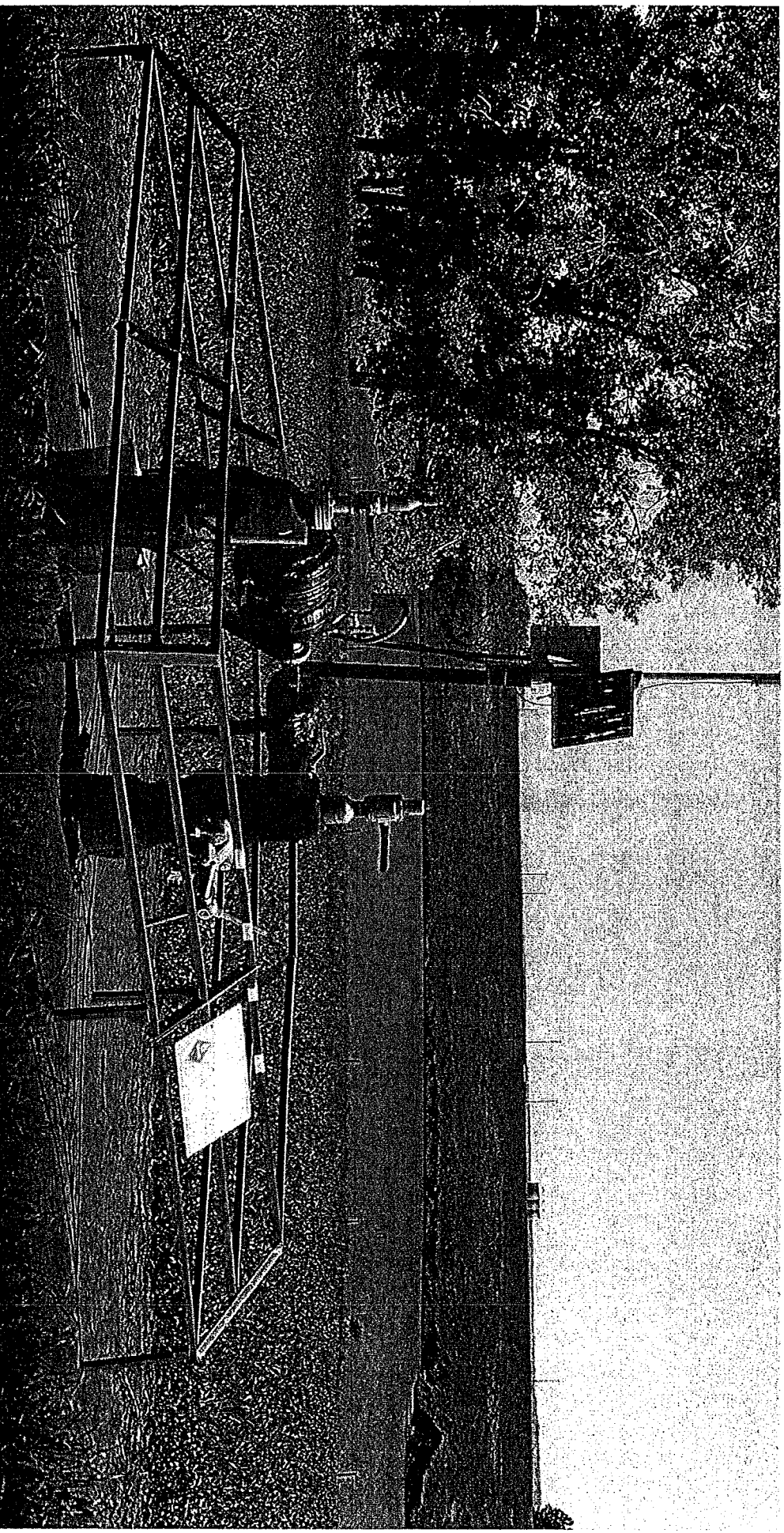


"THIS IS EXHIBIT " 3 "  
referred to in the Affidavit of  
Adam Dunayer  
Sworn before me this 12th  
day of April 2016  
Erin L. Rolnick

**ERIN L. ROLNICK**  
Notary Public - State of New York  
NO. 01R06326932  
Qualified in Westchester County  
My Commission Expires Jun 29, 2019



# Quicksilver Resources Canada Inc.

## Introductory Memorandum

September 2015

CORPORATE FINANCE  
FINANCIAL ADVISORY SERVICES  
FINANCIAL RESTRUCTURING  
STRATEGIC CONSULTING  
HL.com

# Transaction Overview

Quicksilver Resources Canada Inc. (“QRCI” or the “Company”) is seeking a purchase for substantially all or a portion of Company’s assets either through one transaction or multiple transactions to one or more purchasers (the “Transaction”). The Company asks that indications of interest outline the assets of interest and the economic consideration to be received by the Company in the Transaction.

The Company’s parent, Quicksilver Resources, Inc. (“QRI”), as well as the parent’s U.S. subsidiaries, are currently engaged in a chapter 11 proceeding under the U.S. Bankruptcy Code (the “Code”). This potential Transaction is separate, though related, to those proceedings. Any Transaction concerning the assets of QRCI will be consummated outside of the chapter 11 proceedings and are not subject to the rules and procedures outlined by section 363 of the Code or the U.S. Bankruptcy Court.

Additionally, the materials presented herein assume certain material changes to QRCI’s operating conditions that may or may not be achieved outside of an insolvency proceeding under Canadian law. In the event QRCI enters a Canadian insolvency proceeding, the Company currently fully intends to continue to pursue a Transaction.

This Introductory Memorandum (this “Memorandum”) relates to a potential Transaction for QRCI.

Houlihan Lokey Capital, Inc., acting through itself and its affiliates (collectively, “Houlihan Lokey”) has been authorized to act as an agent of the Company with respect to Transaction proposals. All communications or inquiries relating to a transaction and the Company should be directed to Houlihan Lokey.

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**HOULIHAN LOKEY**

Houlihan Lokey Capital, Inc.

# Business Description

Quicksilver Resources Canada Inc., ("QRCI" or the "Company") is the owner and operator of high-quality natural gas resources in Western Canada

## Key Assets and Resources

Key assets include:

- Horseshoe Canyon ("HSC") located in Alberta, Canada
  - Horn River Basin ("HRB" or "Horn River") located in northeast British Columbia, Canada
  - Campbell River Proposed LNG Site ("Discovery LNG") located on Vancouver Island, British Columbia, Canada
  - Exploratory Shale Asset ("NWAR") located in Northwest Alberta, Canada
- On June 30 2015, the Company received a 25-year, 20-Mtpa LNG export license

Net acreage of ~470,000 (~188,000 hectares ("ha")) includes (i) 1P reserves of 282 Bcf (7.9 Bcm) and (ii) 2,000+ opportunities for future development, including infill drilling, delineation drilling, tie-ins and recompletions

Assets contain enormous resource potential of over 13 Tcf (370 Bcm)

All reserve data is based on strip pricing as of July 31, 2015<sup>(1)</sup> and Company data as of June 30, 2015 with reserves reflected net of royalties unless otherwise stated; assumes 2 year drilling program in HSC; reduced GPT rates in HRB; all dollars are in USD

Acreage represented in hectares uses the conversion: 1 ha: 2.50 acres

Reserves and production are represented in cubic meters using the conversion: 1 cubic meters: 35.48 cubic feet

All figures in USD unless otherwise stated

2Q 2015 production was 46 MMcfd (1,296 E3m<sup>3</sup>d) with no production coming from the HRB assets

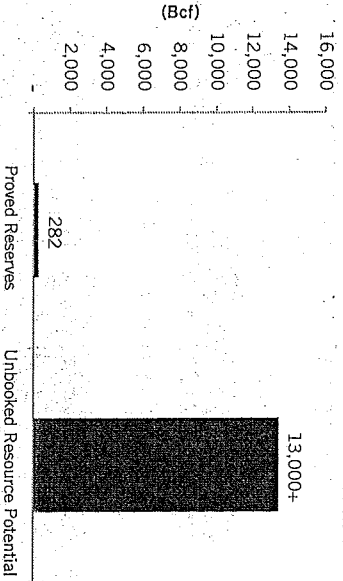
4Q 2014 production was 80 MMcfd (2,255 E3m<sup>3</sup>d) where HRB assets were producing for the entire quarter, contributing 33MMcfd (930 E3m<sup>3</sup>d), or 41% of total production

## Production Highlights

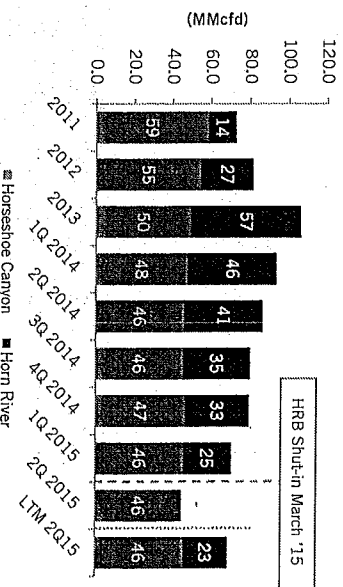
### Net 1P Reserves

	Strip Pricing		
	Total (Bcf)	Total (Bcm)	PV-10 (\$ in MM)
Horn River Basin	55	2	\$11
Horseshoe Canyon	227	6	128
<b>Total Proved</b>	<b>282</b>	<b>8</b>	<b>\$139</b>

### Total Resources



### Net Production History

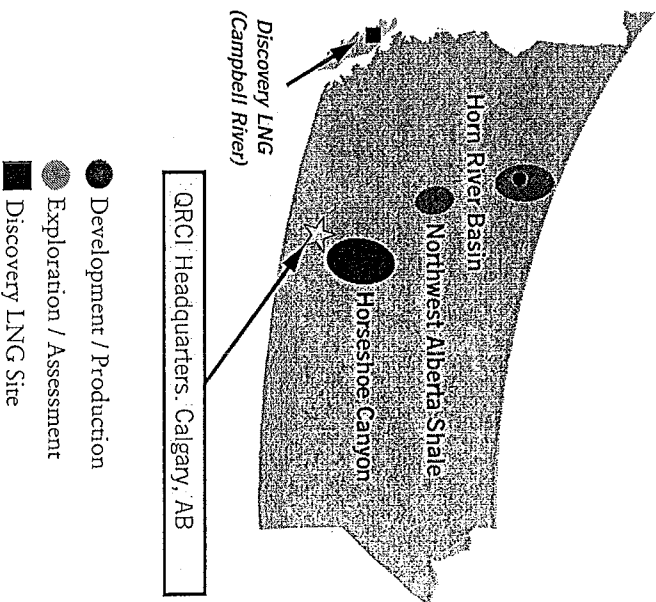


Source: Company data  
(1) See appendix for detailed strip price data

# Asset Geography

*High-quality, large-scale resource base providing near cash flow and long-term upside potential*

Classification	Area	Description
Development / Production	Horseshoe Canyon	<ul style="list-style-type: none"> <li>Coalbed methane ("CBM") natural gas play in central Alberta providing stable production and cash flow at low cost and development risk</li> <li>CBM reserves feature shallow decline curves, low geologic risk and quick, low-cost drilling and scalable developments</li> <li>Core acreage position of ~308,400 net acres (123,400 net ha)</li> <li>Total 1P net reserves of 227 Bcf (6.4 Bcm) and ~270 Bcf (~7.6 Bcm) of resource potential</li> <li>Over 2,900 gross (1,400 net) producing wells with 2Q 2015 net production of 46 MMcfd (1,300 E3m<sup>3</sup>d)</li> <li>2,000+ opportunities for future development, including infill drilling, delineation drilling, tie-ins and recompletions</li> </ul>
Exploration / Assessment	Horn River Basin	<ul style="list-style-type: none"> <li>High-quality shale gas reservoir; strong well performance producing above industry type curve with per well IP rates of up to 32 MMcfd (900 E3m<sup>3</sup>d)</li> <li>Holds significant resource potential and represent a compelling upside opportunity</li> <li>Contiguous acreage position of ~126,500 net acres (~50,600 ha) with a 100% working interest in majority of the tract and sizable future well inventory</li> <li>Resource potential of 13 Tcf (370 Bcm)</li> <li>Environmental approval for 600 MMcfd raw gas treatment facility</li> <li>Agreement with ADK First Nations in place</li> <li>12 net producing wells with 4Q 2014 net production of 33 MMcfd (936 E3m<sup>3</sup>d)<sup>(1)</sup></li> </ul>
	Campbell River, Vancouver Island, BC	<ul style="list-style-type: none"> <li>Proposed site for construction of LNG facility</li> <li>Best-in-class location for up to 7 x 5-Mtpa LNG trains</li> <li>Received a 25-year, 20-Mtpa export license on June 30, 2015</li> </ul>
	Northwest Alberta Shale Oil	<ul style="list-style-type: none"> <li>Early exploratory phase tight oil acreage</li> <li>~32,800 net acres (~13,100 ha)</li> </ul>



Source: Company data  
(1) HRB production is currently shut-in

# Asset Overview

	Development / Production	Exploration / Assessment
	Horseshoe Canyon	Horn River Basin
Proved Reserves	227 Bcf	55 Bcf
Reserve Mix (Gas/Liquids)	Gas: 100%	Gas: 100%
% of Total Reserves	80%	20%
PV-10 <sup>(1)</sup>	\$128MM	\$11MM
Acreege (Net)	~308,400	~126,500
Operated Wells Gross / Net <sup>(2)</sup>	1,357 / 1,104	12 / 12
Operated Net Production (2Q:15)	46 MMcfd	NA <sup>(3)</sup>
Working Interest <sup>(2)</sup>	81%	100%
Key Highlights	<ul style="list-style-type: none"> <li>■ Stable cash flows with low-risk development</li> <li>■ Shallow decline curves</li> <li>■ Low geologic risk</li> <li>■ Quick, low-cost drilling</li> <li>■ Existing field office</li> <li>■ Minimal maintenance capital</li> </ul>	<ul style="list-style-type: none"> <li>■ High-quality shale gas reservoir; next generation asset being transitioned to development phase</li> <li>■ 13 Tcf of resource potential</li> <li>■ Discovery LNG approved to export 20 Mtpa for 25 years</li> </ul>
		Northwest Alberta Shale
		NA
		Gas: 30% / Lig.: 70% (Estimated)
		NA
		NA
		~32,800
		NA
		NA
		100%
		<ul style="list-style-type: none"> <li>■ Probabilistic assessments yield resource potential of 20-60-125 MMbbl (P90-P50-P10)</li> <li>■ Prospect is drill-ready and requires no seismic</li> <li>■ Multiple zone potential</li> </ul>

Source: Company data

Note: Reserves and values include operated and non-operated wells

(1) Values assume revised gathering and processing rates effective January 1, 2016 in the HRB assets

(2) Represents operated wells only. Includes producing, shut-in, and drilled but not completed wells

(3) Horn River Basin assets are currently shut-in

# PV-10 Overview

Unless otherwise noted, all reserve data is based on strip pricing as of July 31, 2015 and Company data as of June 30, 2015 and assumes a 2 year drilling program in HSC with reduced GPT rates in the HRB; all dollars are in USD

Proved Reserves <sup>(1)</sup>				Proved PV-10 <sup>(1)</sup>			
		Reserves (Bcf)				PV-10 (\$MM)	
PDP	PDNP	PUD	Total	PDP	PDNP	PUD	Total
HRB	-	55	55	-	\$11	-	\$11
HSC	201	3	227	122	2	5	128
Total	201	58	282	\$122	\$12	\$5	\$139

## Forward Strip Pricing as of July 31, 2015

(\$USD)	U.S.		Canada				FX Rate
	NYMEX (\$/MMBtu)	AECO (\$/MMBtu)	Plus: \$0.50	Plus: \$1.00	Plus: \$1.50	\$CAD/\$USD	
2015	\$ 2.84	\$ 2.26	\$ 2.76	\$ 3.26	\$ 3.76	0.7636	
2016	3.08	2.32	2.82	3.32	3.82	0.7638	
2017	3.26	2.43	2.93	3.43	3.93	0.7671	
2018	3.35	2.57	3.07	3.57	4.07	0.7721	
2019	3.43	2.75	3.25	3.75	4.25	0.7777	
2020	3.56	2.93	3.43	3.93	4.43	0.7831	
2021	3.72	3.09	3.59	4.09	4.59	0.7831	
2022	3.89	3.26	3.76	4.26	4.76	0.7831	
2023	4.06	3.43	3.93	4.43	4.93	0.7831	
2024+	4.14	3.51	4.01	4.51	5.01	0.7831	

Source: Company data  
(1) Values assume revised gathering and processing rates in the HRB

# YE 2014 SEC vs. Strip: Net Reserve and PV-10 Reconciliation

