



ALPHABOW ENERGY LTD./KSV RESTRUCTURING INC.

CCAA SALE PROCESS



OVERVIEW INFORMATION

Bid Deadline: 12:00 pm July 4, 2024



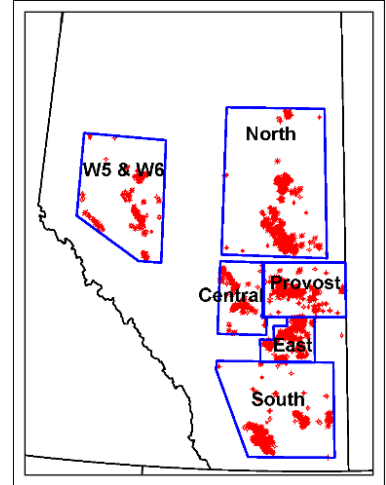
AlphaBow Energy Ltd. – CCAA Sale Process

BID DEADLINE: 12:00 pm July 4, 2024

CCAA Sale and Investment Solicitation Process: Various Areas, Alberta 3,450 boe/d (12.1 MMcf/d, 1,430 bbl/d) Capability



On April 26, 2024, the Court of King’s Bench of Alberta granted an order pursuant to the Companies’ Creditors Arrangement Act, (“CCAA”) appointing **KSV Restructuring Inc.** (“KSV”) as the monitor (the “Monitor”) of **AlphaBow Energy Ltd.** (“AlphaBow” or the “Company”). As part of the CCAA, the Company has engaged **Sayer Energy Advisors** to assist it with a Sales and Investment Solicitation Process (the “SISP”).



The SISP is intended to solicit interest in, and opportunities for a sale of, or investment in, all or part of AlphaBow’s oil and natural gas interests and facilities and carbon capture, utilization and storage facility in Alberta, Canada (the “Properties”), or an investment in AlphaBow, which may include a restructuring, recapitalization, or other form of reorganization of the Company. All offers received at the bid deadline will be reviewed by the Monitor and the most acceptable offers may be accepted by the Monitor, subject to Court approval. A copy of the SISP is found on our website at www.sayeradvisors.com.

Prior to the CCAA proceedings, on March 30, 2023 AlphaBow was ordered by the **Alberta Energy Regulator** (“AER”) under the Oil and Gas Conservation Act to submit and implement a Reasonable Care and Measures (“RCAM”) Plan. Pursuant to the RCAM order, the AER issued a suspension order to AlphaBow on June 5, 2023. On September 6, 2023 the AER directed the **Orphan Well Association** (“OWA”) to take possession of all licensed sites of AlphaBow.

Prior to the suspension order, average production net to AlphaBow from the Properties for the first quarter of 2023 was approximately 3,450 boe/d consisting of 12.1 MMcf/d of natural gas and 1,430 barrels of oil and natural gas liquids per day.

The Properties consist of both operated and non-operated interests located throughout Alberta. For this offering, the Properties are separated into the following geographical packages: *Central, East, North, Provost, South* and *W5 & W6*.

PROCESS & TIMELINE

Sayer Energy Advisors is accepting offers as outlined in the SISP, to acquire the Properties until **12:00 pm on Thursday, July 4, 2024**.

Timeline	
Week of May 27, 2024 Week of May 27, 2024 July 4, 2024 August 22, 2024 Third Quarter 2024	Preliminary Information Distributed Data Room Opens Non-Binding LOI Deadline Binding Bid Deadline Closing Date
12:00 noon	

Sayer Energy Advisors does not conduct a “second-round” bidding process; the intention is to attempt to conclude transaction(s) with the party(ies) submitting the most acceptable proposal(s) at the conclusion of the process.

Sayer Energy Advisors is accepting offers as outlined in the SISP, from interested parties until noon on Thursday, July 4, 2024.





Upside Overview

In the Chigwell area, AlphaBow has a CO₂ capture and enhanced oil recovery (“EOR”) project. AlphaBow believes that the Chigwell EOR and CO₂ capture projects are strategic assets of the Company but have lacked investment in recent years. With further investment in the Chigwell EOR projects the Company believes it can expand facilities, convert certain wells to injectors, reactivate certain wells and drill new wells to bring the area back to long-term sustainable oil production.

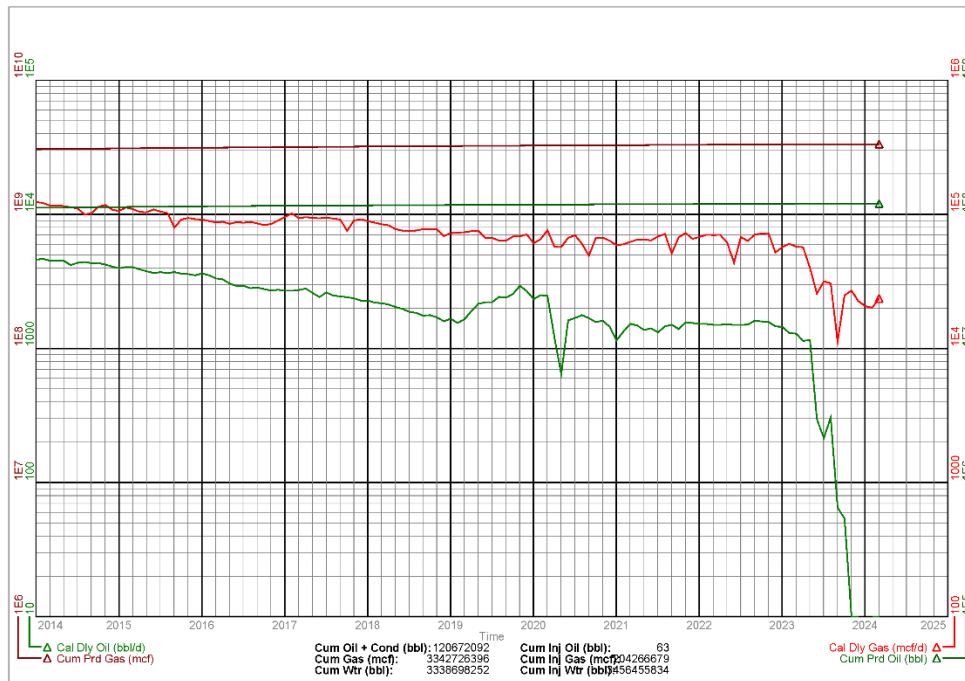
The Company has identified potential for drilling upside opportunities in the *Aerial, Amisk, Edson, Green Glades, Kaybob, and Pine Creek* areas of Alberta.

Details relating to the Properties will be available in the virtual data room for parties that execute a confidentiality agreement.

Production Overview

Prior to the suspension order, average production net to AlphaBow from the Properties for the first quarter of 2023 was approximately 3,450 boe/d consisting of 12.1 MMcf/d of natural gas and 1,430 barrels of oil and natural gas liquids per day.

Gross Production Group Plot of AlphaBow’s Wells



LMR Summary as of January 7, 2023

As of January 7, 2023, AlphaBow’s net deemed asset value was (\$17.5 million) (deemed assets of \$214.2 million and deemed liabilities of \$231.7 million), with an LMR ratio of 0.92.

Reserves Overview

The Company does not have a current third-party reserve report relating to the Properties.



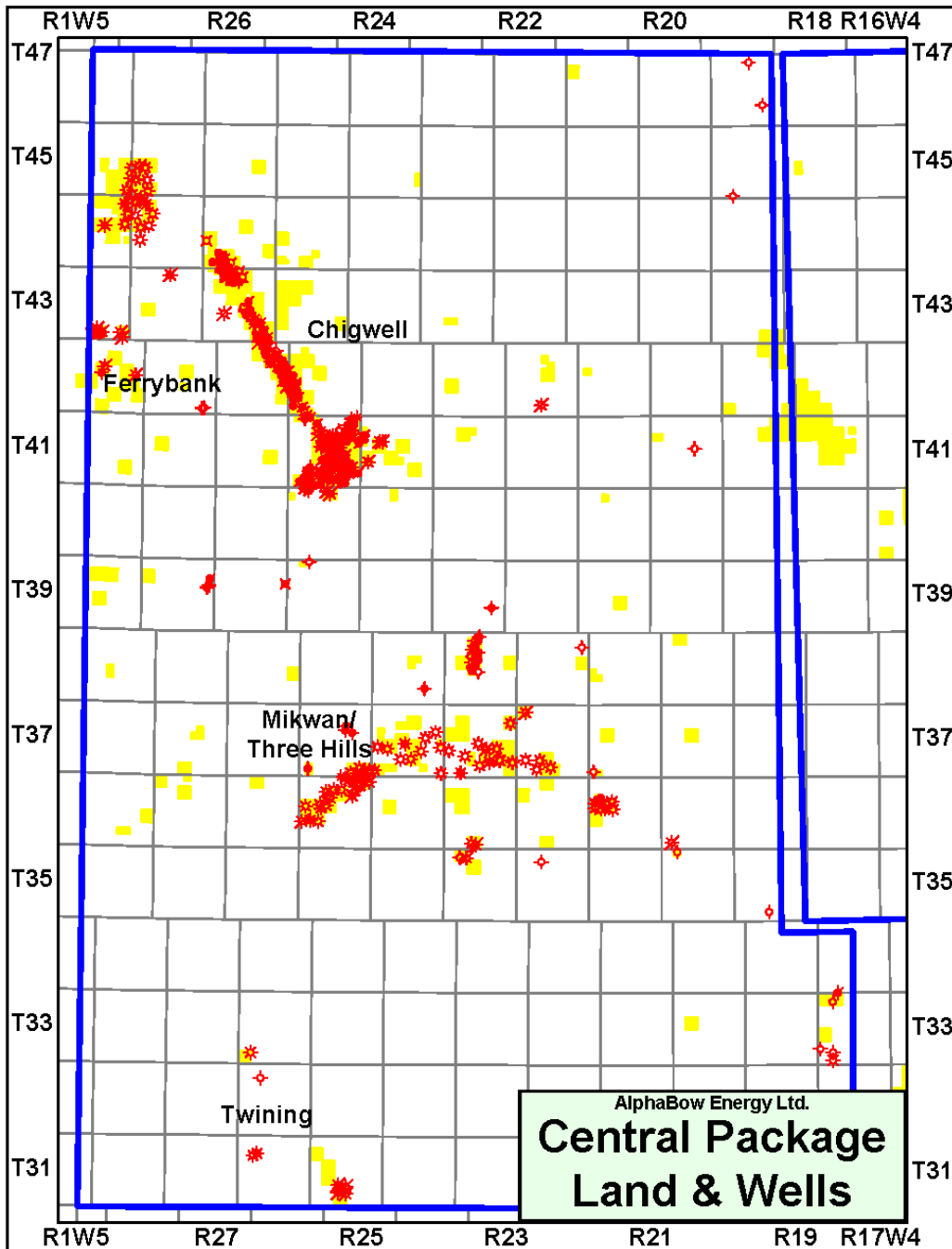


Central Package

Township 31-47, Range 18-28 W4

In the *Central* package, AlphaBow's main properties are in the *Chigwell*, *Ferrybank*, *Mikwan/Three Hills* and *Twining* areas of Alberta, as shown on the following map.

In the *Chigwell* area, Alphabow has a CO₂ capture and enhanced oil recovery project. AlphaBow believes that the Chigwell EOR and CO₂ capture projects are strategic assets of the Company but have lacked investment in recent years. With further investment in the Chigwell EOR projects the Company believes it can expand facilities, convert certain wells to injectors, reactivate certain wells and drill new wells to bring the area back to long-term sustainable oil production. Details relating to the Properties will be available in the virtual data room for parties that execute a confidentiality agreement.



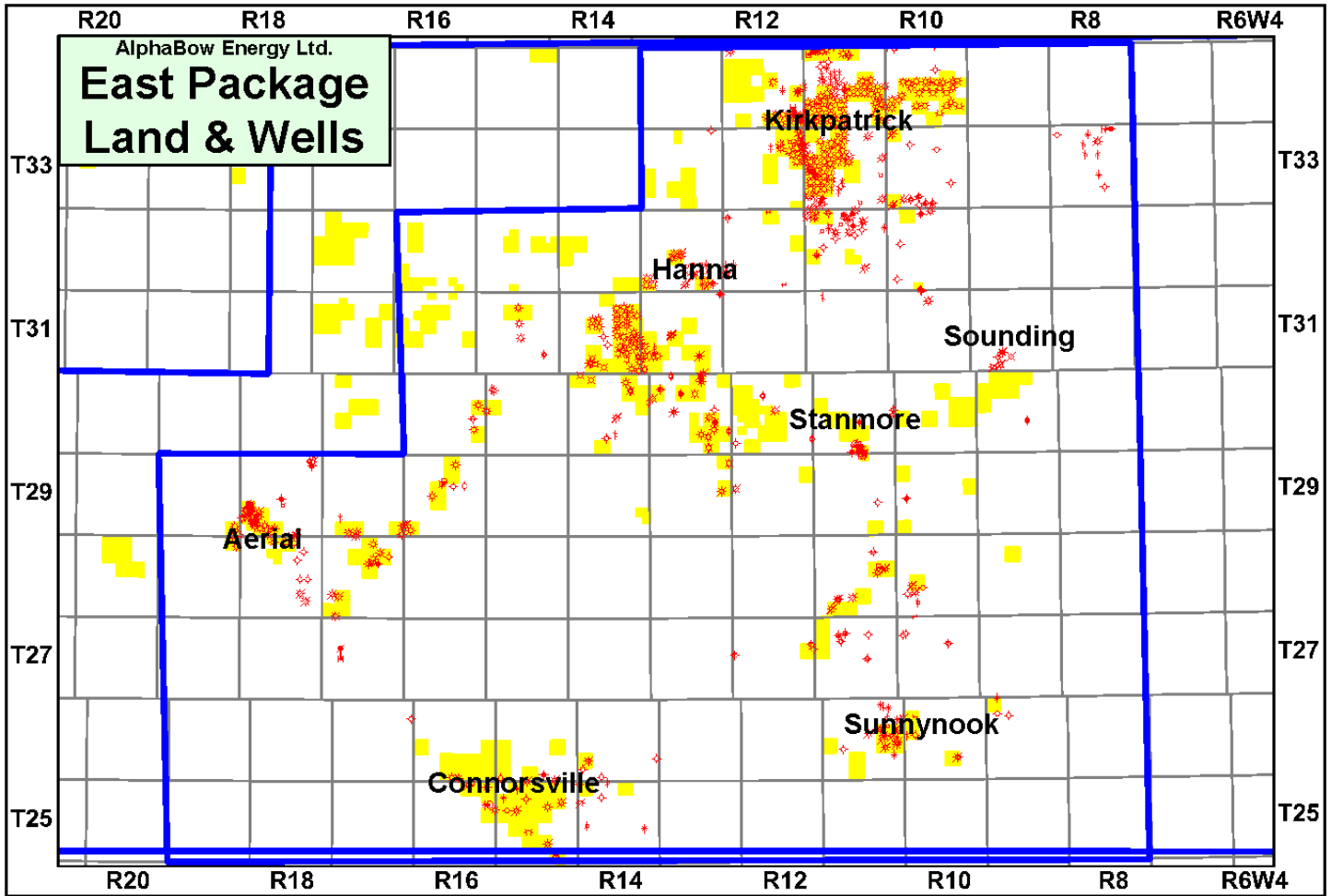


East Package

Township 25-34, Range 8-18 W4

In the *East* package, AlphaBow's main properties are in the *Aerial*, *Connorsville*, *Hanna*, *Kirkpatrick*, *Sounding*, *Stanmore* and *Sunnynook* areas of Alberta, as shown on the following map.

The Company has identified potential for drilling upside opportunities in the Ellerslie Formation at *Aerial*. Further details relating to the Properties will be available in the virtual data room for parties that execute a confidentiality agreement.

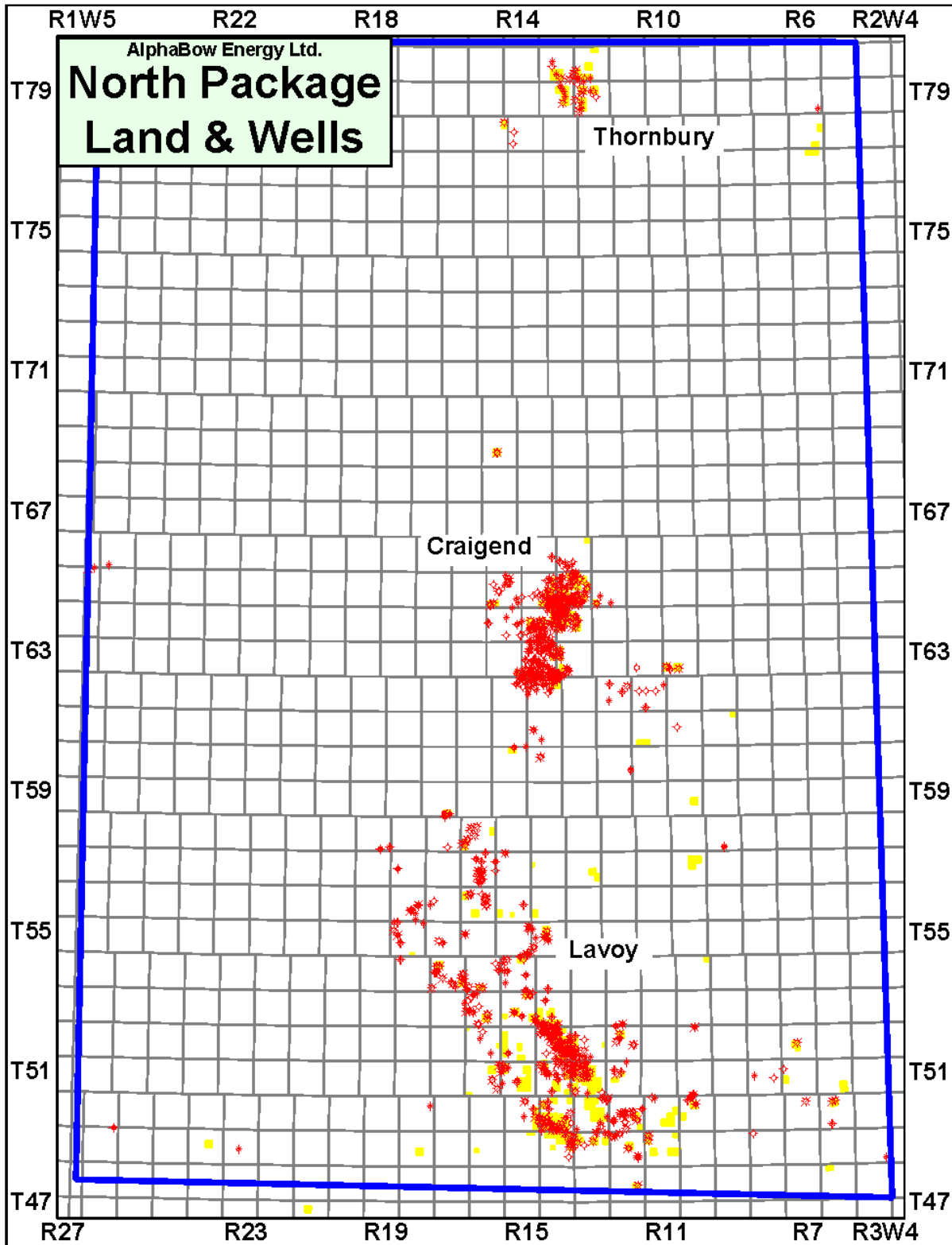




North Package

Township 47-80, Range 3-27 W4

In the *North* package, AlphaBow's main properties are in the *Craigend*, *Lavoy* and *Thornbury* areas of Alberta, as shown on the following map.



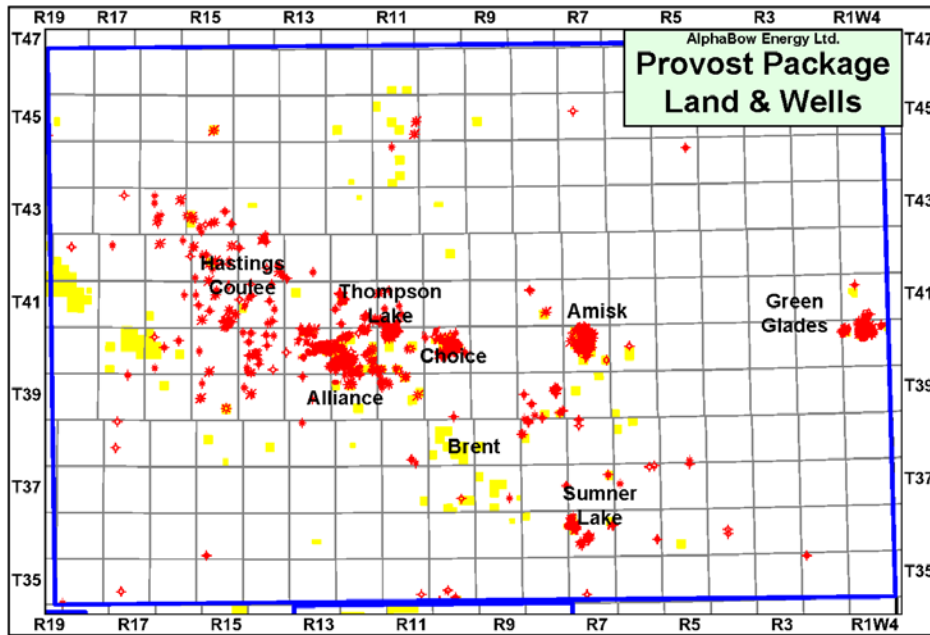


Provost Package

Township 35-47, Range 1-18 W4

In the Provost package, AlphaBow's main properties are in the *Alliance, Amisk, Choice, Green Glades (Hayter), Hastings Coulee, Sumner Lake* and *Thompson* areas of Alberta, as shown on the following map.

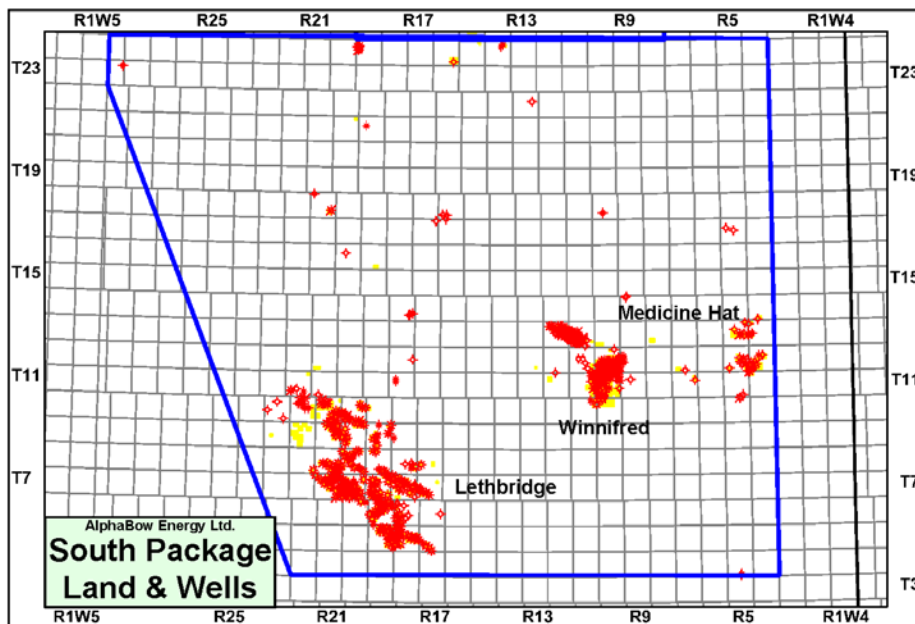
The Company has identified potential for drilling upside opportunities in the Dina Formation at *Amisk* and the Dina and Cummings formations at *Green Glades*. Further details relating to the Properties will be available in the virtual data room for parties that execute a confidentiality agreement.



South Package

Township 4-24, Range 4-28 W4

In the *South* package, AlphaBow's main properties are in the *Lethbridge, Medicine Hat* and *Winnifred* areas of Alberta as well as certain minor interests, as shown on the following map.



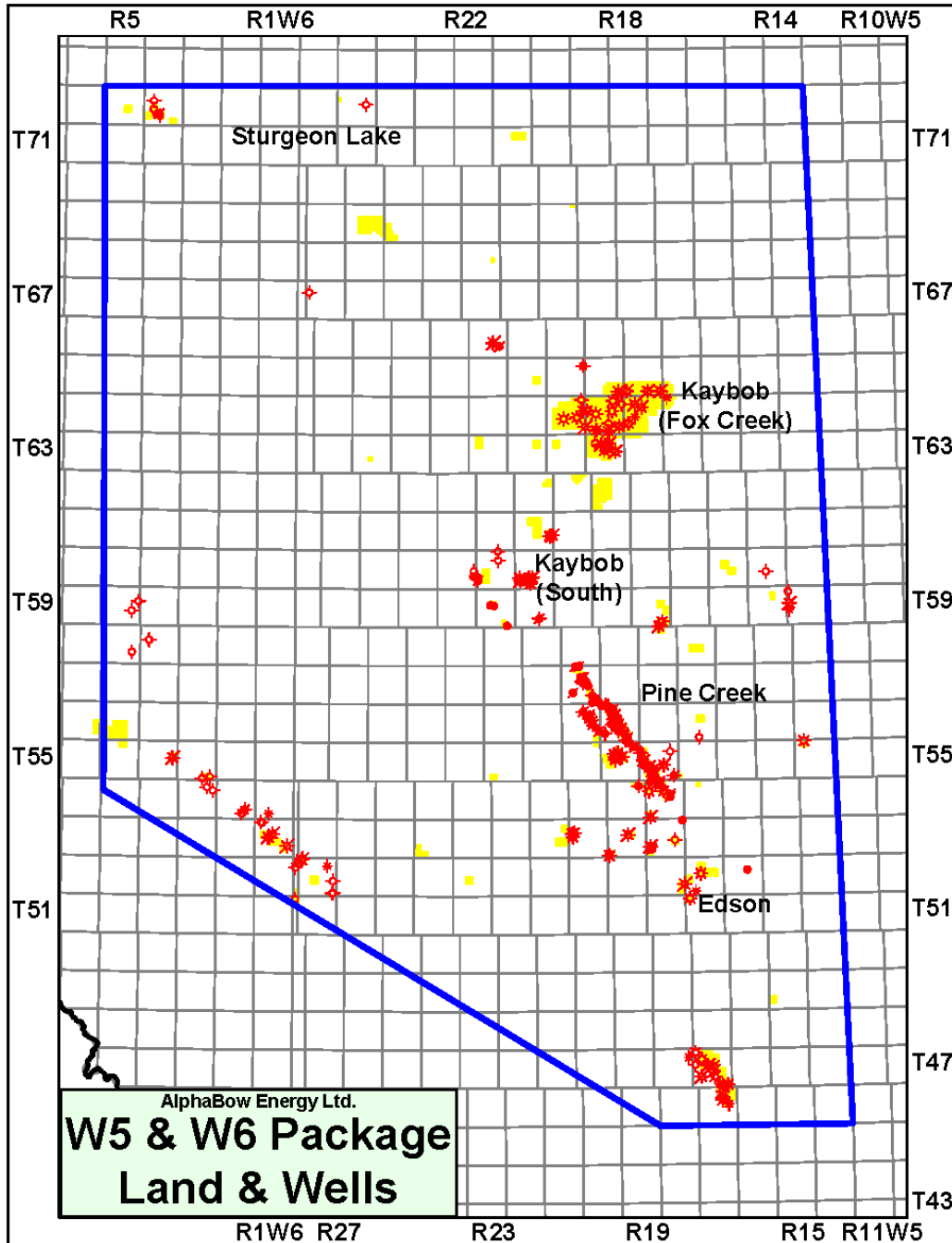


W5 & W6 Package

Township 46-72, Range 14 W5 – 5 W6

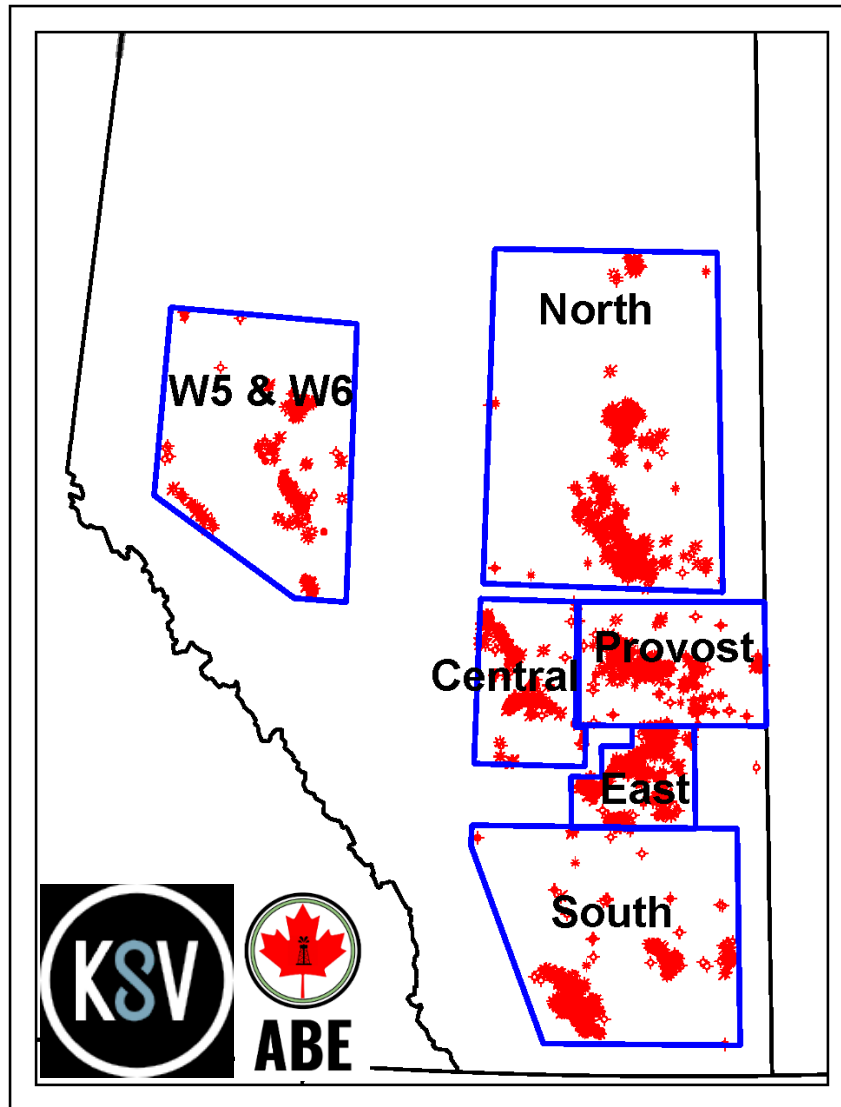
Within the W5 & W6 package, AlphaBow's main properties are in the *Edson*, *Kaybob (Fox Creek)*, *Kaybob (South)*, *Pine Creek* and *Sturgeon Lake* areas, as shown on the following map.

The Company has identified potential for drilling upside opportunities in the W5 & W6 package including natural gas opportunities in the Wilrich Formation at *Edson*, the Montney Formation at *Kaybob (South)*, and Second White Speckled Shale Formation at *Pine Creek*. Additionally, AlphaBow has identified reactivation potential in the *Kaybob Notikewin Unit No. 1*. Further details relating to the Properties will be available in the virtual data room for parties that execute a confidentiality agreement.





KSV Restructuring Inc. AlphaBow Energy Ltd. Spring 2024 CCAA Sale and Investment Solicitation Process



Parties wishing to receive access to the confidential information with detailed technical information relating to this opportunity should execute the confidentiality agreement which is available on Sayer Energy Advisors' website (www.sayeradvisors.com) and return one copy to Sayer Energy Advisors by courier, email (tpavic@sayeradvisors.com) or fax (403.266.4467).

Included in the confidential information is the following: summary land information, net lease operating statements, LMR information and other relevant technical information.

To receive further information on the Properties please contact Tom Pavic, Ben Rye or Sydney Birkett at 403.266.6133.



SALE AND INVESTMENT SOLICITATION PROCESS

AlphaBow Energy Ltd.

INTRODUCTION

On March 28, 2024, AlphaBow Energy Ltd. ("**AlphaBow**" or the "**Company**") filed with the Alberta Court of King's Bench (the "**Court**") and the Office of the Superintendent of Bankruptcy a Notice of Intention to make a Proposal under Part III of the *Bankruptcy and Insolvency Act*, 1985, c. B-3 (the "**BIA**").

On April 26, 2024, the Alberta Court of King's Bench (the "**Court**") granted an Initial Order (the "**Initial Order**") pursuant to the *Companies' Creditors Arrangement Act*, 1985, c C-36 ("**CCAA**"), among other things, appointing KSV Restructuring Inc. ("**KSV**") as the monitor (the "**Monitor**") of AlphaBow.

On April 26, 2024, the Court granted an amended and restated initial order (the "**ARIO**").

On April 26, 2024, the Court granted an order (the "**SISP Approval Order**") which, among other things, directed and empowered AlphaBow and the Sales Advisor (as defined below), in consultation with the Monitor to prepare and conduct a strategic sales and investment solicitation process ("**SISP**") to solicit offers for the Business or Property of AlphaBow, in whole or in part, or investments related thereto. Capitalized terms not defined herein shall have the meaning ascribed to them in the ARIO.

The SISP Approval Order and this SISP shall exclusively govern the process for soliciting and selecting bids for the sale of all, substantially all, or one or more portions of AlphaBow's Business or Property, or for the restructuring, recapitalization or refinancing of AlphaBow and AlphaBow's Business. Under the SISP, all qualified interested parties will be provided with an opportunity to participate in the SISP.

This document outlines the SISP, which is comprised principally of three stages: pre-marketing, marketing, and offering/evaluation.

OPPORTUNITY AND SISP SUMMARY

1. The SISP is intended to solicit interest in, and opportunities for a sale of, or investment in, all or part of AlphaBow's Property or Business (the "**Opportunity**"), which primarily consists of oil and gas producing assets and facilities and a carbon capture, utilization and storage facility in Alberta, Canada.
2. In order to maximize the number of participants that may have an interest in the Opportunity, the SISP will provide for the solicitation of interest for:
 - (a) the sale of AlphaBow's interests in the Property. In particular, interested parties may submit proposals to acquire all, substantially all or a portion of AlphaBow's Property (a "**Sale Proposal**"); or
 - (b) an investment in the Business, which may include one or more of the following: a

restructuring, recapitalization or other form of reorganization of the Business and affairs of AlphaBow as a going concern, together with a plan of compromise or arrangement pursuant to the CCAA (an "**Investment Proposal**").

3. Except to the extent otherwise set forth in a definitive sale or investment agreement with a Successful Bidder (as defined below), any Sale Proposal or any Investment Proposal will be on an "as is, where is" basis and without surviving representations or warranties of any kind, nature, or description by the Sales Advisor, the Monitor or AlphaBow, or any of their respective affiliates, agents, advisors or estates, and, in the event of a sale, all of the right, title and interest of AlphaBow in and to the Property to be acquired will be sold free and clear of all pledges, liens, security interests, encumbrances, claims, charges, options, and interests therein and thereon pursuant to Court orders, except as otherwise provided in such Court orders.
4. Solicitation of interest for Sale Proposals and Investment Proposals will be on an unpriced basis whereby no set asking price will be stipulated.
5. This SISP shall be conducted by the Monitor, with the assistance of Sayer Energy Advisors as sales advisor (the "**Sales Advisor**") in consultation with AlphaBow.
6. As described more fully in this SISP, the major stages in the within procedure will be comprised of the following:
 - (a) Pre-Marketing: preparation of all marketing material, assembly of all relevant due diligence material, establishment of an electronic data;
 - (b) Marketing: advertising, contacting potential buyers/investors, responding to requests for information and disseminating marketing material to potential buyers and investors; and
 - (c) Offer Submission and Evaluation: solicitation, receipt of, evaluation and negotiation of offers from potential buyers and investors, as described below.
7. The offer submission and evaluation stage of the SISP will be comprised of a two phase offering process: "**Phase 1**" being the submission of letters of intent ("**LOIs**") from qualified bidders, and "**Phase 2**" being the submission of formal binding offers from those parties that submitted LOIs and that have been invited by the Sales Advisor and the Monitor, in consultation with AlphaBow, to participate in Phase 2 (defined below as Phase 1 Qualified Bidders).

KEY CONSIDERATIONS AND CONDITIONS OF BIDS

8. Due to certain positions which have been taken by the Alberta Energy Regulator (the "**AER**") with respect AlphaBow and its Business and Property, in assessing all bids submitted under the SISP, the Company and the Sales Advisor, in consultation with Monitor, will be focused on entering into one or more transactions that will result in all assets and liabilities of AlphaBow being transferred or otherwise addressed, with no assets or liabilities remaining with the Orphan Well Association (the "**OWA**").

9. If an Investment Proposal or any Sales Proposal is conditional on the bidder acquiring a certain threshold of assets or assumed liabilities, the bidders must clearly state these conditions and thresholds in the context of their bids.
10. In determining whether a bid or bids will be successful, the Sales Advisor and the Monitor, in consultation with AlphaBow, will review each of the bids, together with any potential backstopping bid or bids to determine whether the bid(s), taken as a whole, will meet the criteria of transferring, or otherwise addressing all of the assets and liabilities of AlphaBow, without any such assets or liabilities being transferred to the OWA. The Company and the Sales Advisor, with the consent of the Monitor, reserve the right to accept or reject any bid, or any portion thereof, in order to achieve this overriding objective of the SISP.

TIMELINE

11. The Sales Advisor, in consultation with the Monitor and AlphaBow, shall commence the within SISP on or before May 1, 2024 (such time being referred to herein as the "**Commencement Date**"). As soon as reasonably practicable following the Commencement Date, the Monitor shall publish on its website established with respect to AlphaBow's CCAA proceedings, a timeline of the key milestones set out below setting out the specific dates of the respective milestones. Furthermore, the Sales Advisor shall publish the timeline in the Teaser Letter, referenced below.
12. The following table sets out the key milestones under the SISP:

Milestone	Deadline
Commencement Date	On or before May 1, 2024
Marketing Stage: Publication of Notice & Sending Teaser Letter to Known Potential Bidders	On or before May 17, 2024
Phase 1 Non-Binding LOI Deadline	June 27, 2024
Phase 2 Binding Bid Deadline	August 22, 2024

PRE-MARKETING STAGE

13. Prior to the Commencement Date:
 - (a) the Sales Advisor, in consultation with the Monitor and AlphaBow, will prepare: (i) a process summary (the "**Teaser Letter**") describing the Opportunity, outlining the process under the SISP and inviting recipients of the Teaser Letter to express their interest pursuant to the SISP; (ii) a non-disclosure agreement with the Monitor and AlphaBow (an "**NDA**"); and (iii) a confidential Information Memorandum ("**CIM**"). The Teaser Letter, NDA and CIM shall be in form and substance satisfactory to the Monitor, in consultation with AlphaBow. The CIM will specifically stipulate that the Sales Advisor, the Monitor, AlphaBow and each of their respective advisors make no representation or warranty as to the accuracy or

completeness of the information contained in the CIM, the Data Room (as defined below), or made available pursuant to the SISP or otherwise, except to the extent expressly contemplated in any definitive sale or investment agreement with a Successful Bidder (as defined below) ultimately executed and delivered by AlphaBow and/or the Monitor;

- (b) the Sales Advisor, with the assistance of AlphaBow and the Monitor, will gather and review all required due diligence material to be provided to interested parties and shall establish a secure, electronic data room (the "**Data Room**"), which will be maintained and administered by the Sales Advisor during the SISP; and
- (c) AlphaBow and the Monitor will develop a draft form of LOI ("**LOI Form**") and a purchase and sale agreement or investment agreement for use during the SISP.

MARKETING STAGE

- 14. As soon as reasonably possible after the Commencement Date, the Sales Advisor shall:
 - (a) arrange for a notice of the SISP (and such other relevant information as the Sales Advisor, in consultation with AlphaBow and the Monitor, considers appropriate) (the "**Notice**") to be published in the BOE Report, the Daily Oil Bulletin, the website of the Monitor and any other newspaper or journals as the Sales Advisor, in consultation with AlphaBow and the Monitor, considers appropriate, if any; and
 - (b) send the Teaser Letter and NDA to all parties that have approached the Sales Advisor, the Monitor or AlphaBow indicating an interest in the Opportunity; and (ii) local, national and international strategic and financial parties who the Sales Advisor believe may be interested in purchasing all or part of the Business and Property or investing in AlphaBow pursuant to the SISP (collectively, "**Known Potential Bidders**"), and to any other party who responds to the Notice as soon as reasonably practicable after such identification or request, as applicable.
- 15. The Sales Advisor will send the CIM and grant access to the Data Room to those parties who have executed and delivered the NDA to the Sales Advisor as soon as reasonably practicable after such execution and delivery.
- 16. Requests for information and access to the Data Room will be directed to the Sales Advisor, to the attention of the persons listed in Schedule "A" hereto. All printed information shall remain the property of AlphaBow and, if requested by the Sales Advisor, shall be returned without further copies being made and/or destroyed with an acknowledgement that all such material has either been returned and/or destroyed and no electronic information has been retained.
- 17. Any party who expresses a desire to participate in the SISP (a "**Potential Bidder**") must, prior to being given any additional information such as the CIM and access to the Data Room, provide to the Sales Advisor an NDA executed by it, and which shall inure to the benefit of any ultimate Successful Bidder.
- 18. If a Potential Bidder has delivered the NDA and a Qualified LOI (as defined below) that is

satisfactory to the Sales Advisor, acting reasonably, then such Potential Bidder will be deemed to be a "**Phase 1 Qualified Bidder**". No Potential Bidder shall be deemed not to be a Phase 1 Qualified Bidder without the approval of the Monitor.

OFFER SUBMISSION AND EVALUATION STAGE

Phase 1

Due Diligence

19. The Sales Advisor in consultation the Monitor and AlphaBow, and subject to competitive and other business considerations, will afford each Phase 1 Qualified Bidder such access to due diligence materials through the Data Room and information relating to the Property and Business as it deems appropriate. Due diligence access may further include management presentations with participation of the Sales Advisor or the Monitor where appropriate, on-site inspections, and other matters which a Phase 1 Qualified Bidder may reasonably request and to which the Sales Advisor, in its reasonable business judgment, may agree. The Sales Advisor, the Monitor and AlphaBow will each designate a representative to coordinate all reasonable requests for additional information and due diligence access from Phase 1 Qualified Bidders and the manner in which such requests must be communicated. None of the Sales Advisor, the Monitor or AlphaBow will be obligated to furnish any information relating to the Property or Business to any person other than to Phase 1 Qualified Bidders. Further and for the avoidance of doubt, selected due diligence materials may be withheld from certain Phase 1 Qualified Bidders if the Sales Advisor, in consultation with the Monitor and AlphaBow, determines such information to represent proprietary or competitively sensitive information.

LOI Submission

20. Potential Bidders must rely solely on their own independent review, investigation and/or inspection of all information and of the Property and Business in connection with their participation in the SISP and any transaction they ultimately enter into with AlphaBow.
21. A Phase 1 Qualified Bidder who wishes to pursue the Opportunity further must deliver an executed LOI, identifying each specific Property or Business the Phase 1 Qualified Bidder is interested in, to the Sales Advisor at the addresses specified in Schedule "A" hereto (including by email or fax transmission), so as to be received by them not later than 12:00 PM (Calgary time) on or before June 27, 2024 (the "**Phase 1 Bid Deadline**").
22. An LOI so submitted will be considered a qualified LOI (a "**Qualified LOI**") only if:
 - (a) it is submitted on or before the relevant Phase 1 Bid Deadline by a Phase 1 Qualified Bidder;
 - (b) it contains a letter setting forth the identity of the Potential Bidder, the contact information for such Potential Bidder and full disclosure of the direct and indirect principals and direct and indirect beneficial owners of the Potential Bidder
 - (c) it contains an indication of whether the Phase 1 Qualified Bidder is making a:

- (i) Sale Proposal; or
 - (ii) an Investment Proposal;
- (d) in the case of a Sale Proposal, it identifies or contains the following:
- (i) the purchase price, in Canadian dollars, including details of any liabilities to be assumed by the Phase 1 Qualified Bidder and key assumptions supporting the valuation;
 - (ii) a description of each Property that is expected to be subject to the transaction and any of the Property or obligations for each Property expected to be excluded;
 - (iii) a specific indication of the financial capability, together with evidence of such capability, of the Phase 1 Qualified Bidder and the expected structure and financing of the transaction;
 - (iv) a description of the approvals required for a final and binding offer;
 - (v) all conditions to closing that the Phase 1 Qualified Bidder may wish to impose including any asset and liability thresholds that must be met for the Phase 1 Qualified Bidder to submit a final and binding offer;
 - (vi) an outline of any additional due diligence required to be conducted in order to submit a final and binding offer; and
 - (vii) any other terms or conditions of the Sale Proposal that the Phase 1 Qualified Bidder believes are material to the transaction;
- (e) in the case of an Investment Proposal, it identifies the following:
- (i) a description of how the Phase 1 Qualified Bidder proposes to structure the proposed investment in the Business;
 - (ii) the aggregate amount of the equity and/or debt investment to be made in the Business or AlphaBow in Canadian dollars;
 - (iii) the underlying assumptions regarding the *pro forma* capital structure;
 - (iv) a specific indication of the sources of capital for the Phase 1 Qualified Bidder and the structure and financing of the transaction;
 - (v) a description of the approvals required for a final and binding offer;
 - (vi) all conditions to closing that the Phase 1 Qualified Bidder may wish to impose including any asset and liability thresholds that must be met for the Phase 1 Qualified Bidder to submit a final and binding offer;

- (vii) all conditions to closing that the Phase 1 Qualified Bidder may wish to impose;
 - (viii) an outline of any additional due diligence required to be conducted in order to submit a final and binding offer; and
 - (ix) any other terms or conditions of the Investment Proposal that the Phase 1 Qualified Bidder believes are material to the transaction;
- (f) in the case of a Sale Proposal, it contains a statement that the Phase 1 Qualified Bidder meets all eligibility requirements of governmental authorities to purchase and accept a transfer of the Property, including without limiting the generality of the foregoing, the eligibility requirements of the AER under *Directive 067, Directive 088* and *Manual 023: Licensee Life-Cycle Management*, as the same may be applicable to the Phase 1 Qualified Bidder; and
- (g) in the case of either a Sale Proposal or an Investment Proposal, it contains such other information as reasonably requested by the Sales Advisor or the Monitor from time to time.
23. The Sales Advisor, in consultation with the Monitor and AlphaBow, may waive compliance with any one or more of the requirements specified above and deem such non-compliant bids to be a Qualified LOI. For the avoidance of doubt, the completion of any Sale Proposal or Investment Proposal shall be subject to the approval of the Court and the requirement of approval of the Court may not be waived.

Preliminary Assessment of Phase 1 Bids and Subsequent Process

24. Following the Phase 1 Bid Deadline, the Sales Advisor will assess the Qualified LOIs with respect to the Property or Business in consultation with the Monitor and AlphaBow. If it is determined by the Sales Advisor that a Phase 1 Qualified Bidder that has submitted a Qualified LOI: (i) has a *bona fide* interest in completing a Sale Proposal or Investment Proposal (as the case may be); and (ii) has the financial capability (based on availability of financing, experience and other considerations) to consummate such a transaction based on the financial information provided; then such Phase 1 Qualified Bidder will be deemed to be a "**Phase 2 Qualified Bidder**", provided that the Sales Advisor may, in its judgment but with the consent of the Monitor, limit the number of Phase 2 Qualified Bidders (and thereby eliminate some Phase 1 Qualified Bidders from the process). Only Phase 2 Qualified Bidders shall be permitted to proceed to Phase 2 of the SISP.
25. The Sales Advisor, in consultation with the Monitor and AlphaBow, will prepare a bid process letter for Phase 2 (the "**Bid Process Letter**"), which will include a draft purchase and sale agreement or investment agreement (a "**Draft Purchase/Investment Agreement**") which will be made available in the Data Room, and the Bid Process Letter and will be sent to all Phase 2 Qualified Bidders who are invited to participate in Phase 2.

Phase 2: Formal Offers and Selection of Successful Bidder

Formal Binding Offers

26. Phase 2 Qualified Bidders that wish to make a formal Sale Proposal or an Investment Proposal shall submit to the Sales Advisor a sealed binding offer that complies with all of the following requirements at the addresses specified in Schedule "A" hereto (including by email or fax transmission), so as to be received by the Sales Advisor not later than 12:00 PM (Calgary time) on or before August 22, 2024, or such other date and time as may be modified in the Bid Process Letter (the "**Phase 2 Bid Deadline**"):
- (a) the bid shall comply with all of the requirements set forth in respect of Phase 1 Qualified LOIs;
 - (b) cash is the preferred form of consideration, but if the bid utilizes other consideration, a description of the material terms of the consideration shall be provided;
 - (c) the bid (either individually or in combination with other bids that make up one bid) is an offer to purchase or make an investment in some or all of the Property or Business on terms and conditions reasonably acceptable to AlphaBow, in consultation with the Monitor and the Sales Advisor;
 - (d) unless otherwise agreed, the bid shall take the form of the Draft Purchase/Investment Agreement (with a blackline showing any changes) and shall include a letter stating that the Phase 2 Qualified Bidder's offer is irrevocable until Court approval of a Successful Bidder (as defined below), provided that if such Phase 2 Qualified Bidder is selected as the Successful Bidder, its offer shall remain irrevocable until the closing of the transaction with such Successful Bidder;
 - (e) the bid includes duly authorized and executed transaction agreements as listed in the Draft Purchase/Investment Agreement; including, but not limited to, the purchase price, investment amount, or a combination thereof and any other key economic terms expressed in Canadian dollars (the "**Purchase Price**"), together with all exhibits and schedules thereto, and the name or names of the ultimate direct or indirect beneficial owner(s) of the Phase 2 Qualified Bidder including their respective percentage interests;
 - (f) to the extent that a bid is conditional upon new or amended agreements being entered into with other parties, or existing agreements terminated, the interested parties shall provide the proposed terms of such terminated, amended or new agreements and identify how such agreements may differ from existing agreements to which AlphaBow may be a party. A Phase 2 Qualified Bidder's willingness to proceed without such conditions and, where such conditions are included in the bid, the likelihood of satisfying such conditions shall be an important factor in evaluating the bid;
 - (g) the bid includes written evidence of a firm, irrevocable commitment for financing or other evidence of ability to consummate the proposed transaction, including the timetable for obtaining financing and, if appropriate, the amount of senior debt, subordinated debt, equity and other source of financing contemplated in the *pro forma* capital structure that will allow the Sales Advisor to make a determination as

to the Phase 2 Qualified Bidder's financial and other capabilities to consummate the proposed transaction;

- (h) the bid should identify any threshold of assets to be acquired or liabilities to be assumed as a condition to proceeding to close a transaction;
- (i) the bid should not be conditional on the outcome of unperformed due diligence by the Phase 2 Qualified Bidder, apart from, to the extent applicable, the disclosure of due diligence materials that represent proprietary or competitively sensitive information which was withheld in Phase 2 from the Phase 2 Qualified Bidder;
- (j) the bid fully discloses the identity of each entity that will be entering into the transaction or the financing, or that is participating or benefiting from such bid;
- (k) for a Sale Proposal, the bid includes a commitment by the Phase 2 Qualified Bidder to provide a refundable deposit in the amount of not less than 10% of the purchase price offered upon the Phase 2 Qualified Bidder being selected as the Successful Bidder, which shall be paid to "KSV Restructuring Inc. in trust" (the "**Deposit**"). One half of the Deposit shall be paid to "KSV Restructuring Inc. in trust" upon the submission of the Phase 2 Qualified Bidder's Phase 2 Bid. The second half of the Deposit shall be submitted upon the Phase 2 Qualified Bidder being selected as the Successful Bidder. The Successful Bidder's Deposit shall be applied as against the Purchase Price and all other Deposits submitted by Phase 2 Qualified Bidders who are not selected as the Successful Bidder shall be returned within five (5) business days of obtaining Court approval of the Successful Bid;
- (l) for an Investment Proposal, the bid includes a commitment by the Phase 2 Qualified Bidder to provide a refundable deposit in the amount of not less than 10% of the total new investment contemplated in the bid upon the Phase 2 Qualified Bidder being selected as the Successful Bidder, which shall be paid to "KSV Restructuring Inc. in trust". One half of the Deposit shall be paid to "KSV Restructuring Inc. in trust" upon the submission of the Phase 2 Qualified Bidder's Phase 2 Bid. The second half of the Deposit shall be submitted upon the Phase 2 Qualified Bidder being selected as the Successful Bidder. The Successful Bidder's Deposit shall be applied as against the Purchase Price and all other Deposits submitted by Phase 2 Qualified Bidders who are not selected as the Successful Bidder shall be returned within five (5) business days of obtaining Court approval for the Successful Bid;
- (m) the bid includes acknowledgments and representations of the Phase 2 Qualified Bidder that: (i) it has had an opportunity to conduct any and all due diligence regarding the Property, Business and AlphaBow prior to making its offer (apart from, to the extent applicable, the disclosure of due diligence materials that represent proprietary or competitively sensitive information which was withheld in Phase 2 from the Phase 2 Qualified Bidder); (ii) it has relied solely upon its own independent review, investigation and/or inspection of any documents and/or the Property in making its bid; and (iii) it did not rely upon any written or oral statements, representations, warranties, or guarantees whatsoever made by the Sales Advisor, the Monitor or AlphaBow, whether express, implied, statutory or

otherwise, regarding the Business, Property or AlphaBow, or the accuracy or completeness of any information provided in connection therewith, except as expressly stated in the definitive transaction agreement(s) signed by AlphaBow;

- (n) all required corporate approvals of the Phase 2 Qualified Bidder will have been obtained prior to the submission of the bid;
 - (o) the bid shall identify any material conditions in favour of the purchaser to be resolved prior to closing the transaction;
 - (p) the bid is received by the relevant Phase 2 Bid Deadline; and
 - (q) the bid contemplates Court approval.
27. Following the Phase 2 Bid Deadline, the Sales Advisor will assess the Phase 2 Bids received with respect to the Property or Business, in consultation with the Monitor and AlphaBow. The Sales Advisor, in consultation with the Monitor will designate the most competitive bids that comply with the foregoing requirements to be "**Phase 2 Qualified Bids**". Only Phase 2 Qualified Bidders whose bids have been designated as Qualified Bids are eligible to become the Successful Bidder(s).
28. The Sales Advisor, in consultation with the Monitor and AlphaBow, may waive strict compliance with any one or more of the requirements specified above and deem such non-compliant bids to be a Phase 2 Qualified Bid.
29. The Sales Advisor, in consultation with the Monitor and AlphaBow, shall notify each Phase 2 Qualified Bidder in writing as to whether its bid constituted a Phase 2 Qualified Bid within ten (10) business days of the Phase 2 Bid Deadline, or at such later time as the Monitor deems appropriate.
30. If the Sales Advisor is not satisfied with the number or terms of the Phase 2 Qualified Bids, the Sales Advisor, in consultation with the Monitor and AlphaBow, may extend the Phase 2 Bid Deadline without Court approval.
31. The Sales Advisor with the consent of the Monitor may terminate further participation in the Phase 2 Bid Process by any Qualified Phase 2 Bidder, or modify dates or procedures in this SISP as deemed appropriate or necessary, or terminate the process altogether.
32. The Sales Advisor, in consultation with the Monitor and AlphaBow, may aggregate separate bids from unaffiliated Phase 2 Qualified Bidders to create one or more Phase 2 Qualified Bid(s).

Evaluation of Competing Bids

33. A Phase 2 Qualified Bid will be evaluated based upon several factors, including, without limitation, items such as the Purchase Price and the net value and form of consideration to be paid pursuant to such bid (including the extent of value available to creditors of AlphaBow), the identity, circumstances and ability of the Phase 2 Qualified Bidder to successfully complete such transactions, including any conditions attached to the bid and the expected feasibility of such conditions, the proposed transaction documents, factors

affecting the speed, certainty and value of the transaction, the assets included or excluded from the bid, any related restructuring costs, compliance or eligibility with respect to AER requirements, the likelihood and timing of consummating such transactions, and the ability of the bidder to finance and ultimately consummate the proposed transaction within the timeline established by the Sales Advisor, in consultation with the Monitor and AlphaBow.

Selection of Successful Bids

34. The Sales Advisor, in consultation with the Monitor and AlphaBow, may review and evaluate any or all Phase 2 Qualified Bids with the applicable Phase 2 Qualified Bidders, and such Phase 2 Qualified Bids may be amended, modified or varied as a result of such negotiations.
35. The Sales Advisor, in consultation with the Monitor and AlphaBow, will identify the highest or otherwise best bid or bids, including an assessment of the bid(s) to determine whether the bids, or any combination thereof, will allow AlphaBow to achieve its objective of addressing or disposing of all of its assets and liabilities without any such assets or liabilities remaining with the OWA (each, a "**Successful Bid**"), and the Phase 2 Qualified Bidder making such Successful Bid (the "**Successful Bidder**") for any particular Property or the Business in whole or part. The determination of any Successful Bid by the Sales Advisor, in consultation with the Monitor and AlphaBow shall be subject to approval by the Court.
36. The Sales Advisor shall notify the Successful Bidder or Successful Bidders, as the case may be, that their bids constituted the Successful Bid or Bids within ten (10) business days of the date they were notified that their bids constituted Phase 2 Qualified Bids, or at such later time as the Sales Advisor deems appropriate, in consultation with the Monitor and AlphaBow.
37. AlphaBow shall have no obligation to select a Successful Bid, and the Sales Advisor, in consultation with the Monitor and AlphaBow, reserves the right to reject any or all Phase 2 Qualified Bids. Further, AlphaBow shall have no obligation to enter into a definitive agreement with a Phase 2 Qualified Bidder.

Sale Approval Hearing

38. AlphaBow shall apply to the Court (the "**Approval Motion**") for orders approving any Successful Bid(s) and authorizing AlphaBow to enter into any and all necessary agreements with respect to the Successful Bid(s).
39. The Approval Motion will be held on a date to be scheduled by AlphaBow with the Court, in consultation with the Monitor. The Approval Motion may be adjourned or rescheduled by AlphaBow, in consultation with the Monitor, without further notice, by an announcement of the adjourned date at the Approval Motion or in a notice to the service list prior to the Approval Motion.
40. All the Phase 2 Qualified Bids other than the Successful Bid(s), if any, shall be deemed rejected by the Sales Advisor on and as of the date of approval of the Successful Bid(s) by the Court, but not before, and shall remain open for acceptance until that time.

Deposits

41. All Deposits shall be retained by the Monitor in a non-interest bearing trust account. If there is a Successful Bid, the Deposit paid by the Successful Bidder whose bid is approved at the Approval Motion shall be applied against the purchase price to be paid by the Successful Bidder upon closing of the approved transaction and will become non-refundable. The Deposits of Phase 2 Qualified Bidders not selected as a Successful Bidder shall be returned to such bidders within five (5) business days of the date upon which the Approval Order is granted by the Court. If there is no Successful Bid, all Deposits shall be returned to the bidders within five (5) business days of the date upon which this SISP terminates in accordance with these procedures.

Confidentiality and Access to Information

42. Unless otherwise set out herein, participants and prospective participants in the SISP shall not be permitted to receive any information that is not made generally available to all participants relating to the number or identity of Potential Bidders, Phase 1 Qualified Bidders, LOIs, Phase 2 Qualified Bidders, Phase 2 Qualified Bids, the details of any bids submitted or the details of any confidential discussions or correspondence between the Monitor and such other bidders or Potential Bidders in connection with the SISP. The Monitor may however, with the consent of the applicable participants, disclose such information to other bidders for the purpose of seeking to combine separate bids from Phase 1 Qualified Bidders or Phase 2 Qualified Bidders.

Supervision of the SISP

43. The Monitor will participate in the SISP in the manner set out in this SISP procedure and the SISP Order and is entitled to receive all information in relation to the SISP.
44. This SISP does not, and will not be interpreted to create any contractual or other legal relationship between the Sales Advisor, AlphaBow or the Monitor and any Phase 1 Qualified Bidder, any Phase 2 Qualified Bidder or any other party, other than as specifically set forth in a definitive agreement that may be signed with AlphaBow and approved by the Court.
45. Without limiting the preceding paragraph, neither the Sales Advisor nor the Monitor shall have any liability whatsoever to any person or party, including without limitation any Potential Bidder, Phase 1 Qualified Bidder, Phase 2 Qualified Bidder, Successful Bidder, or any other creditor or other stakeholder of AlphaBow, for any act or omission related to the process contemplated by this SISP Procedure, except to the extent such act or omission is the result of gross negligence or willful misconduct of the Monitor or the Sales Advisor. By submitting a bid, each Phase 1 Qualified Bidder, Phase 2 Qualified Bidder, or Successful Bidder shall be deemed to have agreed that it has no claim against the Sales Advisor, AlphaBow or the Monitor for any reason whatsoever, except to the extent such claim is the result of gross negligence or willful misconduct of the Sales Advisor or the Monitor.
46. Participants in the SISP are responsible for all costs, expenses and liabilities incurred by them in connection with the submission of any LOI, Phase 2 Bid, due diligence activities, and any further negotiations or other actions whether or not they lead to the consummation

of a transaction.

47. The Sales Advisor and the Monitor shall have the right, in consultation with AlphaBow, to modify the SISP and the deadlines set out herein (including, without limitation, pursuant to the Bid Process Letter) if, in their reasonable business judgment, such modification will enhance the process or better achieve the objectives of the SISP.
48. This SISP shall terminate in the event that: (a) no Phase 2 Qualified Bidder submits a Qualified Phase 2 Bid by the Phase 2 Bid Deadline, and the Phase 2 Bid Deadline is not otherwise extended by the Sales Advisor; or (b) the Sales Agent, in consultation with the Monitor and AlphaBow, determine that none of the Phase 2 Qualified Bids should be accepted as a Successful Bid.
49. The approvals required pursuant to the terms of this SISP are in addition to, and not in substitution for, any other approvals required by applicable law in order to implement a Successful Bid.
50. At any time during the SISP, the Sales Advisor, the Monitor or AlphaBow may apply to the Court for advice and directions with respect to any aspect of this SISP or the discharge of their respective powers and duties hereunder.
51. In the event that there is disagreement as to the interpretation or application of the SISP, the Court will have jurisdiction to hear and resolve such dispute.

SCHEDULE A

Sales Advisor

Tom Pavic, CFA
President, Sayer Energy Advisors
1620, 54- 5th Avenue SW
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F: 403.266.4467
E: TPavic@sayeradvisors.com

Ben Rye, P.Ge.
Vice-President, Sayer Energy Advisors
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E: BRye@sayeradvisors.com

Overview

On April 26, 2024, the Court of King's Bench of Alberta granted an order pursuant to the Companies' Creditors Arrangement Act, ("CCAA") appointing **KSV Restructuring Inc.** ("KSV") as the monitor (the "Monitor") of **AlphaBow Energy Ltd.** ("AlphaBow" or the "Company"). As part of the CCAA, the Company has engaged **Sayer Energy Advisors** to assist it with a Sales and Investment Solicitation Process (the "SISP").

The SISP is intended to solicit interest in, and opportunities for a sale of, or investment in, all or part of AlphaBow's oil and natural gas interests and facilities and carbon capture, utilization and storage facility in Alberta, Canada (the "Properties"), or an investment in AlphaBow, which may include a restructuring, recapitalization, or other form of reorganization of the Company. All offers received at the bid deadline will be reviewed by the Monitor and the most acceptable offers may be accepted by the Monitor, subject to Court approval. A copy of the SISP is found on our website at www.sayeradvisors.com.

Prior to the CCAA proceedings, on March 30, 2023 AlphaBow was ordered by the **Alberta Energy Regulator** ("AER") under the Oil and Gas Conservation Act to submit and implement a Reasonable Care and Measures ("RCAM") Plan. Pursuant to the RCAM order, the AER issued a suspension order to AlphaBow on June 5, 2023. On September 6, 2023 the AER directed the **Orphan Well Association** ("OWA") to take possession of all licensed sites of AlphaBow.

Prior to the suspension order, average production net to AlphaBow from the Properties for the first quarter of 2023 was approximately 3,450 boe/d consisting of 12.1 MMcf/d of natural gas and 1,430 barrels of oil and natural gas liquids per day.

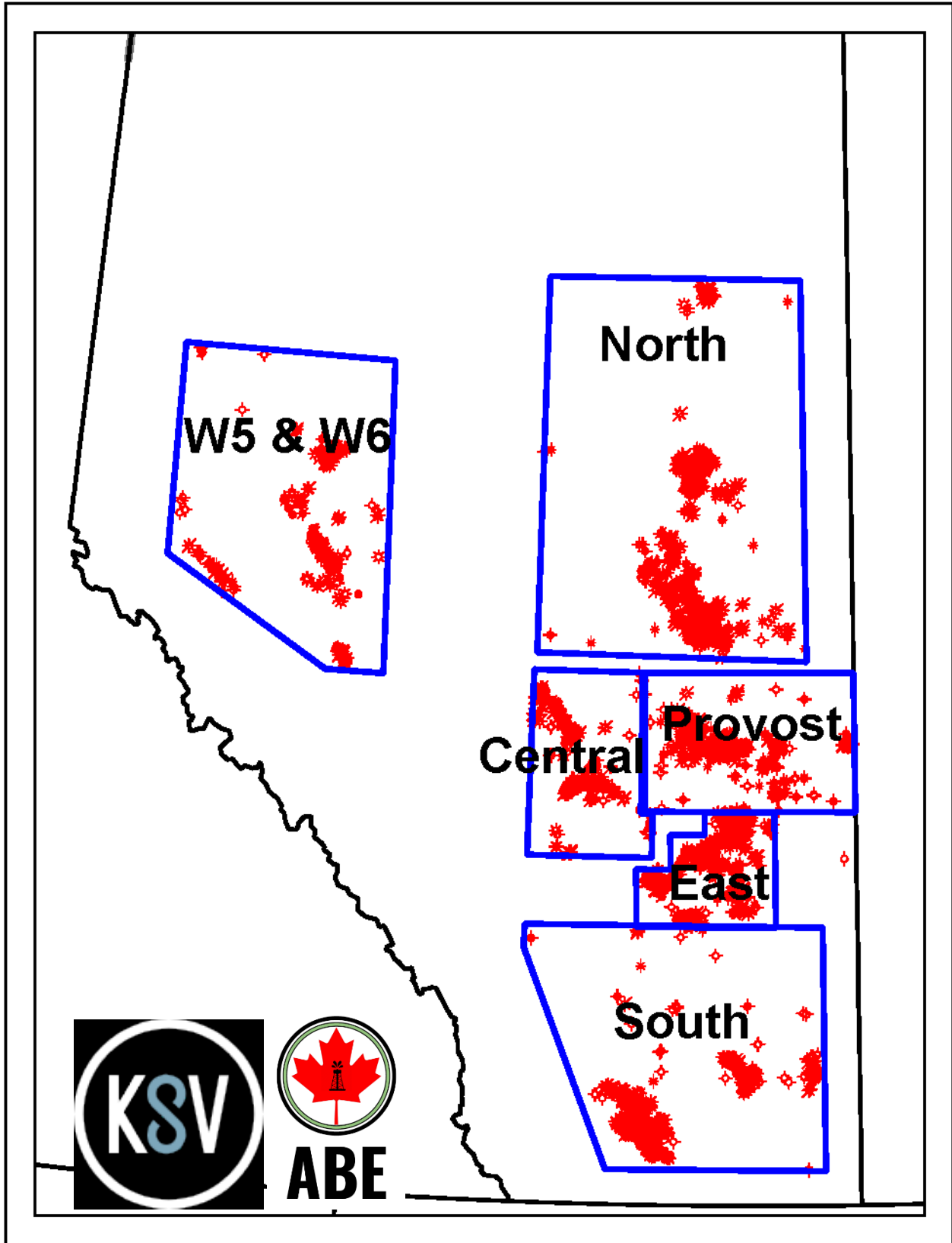
The Properties consist of both operated and non-operated interests located throughout Alberta. For this offering, the Properties are separated into the following geographical packages: *Central, East, North, Provost, South* and *W5 & W6*.

In the *Chigwell* area, AlphaBow has a CO₂ capture and enhanced oil recovery project. AlphaBow believes that the Chigwell enhanced oil recovery ("EOR") and CO₂ capture projects are strategic assets of the Company but have lacked investment in recent years. With further investment in the Chigwell EOR projects the Company believes it can expand facilities, convert certain wells to injectors, reactivate certain wells and drill new wells to bring the area back to long-term sustainable oil production.

The Company has identified potential for drilling upside opportunities in the *Aerial, Amisk, Edson, Green Glades, Kaybob, and Pine Creek* areas of Alberta.

Details relating to the Properties will be available in the virtual data room for parties that execute a confidentiality agreement.

Overview Map Showing the Location of AlphaBow's Properties

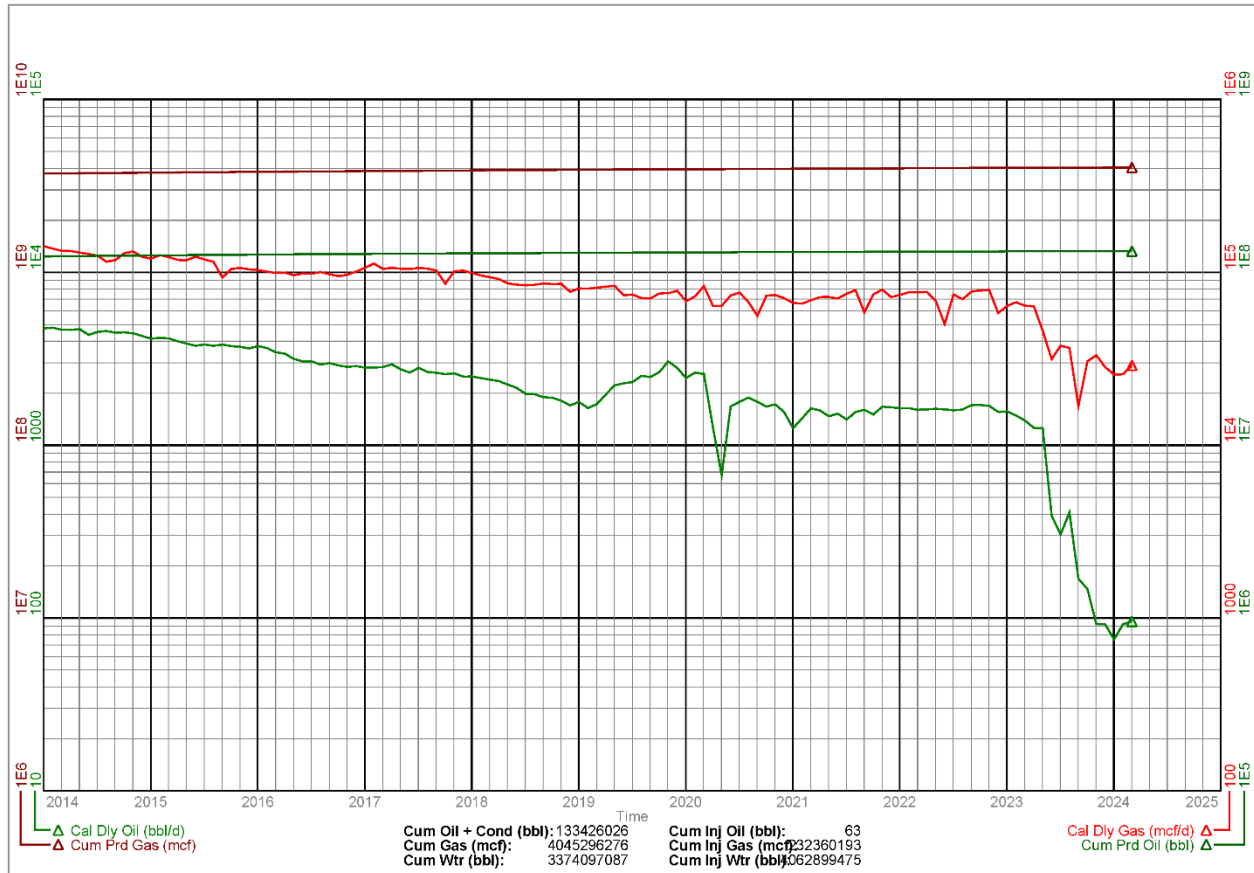




Production Overview

Prior to the suspension order, average production net to AlphaBow from the Properties for the first quarter of 2023 was approximately 3,450 boe/d consisting of 12.1 MMcf/d of natural gas and 1,430 barrels of oil and natural gas liquids per day.

Gross Production Group Plot of AlphaBow's Wells



LMR Summary as of January 7, 2023

As of January 7, 2023, AlphaBow's net deemed asset value was (\$17.5 million) (deemed assets of \$214.2 million and deemed liabilities of \$231.7 million), with an LMR ratio of 0.92.

Deemed Assets	Deemed Liabilities	Net Deemed Assets	LMR
\$214,200,722	\$231,692,075	(\$17,491,353)	0.92

Reserves Overview

The Company does not have a current third-party reserve report relating to the Properties.



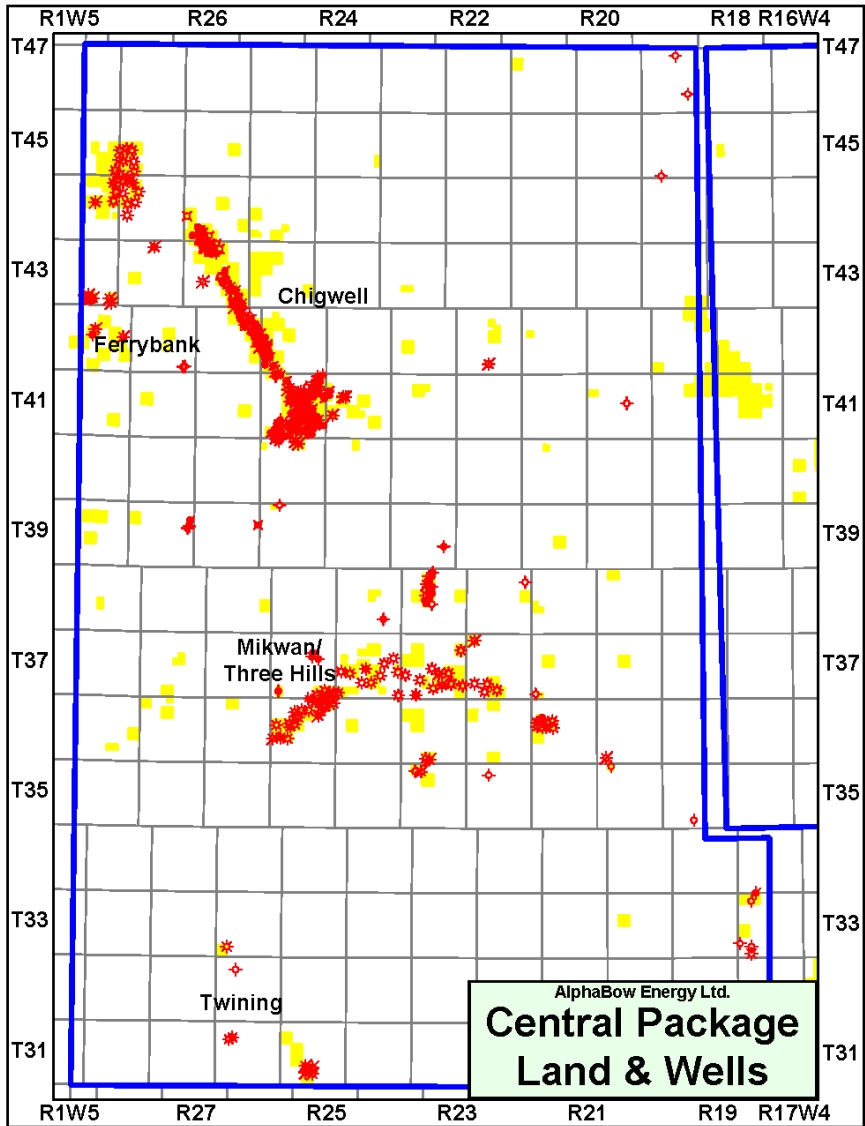


Central Package

Township 31-47, Range 18-28 W4

In the *Central* package, AlphaBow’s main properties are in the *Chigwell*, *Ferrybank*, *Mikwan/Three Hills* and *Twining* areas of Alberta, as shown on the following map.

In the *Chigwell* area, Alphabow has a CO₂ capture and enhanced oil recovery project. AlphaBow believes that the Chigwell EOR and CO₂ capture projects are strategic assets of the Company but have lacked investment in recent years. With further investment in the Chigwell EOR projects the Company believes it can expand facilities, convert certain wells to injectors, reactivate certain wells and drill new wells to bring the area back to long-term sustainable oil production. Details relating to the Properties will be available in the virtual data room for parties that execute a confidentiality agreement.



Central Package Well List

See well list in Excel.



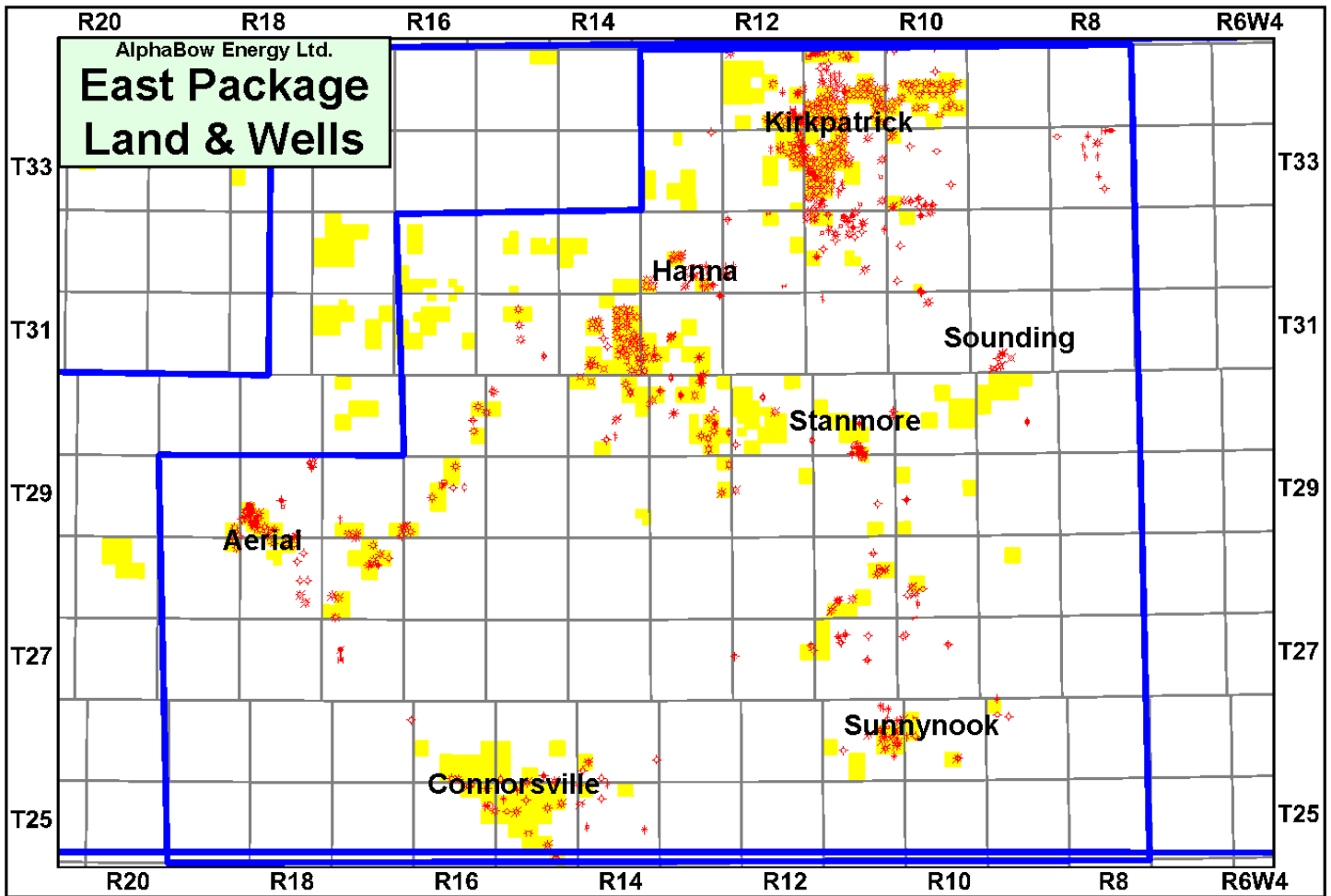


East Package

Township 25-34, Range 8-18 W4

In the *East* package, AlphaBow’s main properties are in the *Aerial*, *Connorsville*, *Hanna*, *Kirkpatrick*, *Sounding*, *Stanmore* and *Sunnynook* areas of Alberta, as shown on the following map.

The Company has identified potential for drilling upside opportunities in the Ellerslie Formation at *Aerial*. Further details relating to the Properties will be available in the virtual data room for parties that execute a confidentiality agreement.



East Package Well List

See well list in Excel.

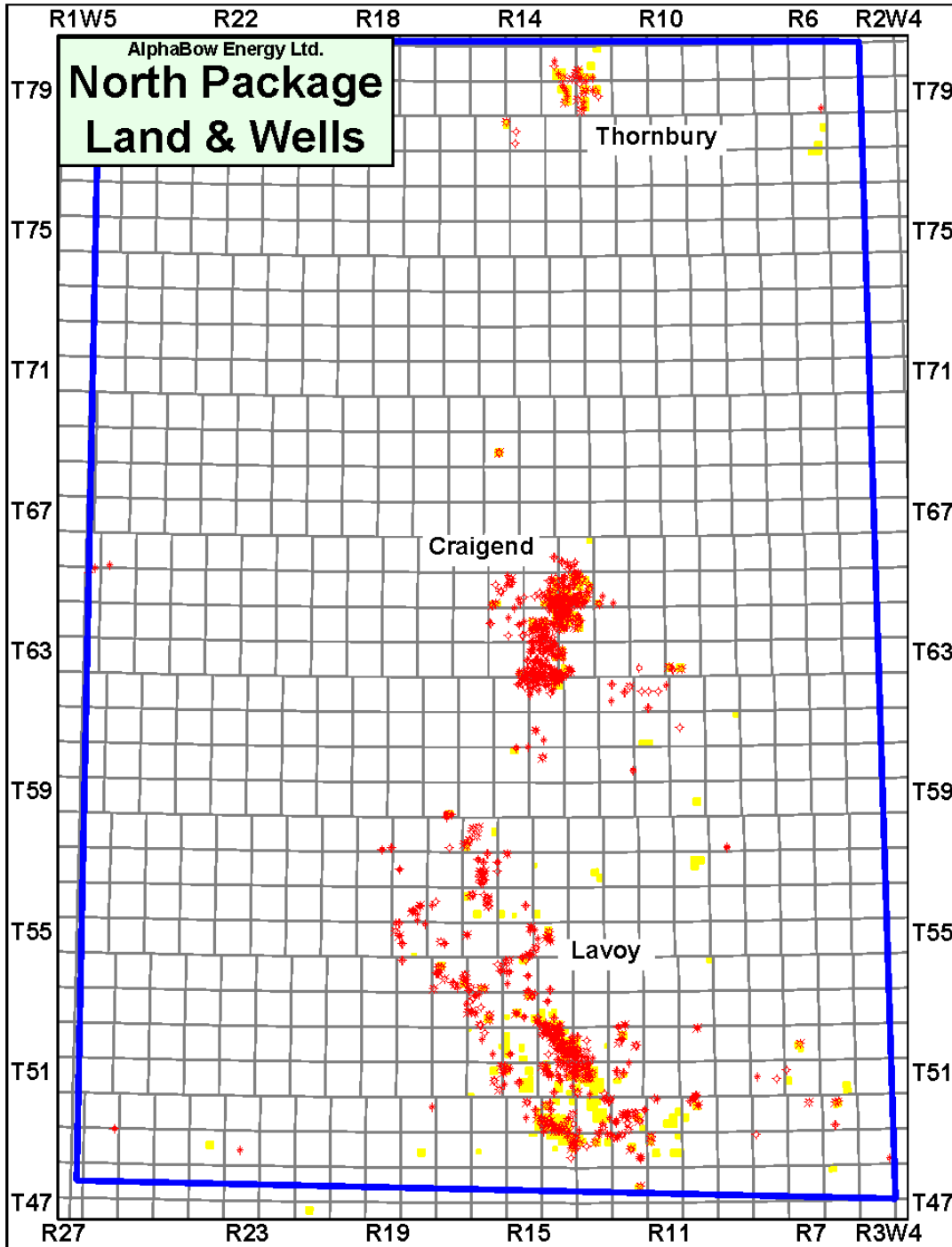




North Package

Township 47-80, Range 3-27 W4

In the *North* package, AlphaBow's main properties are in the *Craigend*, *Lavoy* and *Thornbury* areas of Alberta, as shown on the following map.



North Package Well List

See well list in Excel.



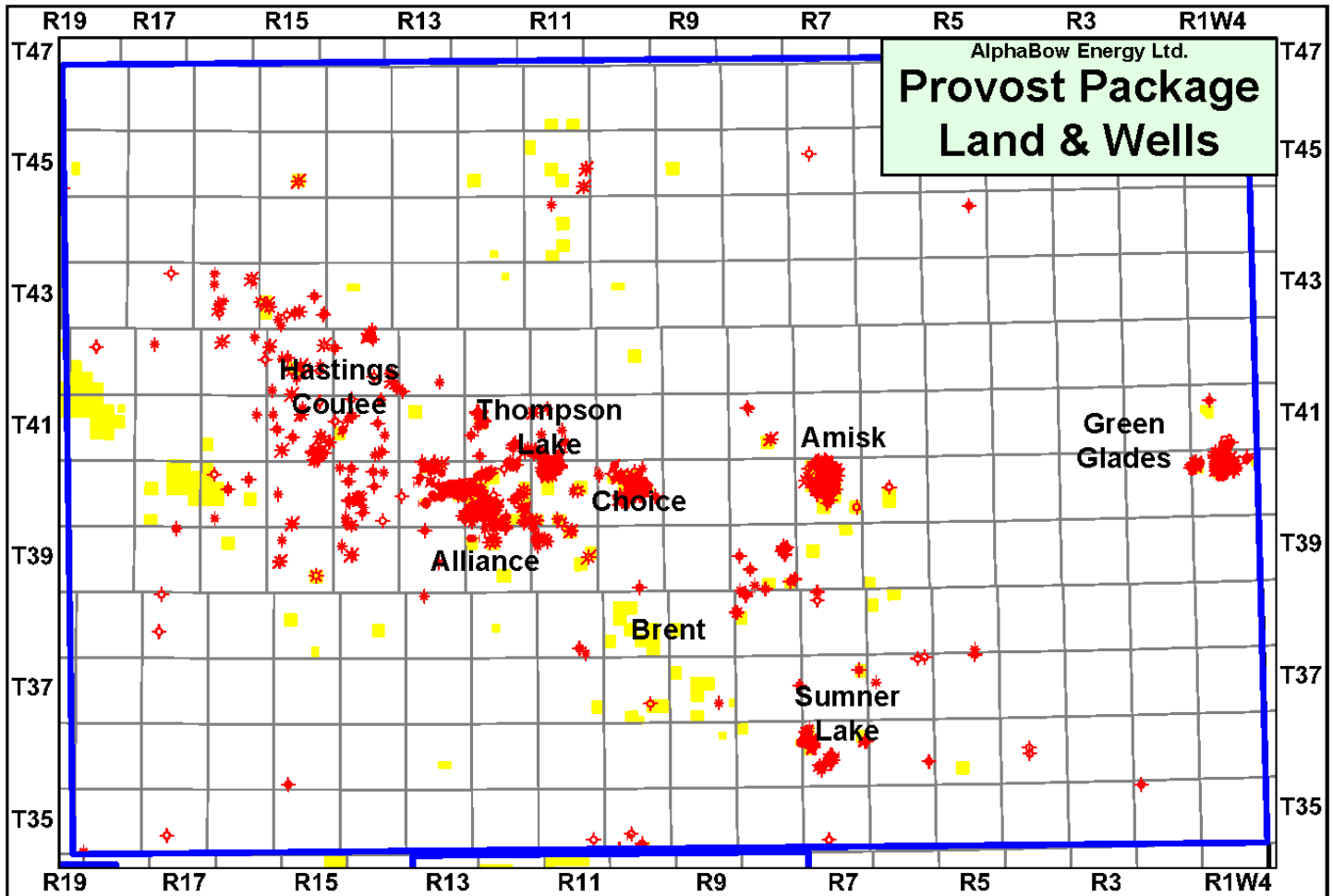


Provost Package

Township 35-47, Range 1-18 W4

In the Provost package, AlphaBow’s main properties are in the *Alliance*, *Amisk*, *Choice*, *Green Glades* (*Hayter*), *Hastings Coulee*, *Sumner Lake* and *Thompson* areas of Alberta, as shown on the following map.

The Company has identified potential for drilling upside opportunities in the Dina Formation at *Amisk* and the Dina and Cummings formations at *Green Glades*. Further details relating to the Properties will be available in the virtual data room for parties that execute a confidentiality agreement.



Provost Package Well List

See well list in Excel.

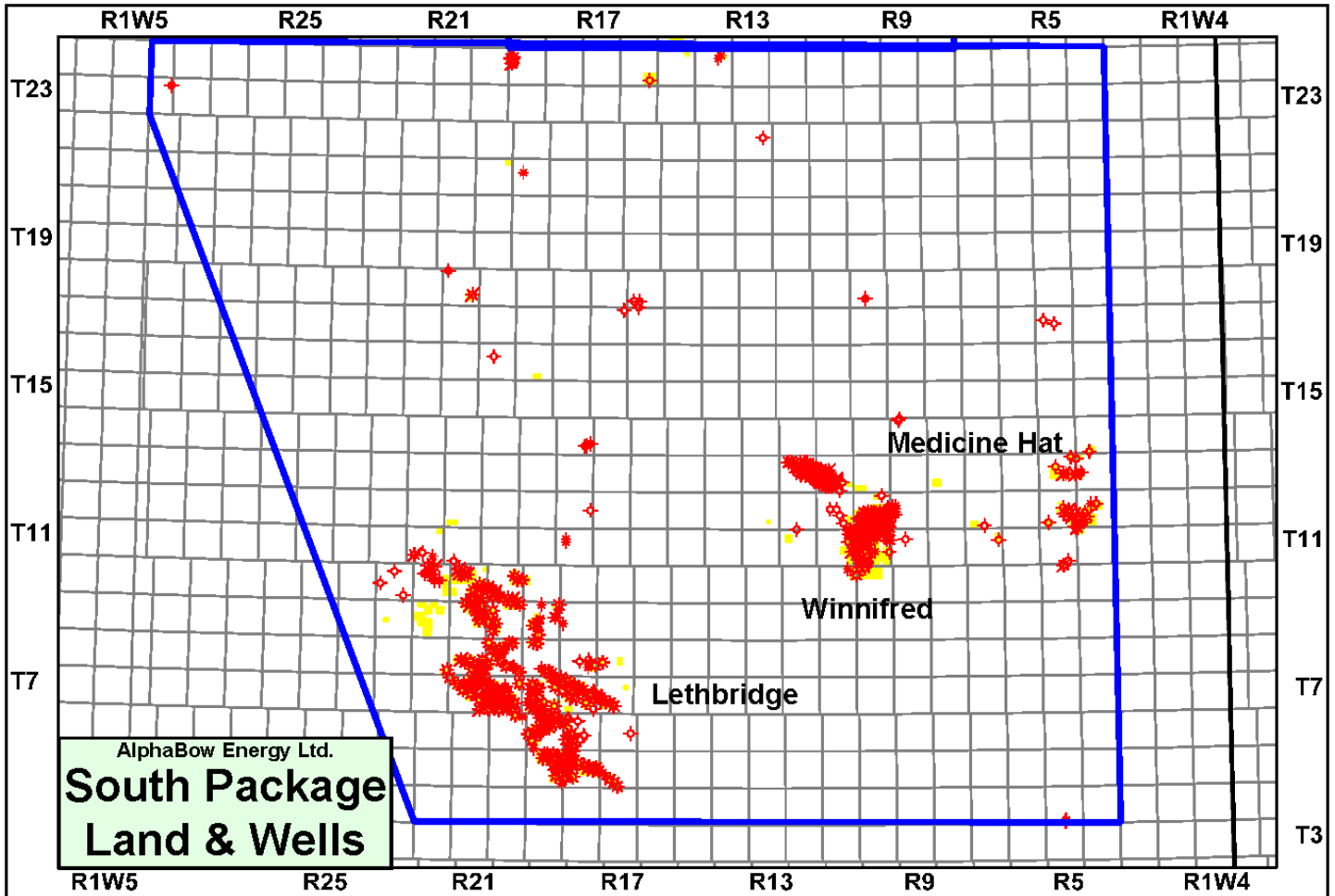




South Package

Township 4-24, Range 4-28 W4

In the *South* package, AlphaBow’s main properties are in the *Lethbridge*, *Medicine Hat* and *Winnifred* areas of Alberta as well as certain minor interests, as shown on the following map.



South Package Well List

See well list in Excel.



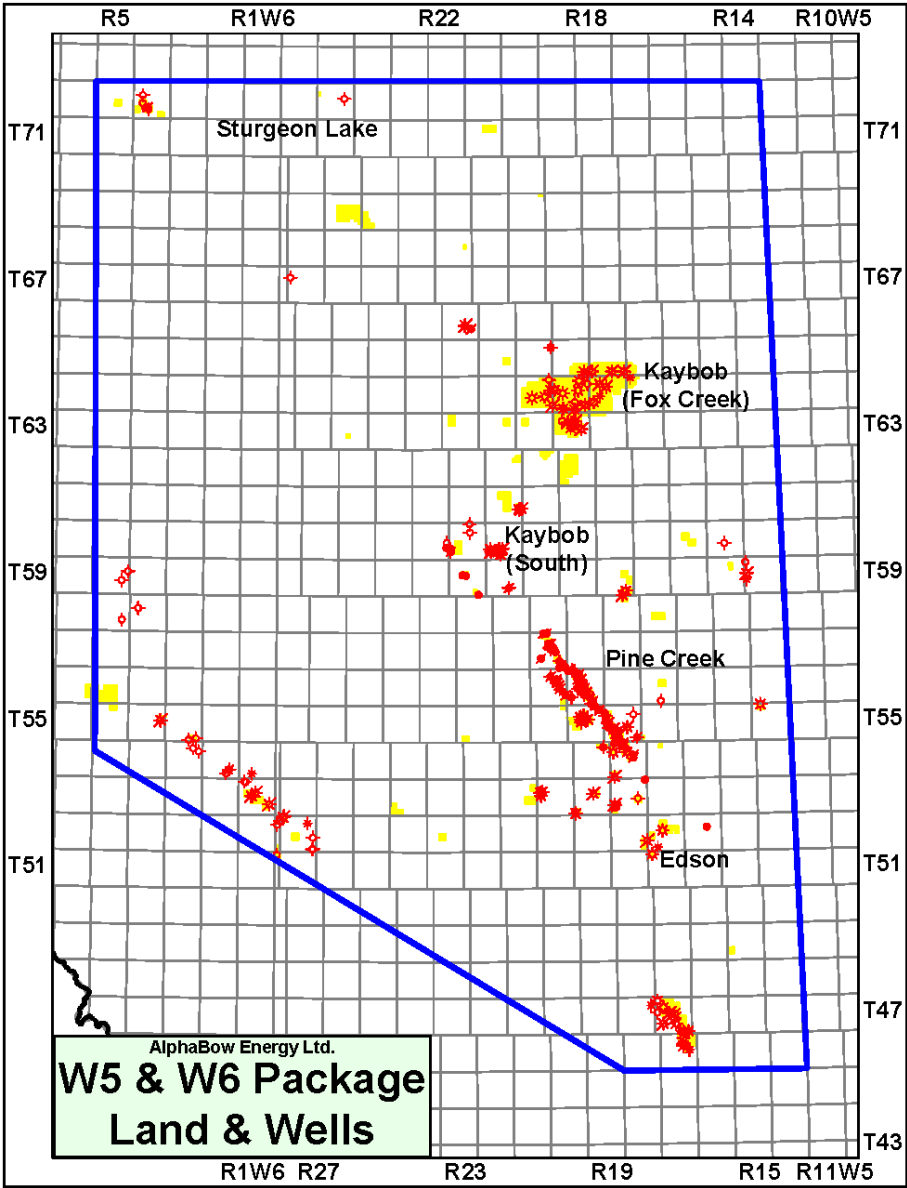


W5 & W6 Package

Township 46-72, Range 14 W5 – 5 W6

Within the W5 & W6 package, AlphaBow’s main properties are in the *Edson*, *Kaybob (Fox Creek)*, *Kaybob (South)*, *Pine Creek* and *Sturgeon Lake* areas of Alberta, as shown on the following map.

The Company has identified potential for drilling upside opportunities in the W5 & W6 package including natural gas opportunities in the Wilrich Formation at *Edson*, the Montney Formation at *Kaybob (South)*, and Second White Speckled Shale Formation at *Pine Creek*. Additionally, AlphaBow has identified reactivation potential in the *Kaybob Notikewin Unit No. 1*. Further details relating to the Properties will be available in the virtual data room for parties that execute a confidentiality agreement.



W5 & W6 Package Well List

See well list in Excel.





ABE

CONFIDENTIALITY AGREEMENT

Please send executed Confidentiality Agreement to:

**KSV RESTRUCTURING INC.
c/o Sayer Energy Advisors
Suite 1620, 540 – 5th Avenue SW
Calgary, Alberta T2P 0M2
Attention: Mr. Tom Pavic
tpavic@sayeradvisors.com
Phone: 403.266.6133**

CONFIDENTIALITY AGREEMENT

THIS AGREEMENT entered into as of the ____ day of _____, 2024.

AMONG:

KSV RESTRUCTURING INC., solely in its capacity as the Court appointed monitor of **ALPHABOW ENERGY LTD.**, and not in its personal or corporate capacity (the "**Monitor**")

- and -

ALPHABOW ENERGY LTD. (the "**Disclosing Party**")

- and -

_____ (the "**Recipient**")

WHEREAS pursuant to initial order of the Honourable Justice Lema of the Alberta Court of King's Bench (the "**Court**") dated April 26, 2024 (the "**Order**"), KSV Restructuring Inc. was appointed monitor of the Disclosing Party;

AND WHEREAS in connection with a possible negotiated transaction, the Recipient has requested that the Monitor and the Disclosing Party disclose, and the Monitor and the Disclosing Party have agreed to disclose, certain confidential information.

NOW THEREFORE in consideration of the mutual promises contained herein, and other good and valuable consideration, the receipt and sufficiency of which is acknowledged, the Parties hereto covenant and agree as follows:

1. Following are definitions which form part of this Confidentiality Agreement (the "**Agreement**"):
 - (a) "**Affiliate**" means, with respect to any specified Person, any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with that specified Person. For the purposes of this definition, "control" (including with correlative meanings, controlling, controlled by and under common control with) means the power to direct or cause the direction of the management and policies of that Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise and, it being understood and agreed that with respect to a corporation or partnership, control shall mean direct or indirect ownership of more than 50% of the voting shares in any such corporation or of the general partnership interest or voting interest in any such partnership.
 - (b) "**Confidential Information**" has the meaning ascribed thereto in Section 2.
 - (c) "**Court**" has the meaning ascribed thereto in the recitals hereto.
 - (d) "**Disclosing Party**" has the meaning ascribed thereto in the preamble hereto.

- (e) **“Monitor”** has the meaning ascribed thereto in the preamble hereto.
 - (f) **“Order”** has the meaning ascribed thereto in the recitals hereto.
 - (g) **“Party”** or **“Parties”**, as the context requires, means the signatories to this Agreement.
 - (h) **“Person”** means any individual or entity, including any partnership, body corporate, trust, unincorporated organization, union or governmental entity or authority and any heir, executor, administrator or other legal representative of an individual.
 - (i) **“Recipient”** has the meaning ascribed thereto in the preamble hereto.
 - (j) **“Related Parties”** means, in reference to a Party, its Affiliates, successors and assigns each of their respective directors, officers and employees.
 - (k) **“Representatives”** means, in reference to a Party, its Related Parties and each of their respective representatives, agents, legal counsel, consultants and advisors.
 - (l) **“Transaction”** has the meaning ascribed thereto in Section 2.
2. In connection with the Recipient's evaluation of a possible negotiated transaction with the Disclosing Party (hereinafter referred to as the **“Transaction”**), the Monitor and the Disclosing Party are willing, in accordance with the terms and conditions of this Agreement, to disclose to the Recipient certain confidential information relating to the Disclosing Party and its Related Parties. **“Confidential Information”** refers to any and all information acquired by the Recipient or its Representatives from or on behalf of the Disclosing Party, its Related Parties, their Representatives or the Monitor in the course of Recipient's consideration of a Transaction (including information acquired prior to the execution of this Agreement in connection with a Transaction), which shall include, without limitation all agreements, correspondence, financial information, reports, models, data and compilations, client personal and financial information, whether provided in oral, written or electronic form, together with analyses, interpretations, compilations, data, studies, notes and any documents prepared by or on behalf of the Recipient and its Representatives containing or based upon, in whole or in part, information acquired by the Recipient and its Representatives hereunder.
3. The Recipient agrees that the Confidential Information shall be kept strictly confidential and shall not be sold, traded, published or otherwise disclosed in any manner whatsoever, including by means of photocopy or reproduction, without the Disclosing Party's and the Monitor's prior written consent (which consent may be withheld in each of the Disclosing Party's and the Monitor's sole and absolute discretion), except as provided in Sections 4 and 5.
4. The Recipient may disclose Confidential Information without the Disclosing Party's and the Monitor's prior written consent only to the extent that the Recipient can establish, through documentary evidence, that such information:
- (a) was known to the Recipient prior to disclosure hereunder and was acquired without any obligation of confidentiality;

- (b) is as of the date of this Agreement publicly available or becomes available to the public other than through the act or omission of the Recipient or any of its Representatives; *provided, however*, that if some portion of the Confidential Information becomes publicly available, the balance of the Confidential Information, whether related or not to said portion, shall not be considered to have become publicly available;
 - (c) is required to be disclosed under applicable law or by court order or by a governmental order, decree, regulation or rule of any stock exchange and the Recipient provides a formal written legal opinion from its external legal counsel confirming such disclosure is required (provided that the Recipient shall give written notice to the Disclosing Party prior to such disclosure and shall comply with the requirements of Section 10); or
 - (d) is acquired independently by the Recipient, without any obligation of confidentiality, from a third party that has the right to disseminate such information without restrictions at the time it is acquired by the Recipient.
5. The Recipient shall be entitled to disclose Confidential Information without the Disclosing Party's and the Monitor's prior written consent to the following Persons who have a clear need-to-know such information in order to evaluate the Transaction:
- (a) the Recipient's Related Parties; and
 - (b) any professional consultant, agent or professional advisor retained by the Recipient for the purpose of evaluating or financing the Transaction.

Prior to making any such disclosures to persons under subsection 5(b), the Recipient shall obtain an undertaking of confidentiality in favour of the Disclosing Party and the Monitor, of substantially the same content as set forth in this Agreement, from each such Person. The Recipient shall, upon request, provide the Disclosing Party and the Monitor with a list of all Persons to whom Confidential Information has been provided. The Recipient agrees to be responsible for any breach of or failure to adhere to any of the terms of this Agreement by any such Person receiving Confidential Information.

6. The Recipient and its Representatives receiving Confidential Information shall only use or permit the use of the Confidential Information to evaluate the Transaction and determine whether to enter into or continue negotiations concerning the Transaction and for no other purpose. The Recipient undertakes that neither it nor any of its Representatives shall, without the prior written consent of the Disclosing Party and the Monitor (which consent may be withheld in each of the Disclosing Party's and the Monitor's sole and absolute discretion), prior to closing of the Transaction, enter into any discussion or agreement with any Person to acquire any separate, joint or subdivided interest in any asset or property potentially forming part of the Transaction.
7. The Recipient shall ensure that its Representatives to whom Confidential Information is disclosed under this Agreement keep such information confidential and shall not disclose or divulge the same to any unauthorized Person. In addition to any other rights the Disclosing Party may have against the Recipient arising by reason of any breach of this Agreement, the Recipient shall:

- (a) be liable to the Disclosing Party, its Related Parties and the Monitor for all losses, costs, damages and expenses whatsoever which any of them may suffer, sustain, pay or incur; and
- (b) indemnify and hold the Disclosing Party, its Related Parties and the Monitor harmless against all actions, proceedings, claims, demands, losses, costs, damages and expenses whatsoever which may be brought against or suffered by any of them or which any of them may suffer, sustain, pay or incur;

as a result of any breach of this Agreement by the Recipient, its Representatives, or any other Persons receiving Confidential Information hereunder.

- 8. The obligations of the Parties herein shall remain in full force and effect for a period of three (3) years from the date hereof (notwithstanding that Confidential Information may have been returned or copies or other reproductions thereof destroyed prior to the expiration of such period and whether or not a Transaction is implemented).
- 9. The Recipient agrees that the Disclosing Party and its Related Parties may be irreparably injured by a breach of this Agreement and that the Disclosing Party and its Related Parties may be entitled to equitable relief, including injunctive relief and specific performance in the event of any breach of this Agreement. Such remedy shall not be deemed to be the exclusive remedy for a breach of this Agreement but shall be in addition to all other remedies available in law or in equity.
- 10. Should any Person seek to legally compel the Recipient or any of its Representatives receiving Confidential Information to disclose any Confidential Information, the Recipient will provide the Disclosing Party and the Monitor with prompt written notice thereof so that the Disclosing Party may seek a protective order or other appropriate remedy. The Recipient shall cooperate fully with the Disclosing Party and the Monitor on a reasonable basis in any attempt by the Disclosing Party to obtain a protective order or other appropriate remedy. In any event, the Recipient or other Person receiving Confidential Information hereunder who is so compelled to disclose will only furnish that portion of the Confidential Information that is legally required to be disclosed.
- 11. To the extent that the Recipient is given physical access to any of the properties or premises owned, leased, used or otherwise held or occupied by the Disclosing Party, the Recipient hereby agrees to indemnify, defend and hold harmless the Disclosing Party, the Monitor, and their respective Representatives from and against any and all liabilities, claims and causes of action by the Recipient or any of its Representatives for personal injury, death or property damage occurring on such property or premises as a result of the access to such properties or premises by the Recipient or its Representatives.
- 12. It is understood that neither this Agreement nor the disclosure of any Confidential Information to the Recipient or its Representatives shall be construed as granting to any of them any license or rights in respect of any part of the Confidential Information.
- 13. The Confidential Information shall remain the property of the Disclosing Party and its Related Parties, as applicable, and the Disclosing Party or the Monitor may demand the return and/or destruction thereof at any time upon giving written notice to the Recipient. Within seven (7) business days of receipt of such notice, the Recipient shall return all of the original Confidential Information, destroy all copies and reproductions (both written

and electronic) and analyses, interpretations, compilations, data, studies, notes and any documents prepared by or on behalf of the Recipient or any of its Representatives containing or based upon, in whole or in part, Confidential Information, and promptly upon request of the Disclosing Party or the Monitor, the Recipient shall cause one of its senior officers to certify such destruction in writing. Notwithstanding the foregoing: (a) Confidential Information may be retained as required by law, rule, regulation or bona fide document retention policy; and (b) Confidential Information disclosed to the Recipient in electronic form and stored by the Recipient in an electronic archive system may be retained by the Recipient for archival purposes so long as: (i) the Recipient will only use such retained Confidential Information for archival or standard electronic backup purposes; (ii) personnel whose functions are not primarily information technology in nature do not have access to such retained copies; and (iii) personnel whose functions are primarily information technology in nature have access to such copies only as reasonably necessary for the performance of their duties in the ordinary course. Notwithstanding the destruction or return of the Confidential Information, or the retention of the Confidential Information in accordance with this Section 13, the Recipient and its Representatives will continue to be bound by the obligations of confidentiality and all other obligations hereunder during the term of this Agreement.

14. The Disclosing Party and the Monitor make no representations or warranties, express or implied, as to the quality, accuracy or completeness of the Confidential Information disclosed hereunder. The Recipient hereby releases, indemnifies and holds the Disclosing Party, its Related Parties and the Monitor and each of their respective Representatives harmless with respect to the use of or reliance upon Confidential Information by the Recipient and its Representatives.
15. No contract or agreement providing for a Transaction shall be deemed to exist unless and until a definitive agreement in respect of a Transaction has been executed by the Recipient and the Disclosing Party. Nothing contained herein is intended to confer upon the Recipient any right whatsoever to require or force the Disclosing Party to provide Confidential Information to the Recipient or the Recipient's Representatives or to enter into or close a Transaction with the Recipient. The Recipient understands and agrees that, except as may be otherwise agreed by the Recipient and the Disclosing Party in a definitive agreement executed by them in respect of the Transaction:
 - (a) the Disclosing Party and the Monitor shall conduct the process for a possible Transaction as they in their sole discretion shall determine, including negotiating with any other Person and entering into a definitive agreement in respect of a Transaction with any other Person without prior notice to the Recipient or any other Person; and
 - (b) the Recipient shall not have any claims whatsoever against the Disclosing Party, its Related Parties or the Monitor or any of their respective Representatives arising out of or relating to a Transaction.
16. The Recipient, its Related Parties and their Representatives shall not initiate or arrange, directly or indirectly, or maintain contact with any director, officer, employee, contractor or agent of the Disclosing Party, except for those contacts: (a) which have been identified by the Disclosing Party, the Monitor or their Representatives as contacts for the express purpose of facilitating the Transaction and/or the provision of Confidential Information; (b)

made in the ordinary course of business unrelated to the Transaction; or (c) otherwise with the prior written consent of the Disclosing Party or the Monitor.

- 17. The Recipient, its Related Parties and their Representatives shall not, for a period of 18 months from the date hereof, directly or indirectly, solicit for employment or engagement of any employee, officer, director or contractor (who works exclusively for the Disclosing Party) of the Disclosing Party whom the Recipient and its Representatives have become aware of in connection with the Recipient's consideration of the Transaction, except that the foregoing will not prohibit the Recipient from: (a) engaging in general solicitations or advertisements regarding employment; or (b) soliciting or hiring any such person who: (i) responds to any general solicitation placed by the Recipient (including, without limitation, any recruitment efforts conducted by any recruitment agency); or (ii) contacted the Recipient at his or her own initiative without any prior direct solicitation by the Recipient in violation of this Agreement.
- 18. This Agreement shall be governed by and interpreted in accordance with the laws of the Province of Alberta. The Parties irrevocably and unconditionally consent to and submit to the jurisdiction of the courts of the Province of Alberta for any actions, suits or proceedings arising out of or relating to this Agreement.
- 19. All notices, consents and other instruments which are required or may be given pursuant to this Agreement must be given in writing and delivered personally or by electronic mail as follows:

If to the Disclosing Party (in each case with a copy to the Monitor):

AlphaBow Energy Ltd.
Suite 300, 708-11th Avenue S.W.
Calgary, AB T2R 0E4

Attention: Ben Li
Email: benli@alphabowenergy.com

If to the Monitor:

KSV Restructuring Inc.
1165, 324-8th Avenue SW
Calgary, AB T2P 2E2

Attention: Andrew Basi
Email: abasi@ksvadvisory.com

If to the Recipient:

Attention: _____

Facsimile: _____

Email: _____

or in accordance with the latest unrevoked instructions delivered by one Party to the other. All notices will be deemed to have been duly given at the time of delivery or, in the case of facsimile or electronic mail, on the first business day after faxing or electronic mailing, as the case may be.

20. The Recipient shall not assign this Agreement or any rights and benefits hereunder, in whole or in part to any Person without the prior written consent of the Disclosing Party and the Monitor, which consent may be withheld in each of the Disclosing Party's and the Monitor's sole discretion. This Agreement shall enure to the benefit of the Parties and their lawful successors and permitted assigns.
21. No amendments, changes or modifications to this Agreement shall be valid except if the same are in writing and signed by a duly authorized representative of each of the Parties. No waiver of any provision of this Agreement shall be valid except if provided in writing by a duly authorized representative of the Party proposing to grant the same. Further, no failure or delay by the Disclosing Party in exercising any right, power or privilege hereunder shall operate as a waiver thereof.
22. This Agreement comprises the full and complete agreement of the Parties with respect to the disclosure of the Confidential Information and supersedes and cancels all prior communications, understandings and agreements between the Parties in respect hereof, whether written or oral, expressed or implied. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, which shall remain in full force and effect. Time is of the essence with respect to this Agreement.
23. The Recipient agrees that the Disclosing Party is trustee of the covenants and agreements of the Recipient in this Agreement that are for the benefit of its Related Parties and their respective Related Parties, as applicable.
24. This Agreement may be executed and delivered in counterpart and pdf or other electronic means, each of which shall be deemed to be an original and all of which, when taken together, shall be deemed to constitute one and the same instrument.

[Remainder of page left blank. Signature page follows.]

IN WITNESS WHEREOF, the duly authorized representative of each of the Parties has caused this Agreement to be executed on the date first written above.

KSV RESTRUCTURING INC., solely in its capacity as the Monitor of **ALPHABOW ENERGY LTD.**, and not in its personal or corporate capacity

ALPHABOW ENERGY LTD.

Per: _____
Name: Andrew Basi
Title: Managing Director

Per: _____
Name: Ben Li
Title: President

RECIPIENT COMPANY NAME

OFFICER'S SIGNATURE

OFFICER'S PRINTED NAME & TITLE

I certify that no changes have been made to this Confidentiality Agreement that have not been clearly marked and initialed.

CONFIDENTIAL INFORMATION DELIVERY OPTIONS: *(please check one)*

____ Electronic or ____ Hard copy (binder)

NAME OF CONTACT PERSON TO FORWARD INFORMATION

CONTACT ADDRESS

TELEPHONE NUMBER

EMAIL ADDRESS

Option to Attach Business Card Here: