

Form 27

[Rules 6.3 and 10.52(1)]

COURT FILE NUMBER 25-1963517

ESTATE NUMBER 25-1963517

COURT COURT OF QUEEN'S BENCH OF ALBERTA
IN BANKRUPTCY AND INSOLVENCY

JUDICIAL CENTRE CALGARY

IN THE MATTER OF THE NOTICE OF
INTENTION TO MAKE A PROPOSAL OF
IVANHOE ENERGY INC.

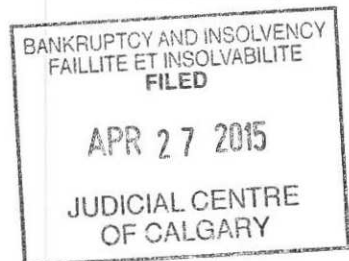
DOCUMENT **APPLICATION**

PARTY FILING THIS DOCUMENT IVANHOE ENERGY INC.

ADDRESS FOR SERVICE AND CONTACT
INFORMATION OF PARTY FILING THIS DOCUMENT Cassels, Brock & Blackwell LLP
2200 – 885 West Georgia Street
Vancouver, BC V6C 3E8

Attention: Steven D. Dvorak
Tel: (604)691-6121
Fax: (604) 691-6120
File No: FID2090532

Clerk's Stamp



NOTICE TO RESPONDENTS: ERNST & YOUNG INC., TALISMAN ENERGY INC., ROBERT
MARTIN FRIEDLAND, BNY MELLON CANADA

This application is made against you. You are a respondent. You have the right to state your side of this matter before the master/judge.

To do so, you must be in Court when the application is heard as shown below:

Date: Friday, May 1, 2015

Time: 10:30 am

Where: Justice Chambers

Before Whom: The Honourable Mr. Justice Jeffrey

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

Remedy claimed or sought:

1. An Order deeming service of the within Notice of Application to be effective and approved.
2. An Order extending the time for the filing of a Proposal from May 5, 2015 until and including 11:59 pm on May 31, 2015, or such other date as may be determined by this Court to be appropriate.
3. Such further and other Order as this Honourable Court may determine to be necessary.

[Proposed form of Order is attached as Schedule "A"]

Grounds for making this application:

4. The Applicant is acting in good faith and with due diligence in the preparation and presentation of a Proposal to its Creditors, but requires additional time within which to prepare a viable Proposal.
5. The Applicant has sufficient funding to meet its reasonably anticipated requirements during the extended period.
6. The Proposal Trustee supports the relief sought.
7. The Proposal Trustee has determined that the Applicant is acting in good faith and with due diligence, that the Applicant's Cash Flow Projections for the extended period are reasonable, and is satisfied that the Applicant will likely be in a position to present a viable Proposal to its creditors if the requested extension is granted.
8. The relief sought will not materially prejudice the interests of any creditor or other person.
9. The Proposal Trustee has undertaken a Claims Process in accordance with the Claims Process Order of Justice P.R. Jeffrey pronounced March 6, 2015, and has been assisting the Applicant in dealing with its creditors in an effort to negotiate an acceptable and viable form of Proposal.
10. Such further or other grounds as counsel may advise and this Honourable Court may allow.

Material or evidence to be relied on:

11. Third Affidavit of Blair Vago, sworn April 24, 2015;
12. Report #2 of Ernst & Young Inc., Proposal Trustee; and
13. Such further or other evidence as counsel may advise, and this Honourable Court may admit.

Applicable rules:

14. Alberta *Rules of Court*, and in particular Rule 6.1;
15. Bankruptcy and Insolvency General Rules, and in particular Rules 3, 6(4), 9, 11 and 13; and
16. Such further or other rules as Counsel may advise.

Applicable Acts and regulations:

17. *Bankruptcy and Insolvency Act*, R.S.C 1985, c. B-3, and in particular sections 34, s. 50.4(9), 183(1), 187(11) and 187(12); and
18. Such further and other Acts and regulations as Counsel may advise.

Any irregularity complained of or objection relied on:

19. Not applicable.

How the application is proposed to be heard or considered:

20. Before the Honourable Justice of this Court presiding in Chambers.

WARNING

If you do not come to Court either in person or by your lawyer, the Court may give the applicant(s) what they want in your absence. You will be bound by any order that the Court makes. If you want to take part in this application, you or your lawyer must attend in Court on the date and at the time shown at the beginning of the form. If you intend to give evidence in response to the application, you must reply by filing an affidavit or other evidence with the Court and serving a copy of that affidavit or other evidence on the applicant(s) a reasonable time before the application is to be heard or considered.

SCHEDULE "A"

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DOCUMENT **ORDER**

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Attention: Steven D. Dvorak
Tel: (604)691-6121
Fax: (604) 691-6120
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DATE ON WHICH ORDER WAS PRONOUNCED: May 1, 2015
NAME OF JUDGE WHO MADE THIS ORDER: Justice P.R. Jeffrey
LOCATION WHERE ORDER PRONOUNCED: Calgary, Alberta

UPON THE APPLICATION of Ivanhoe Energy Inc. (the "Company") made pursuant to the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3 ("BIA"), coming on for hearing on May 1, 2015, at Calgary, Alberta, **AND UPON** hearing Steven D. Dvorak, counsel for the Company, Jeffrey Oliver, counsel for Ernst & Young Inc., counsel for Robert Martin Friedland, and David McKinnon, counsel for BNY Trust Company of Canada ("BNY");

AND UPON READING the third affidavit of Blair Vago, sworn April 24, 2015 (the "Vago Affidavit"), the Second Report of Ernst & Young LLP in its capacity as the Proposal Trustee (the "Proposal Trustee"), filed, **AND UPON** being advised that the creditors who are likely to be affected by the Orders granted herein were given notice, **AND UPON** hearing the submissions of the Company's counsel, counsel for the Proposal Trustee, counsel for BNY, and counsel for Robert Martin Friedland, and no one else appearing;

IT IS HEREBY ORDERED AND DECLARED THAT:

1. The time for service of the Application, the Vago Affidavit, and the Second Report of the Proposal Trustee, is hereby abridged and validated so that this Application is properly returnable today and further service thereof is hereby dispensed with.
2. The time within which a proposal must be filed by the Applicant with the Official Receiver, pursuant to section 62(1) of the BIA, be and is hereby extended to 11:59 p.m. Mountain Standard Time on May 31, 2015.
3. This Order and all of its provisions are effective as of 12:01 a.m. Mountain Standard Time on the date of this Order.
4. The requirement that counsel attending this application, other than the Company's counsel, approve the form of this Order, is dispensed with.

Justice of the Court of Queen's Bench of Alberta

APPROVED AS TO FORM AND CONTENT
THIS 1st DAY OF MAY, 2015.

CASSELS, BROCK & BLACKWELL LLP

PER: _____
STEVEN D. DVORAK
Counsel for Ivanhoe Energy Inc.