN EXPLORATION LTD.**



Wendy Barber  
Interim CEO

You acknowledge that the proposed payment of the Settlement Amount is conditional upon the Court approving the Proposed Transaction and Closing of the Proposed Transaction having occurred.

The proposed payment of the Settlement Amount, once received, is hereby Acknowledged, Accepted and Agreed to as full and final settlement of the Arrears this \_\_\_\_\_ day of \_\_\_\_\_, 2024.

Upon receipt of the Settlement Amount, you, on behalf of yourself and your successors, assigns, parents, subsidiaries, affiliates, officers, directors, employees, and agents, hereby forever, fully, unconditionally and irrevocably release Long Run and its successors, assigns, parents, subsidiaries, affiliates, officers, directors, employees, and agents from any and all Released Claims.

\_\_\_\_\_  
(Lessor Name)

\_\_\_\_\_  
(Co-Lessor Name)



money, claims, liabilities, obligations, rights, demands and set-offs related to the Arrears (collectively, the "Released Claims"). It is proposed that such sum will be paid within ten business days of Closing in the manner, and at the address for payment, as set out in the Lease.

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\_\_\_\_\_  
(Lessor Name)

\_\_\_\_\_  
(Co-Lessor Name)

1589205 ALBERTA CORP (1589205 & 1433910)

Long Run File(s): S00643, S01172, S01179, S12040



## Schedule "A"

Attached to and forming part of that Settlement of Rental Arrears letter dated October 22, 2024

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**1589205 ALBERTA CORP.**  
(1433910 & 1589205)

Agreement: SURFACE LEASE dated May 28, 2004  
Lands: TWP 80 RGE 19 W5M NW 31 (LSD 14)  
LRE File: S00643

Agreement: SURFACE LEASE dated June 16, 2004  
Lands: TWP 75 RGE 1 W6M N 4 (LSD 10)  
LRE File: S01172

Agreement: SURFACE LEASE dated November 02, 2004  
Lands: TWP 75 RGE 1 W6M SW 9 (LSD 3)  
LRE File: S01179

Agreement: SURFACE LEASE dated December 03, 1997  
Lands: TWP 74 RGE 1 W6M NE 9 (LSD 102/15)  
LRE File: S12040