Form 10
[Rule 3.25]
Clerk's stamp

Court File Number	1501- 06552
Court	COURT OF QUEEN'S BENCH OF ALBERTA
Judicial Centre	Calgary
Plaintiff	Robert Martin Friedland
Defendant	Ivanhoe Energy Inc.
Document	**STATEMENT OF CLAIM**

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NOTICE TO DEFENDANTS

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:

The Parties

1. The Plaintiff, Robert Martin Friedland (Mr. "**Friedland**"), is an international financier who specializes in providing financing and venture capital to junior companies in

the energy and minerals industries, whether directly, through a network of corporations that he owns or controls, or through business ventures in which he has an interest.

2. Mr. Friedland was a co-founder of the Defendant, Ivanhoe Energy Inc. ("**Ivanhoe**"), and has been closely involved with the company since it was founded. Mr. Friedland was a director of Ivanhoe from 1995 until October 10, 2014, and he was executive co-chairman from 2008 until October 10, 2014. Between 2008 and 2011, he acted as Ivanhoe's chief executive officer. Mr. Friedland resigned his positions with Ivanhoe effective October 10, 2014.

3. Mr. Friedland is Ivanhoe's senior secured creditor as well as Ivanhoe's single largest individual creditor. In addition, corporations that Mr. Friedland owns or controls are significant unsecured creditors of Ivanhoe. Mr. Friedland is also Ivanhoe's single largest shareholder, holding approximately 16.78% of Ivanhoe's issued and outstanding shares and convertible debentures that are convertible into 99,206 shares.

4. Ivanhoe is a corporation established under the laws of Yukon and extra provincially registered in Alberta. It is a reporting issuer whose shares were traded on the TSX (under ticker symbols IE.TO and IE-DB.TO) and NASDAQ (under ticker symbol IVAN) markets. In February 2015, Ivanhoe was delisted from both the TSX and NASDAQ.

5. Ivanhoe is bankrupt.

6. On February 20, 2015, Ivanhoe filed a notice of intention to make a proposal under the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3 (the "**BIA**"). Ivanhoe failed to make a proposal within the time permitted for doing so and was deemed to have made an assignment into bankruptcy on June 2, 2015. Ernst & Young Inc. was appointed as the trustee in bankruptcy of Ivanhoe (the "**Trustee in Bankruptcy**").

7. Ivanhoe's principal corporate office was located at 999 Canada Place, Suite 654, Vancouver, British Columbia. Its registered and records office is located at 300-204 Black Street, Whitehorse, Yukon.

The Loan

8. Pursuant to a loan agreement, dated October 10, 2014, between Ivanhoe and Mr. Friedland (as subsequently amended, the "**Loan Agreement**"), Mr. Friedland provided a bridge loan in the amount of US $2.2 million to Ivanhoe (the "**Loan**").

9. The Loan matured on April 8, 2015, and is now due and payable in full.

10. Amounts outstanding in connection with the Loan bear interest at the rate of 10% per year, calculated semi-annually not in advance.

11. Pursuant to an amendment to the Loan Agreement, dated December 29, 2014, between Ivanhoe and Mr. Friedland (the "**Loan Agreement Amendment**"), the Loan

Agreement was amended to provide for a second advance of US $540,000 that was advanced on or about December 29, 2014.

12. On February 10, 2015, the Loan Agreement was again amended at Ivanhoe's request to increase the Loan by a further US $2,370,016, which amount was advanced on or about February 10, 2015.

Mr. Friedland's Security

13. The Loan is secured by a fixed and floating charge debenture dated October 10, 2014 (the "**Charging Debenture**") made by Ivanhoe (as chargor) to and in favour of Mr. Friedland (as holder), in the maximum amount of US $5 million at an interest rate of 30% per year.

14. Pursuant to the Charging Debenture, Ivanhoe:

(a) Granted, assigned as security, conveyed, mortgaged, pledged and charged, as and by way of a first fixed and specific mortgage, charge and pledge, to and in favour of Mr. Friedland, and granted to Mr. Friedland a continuing security interest in, all of Ivanhoe's right, title, interest and estate in and to the Specifically Mortgaged Lands, the Oil Sands Leases, and all Oil Sands and other hydrocarbons within, upon or under the Specifically Mortgaged Lands, together with any and all rights, leases, licenses, easements, rights-of-way, profits a-prendre, interests in real property, structures, underground facilities, Wells, power, fuel and water supply, storage, waste disposal, roads and other transportation facilities and fixed plant, milling, processing, service and other related infrastructures, buildings, erections, improvements and Fixtures then or thereafter constructed or placed on the Specifically Mortgaged Lands and all accretions, additions and accessions to any of the foregoing, any substitution of any of the foregoing and any and all proceeds of any of the foregoing and including all of Ivanhoe's present and after-acquired right, title, estate and interest in and to all proceeds derived from any of the foregoing (as such capitalized terms are defined in the Debenture);

(b) Granted, assigned as security, conveyed, mortgaged and charged, as and by way of a first floating charge, to and in favour of Mr. Friedland, all of Ivanhoe's right, title, interest and estate in and to all real property (including without limitation all Oil Sands and other hydrocarbons) not subject to the fixed charge set for above, both present and future, of every nature and kind and wherever situate, together with any and all rights, leases, licenses, easements, rights-of-way, profits a-prendre, interests in real property, structures, underground facilities, Wells, power, fuel and water supply, storage, waste disposal, roads and other transportation facilities and fixed plant, milling, processing, service and other related infrastructures, buildings, erections, improvements and Fixtures then or thereafter constructed or placed on such real property or used in connection with such real property and all accretions, additions and accessions to any of the foregoing, which Ivanhoe had, may be possessed of, entitled to, or acquire, by way of amalgamation or otherwise, now or hereafter, and any and all proceeds of any of the foregoing; and

(c) Granted, assigned as security, conveyed, transferred, mortgaged and charged as and by way of a fixed and specific mortgage and charge to and in favour of Mr. Friedland, and granted to Mr. Friedland a continuing security interest in, all of Ivanhoe's present and after-acquired personal property, including without limitation all present and after-acquired goods (including without limitation all Oil Sands and other hydrocarbons extracted from time to time and all Products), chattel paper, documents of title, instruments, intangibles, investment property and money (as such terms are defined in the PPSA), wherever located (collectively, the "**Charge**", and the property subject to the Charge, the "**Charged Property**");

as security for the due payment and performance of all obligations, including all debts, obligations, liabilities, and indebtedness to Mr. Friedland, including any such debts, obligations, liabilities and indebtedness incurred during the pendency of any bankruptcy, insolvency, receivership or other similar proceeding (the "**Obligations**").

15. The Charge becomes and is enforceable against Ivanhoe upon the occurrence of an event of default under the Loan Agreement.

16. When the Charge is enforceable, Mr. Friedland may, at any time, in his sole discretion: (a) declare any or all of the Obligations to be forthwith due and payable, without presentment, demand, protest or any other notice of any kind, all of which were expressly waived by Ivanhoe; and (b) realize upon the Charged Property, including by (among other things) instituting proceedings in any court of competent jurisdiction for the appointment of a receiver of all or any part of the Charged Property.

17. In addition to the Charging Debenture, Ivanhoe delivered a first supplemental debenture dated February 10, 2015 to Mr. Friedland (the "**Supplemental Charging Debenture**" and, together with the Charging Debenture, the "**Charging Debentures**"). The Supplemental Charging Debenture was supplemental to and in implementation of the Charging Debenture, and incorporates by reference (*mutatis mutandis*) many of the provisions of the Charging Debenture.

18. The Supplemental Charging Debenture increased the principal sum set out in the Charging Debenture from US $5 million to US $10 million.

DIP Loan and Charge

19. On or about February 20, 2015, Ivanhoe commenced proposal proceedings (the "**Proposal Proceedings**") under the BIA.

20. On or about February 27, 2015 Ivanhoe obtained interim debtor-in possession financing (the "**DIP Financing**") in connection with the Proposal Proceedings

pursuant to a term sheet it entered into with Mr. Friedland (the "**DIP Term Sheet**"). The DIP Financing is in the amount of US $1 million and bears interest at the rate of 13%, calculated daily.

21. The DIP Financing matured on June 1, 2015.

22. The DIP Financing is secured by a court-ordered super-priority charge (the "**Charge**") on all assets, rights, undertakings and properties of Ivanhoe, of every nature and kind whatsoever, and wherever situated including all proceeds thereof.

Ivanhoe's Defaults, and Mr. Friedland's Demands for Repayment

23. On June 4, 2015, Mr. Friedland delivered a notice of default to Ivanhoe advising that Ivanhoe was in default under the Loan Agreement and the Charging Debentures because, among other things, it committed the following events of default, or permitted them to occur and continue:

    (a) Ivanhoe has failed to repay all indebtedness outstanding under the Loan Agreement on the Maturity Date;

    (b) Ivanhoe has failed to make principal, interest or fee payments under the Loan Agreement;

    (c) Ivanhoe has commenced a voluntary proceeding under the BIA;

    (d) Ivanhoe has been deemed to have made a general assignment for the benefit of its creditors; and

    (e) There has occurred events and developments that, in the Lender's opinion, are each likely to have a Material Adverse Effect (as defined in the Loan Agreement).

24. In accordance with the terms of the Charging Debentures, upon the occurrence of any one of the foregoing events of default, Mr. Friedland is entitled to: (a) demand payment of all amounts owing by Ivanhoe; and (b) seek the appointment of a receiver.

25. In addition, on June 4, 2015, Mr. Friedland delivered a notice of default to Ivanhoe advising that Ivanhoe is in default of its obligations under the DIP Term Sheet.

26. Ivanhoe has committed events of default, or has permitted them to occur and continue, including (but not limited to):

    (a) A deemed assignment of Ivanhoe into bankruptcy has occurred;

    (b) Ivanhoe has failed to pay the principal amount outstanding under the DIP Term Sheet on the maturity date, being June 1, 2015;

    (c) Ivanhoe has failed to pay interest and/or fees in accordance with the DIP Term Sheet when due and payable;

(d) Ivanhoe has failed to file a Proposal with the Proposal Trustee (as those terms are defined in the DIP Term Sheet) on or before April 21, 2015;

(e) Ivanhoe has failed to receive the required approval of all classes of creditors to a Proposal by May 13, 2015; and

(f) The Proposal Trustee has failed to apply to the Court for approval of a Proposal within 5 business days following its approval by all classes of creditors.

27. In accordance with the terms of the DIP Term Sheet, upon the occurrence of any one of the foregoing events of default, Mr. Friedland is entitled to: (a) demand payment of all amounts owing by Ivanhoe; and (b) seek the appointment of a receiver.

Indebtedness

28. Ivanhoe has been in default of the Loan Agreement and the DIP Term Sheet since April 8, 2015 and June 1, 2015, respectively. The full amount of Ivanhoe's indebtedness to Mr. Friedland under the Loan Agreement (being US $5,348,666.08, including accrued interest, as at June 10, 2015) and the DIP Term Sheet (being US $1,034,040.02, including accrued interest, as at June 10, 2015) are now due and payable. Ivanhoe has not repaid any amounts owing to Mr. Friedland in connection with the Loan Agreement or the DIP Term Sheet. Interest and fees continue to accrue.

Procedural Issues

29. In the event that a trial is ordered as necessary, Mr. Friedland proposes that the trial of this action be held at the Courts Centre, in the City of Calgary, in the Province of Alberta.

Remedy Sought:

30. Mr. Friedland seeks the following remedies against Ivanhoe:

(a) A declaration that Ivanhoe is in default under the Loan Agreement, the Debentures, the DIP Term Sheet, and its payment of all indebtedness to Mr. Friedland;

(b) A declaration as to the amounts owing by Ivanhoe to Mr. Friedland and judgment in the amount found to be owing;

(c) A declaration that the security held by Mr. Friedland against Ivanhoe is enforceable and constitutes valid and enforceable security in accordance with the terms thereof;

(d) An order for the appointment of a receiver over all of the assets, undertakings and property of Ivanhoe or such assets, undertakings and property as Mr. Friedland may direct and deem appropriate from time to time;

(e) Interest in accordance with the terms of the Loan Agreement, the Debentures and the DIP Term Sheet, or, alternatively pursuant to the *Judgment Interest Act*, RSA 2000, c J-8;

(f) Costs on a solicitor and his own client basis in accordance with the terms of the Loan Agreement, the Debentures and the DIP Term Sheet, or, alternatively, on a party and party scale; and

(g) Such further and other relief as this Honourable Court may deem just and appropriate.

NOTICE TO THE DEFENDANTS

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 Calgary, Alberta, AND by serving your statement of defence or a demand for notice on the plaintiff'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 against you.